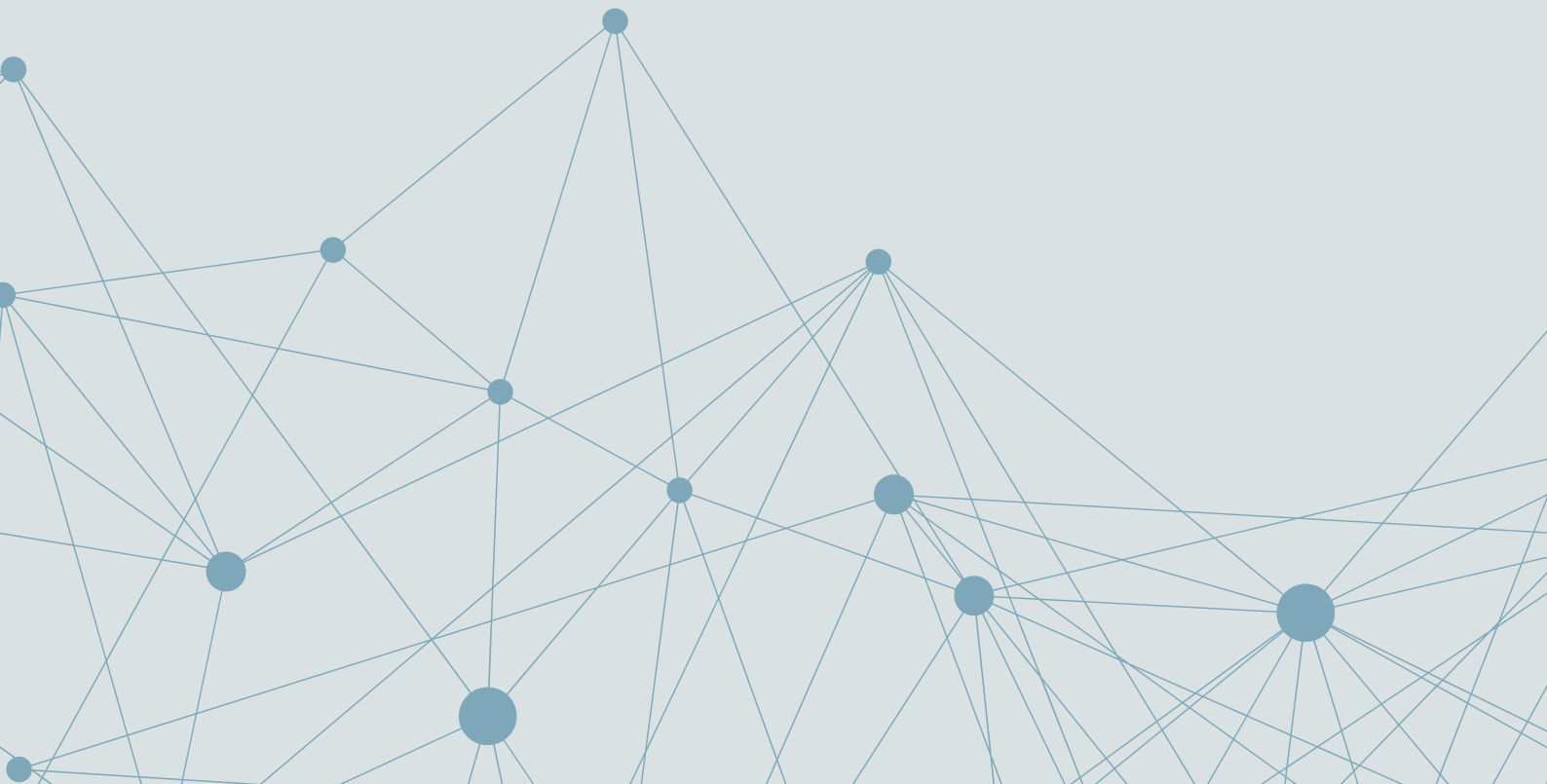


TISE

**The International
Stock Exchange
Group**

Statement of Compliance with the QCA Corporate Governance Code



Chair's Statement

The Board recognises the importance of corporate governance and its contribution to promoting the long-term success of the Company. The Board has adopted the Quoted Companies Alliance Corporate Governance Code which contains ten principles of good corporate governance. Our application of these principles at this current point in time is summarised below.

The Chair is responsible for the leadership and governance of the Board, and for promoting high standards of integrity, probity and governance throughout the Group. The Group's values of being responsible, curious and connected foster a culture of accountability, efficiency and innovation which stimulates sustainable business growth over the longer term. Our culture supports the Group's mission to provide a pragmatic and sensible regulatory regime which appropriately balances the needs and interests of all of our stakeholders.

The Board determines the Group's strategy and commercial objectives, ensuring that our organisation is run effectively for the long-term benefit of our shareholders and other key stakeholders. The Group's growth strategy is based on expanding our existing core business and identifying new revenue opportunities through the diversification of our products, geographies and markets.

The Chair is responsible for setting the Board's agenda and for ensuring that all Directors have the necessary time, information, understanding and support, to contribute their skills and experience to inform Board discussions and shape the Group's strategic direction. The Chair is responsible for ensuring that the views of our shareholders are communicated to the Board as a whole and I am pleased to make myself available to any shareholder wishing to discuss matters.

The Company's governance and reporting arrangements are kept under review and enhancements are made where opportunities to do so are identified. In recognition of the changing needs of our shareholders and stakeholders, we have recently published our Corporate Sustainability Statement providing further information on the Group's proactive approach to sustainability, integrity and good governance (www.tisegroup.com/about/investor-relations). The business is managed in a progressive and responsible manner which we believe will further advance its strong financial performance.

Lastly, I am pleased to report that the Board considers that it has complied with all principles of the Code during the year.



Charlie Geffen

Chair

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

Vision

To be a leading, international exchange group.

Mission

Is to provide a strong, commercial approach to creating a pragmatic and sensible regulatory environment for our chosen markets which appropriately balances the needs and interests of our stakeholders.

Values

Be responsible. For yourself, for your team, for the planet

Be curious. Ask, learn and innovate for good

Be connected. Together we are more

Strategy

The strategy sets the overall priorities for the Group which are subsequently implemented via departmental business plans and, at an individual level, personal objectives. Management ensure that staff are kept updated as to the Group's strategy and progress, so that they too can share ownership of the goals and participate in achieving them through the delivery of departmental business plans and personal objectives.

During 2020, the Board commissioned Accenture to work with management, and the Group's stakeholders, to conduct a review to help inform the Board on the future strategic direction of the business. The research provided some extremely useful insight into how the existing organic growth strategy may be repositioned to maximum effect. The Group seeks to diversify its offering within the listing and trading space by expanding into new listed products, geographies and markets. The Board has endorsed a revised diversification and growth strategy focused on five key pillars:

1. Enhancing the efficiency of our core offering;
2. Growing our share of the bond market;
3. Exploring private capital opportunities;
4. Implementing a new trading system; and
5. Broadening the Exchange's tax and regulatory recognitions to increase geographical diversification.

The Board remains confident in the long-term prospects of the Group and, aligned with our values, aims to deliver the diversification strategy by allying profit with a wider social purpose.

Key challenges and how they will be addressed

The Group's business activities are subject to variety of risks, both specific to its business activities and of a general nature, which may individually or cumulatively, materially and adversely affect its business, operations and financial performance. The Board has identified the following key risks:

Strategic Risks

Changes to the Legislative, Regulatory and Fiscal Environment – The Group operates within a complex and dynamic legislative, regulatory and fiscal environment. Changes to that environment, including in other jurisdictions, could significantly influence the type and volume of new business and could strengthen or erode the Exchange's competitive position. The current uncertainty surrounding the UK's future regulatory environment is both an opportunity and a threat in terms of the Group's strategy. The Group stays abreast of future trends to identify opportunities and is positioned to respond quickly to the changing environment.

Business Concentration Risk – A failure to diversify the business and overreliance on certain revenue streams could risk leaving the Group exposed. A material proportion of issuers continue to report "availing of the Quoted Eurobond Exemption" as their principal reason for listing on the Exchange. HM Treasury in the UK is carrying out a consultation on Asset Holding Companies which could reduce the need for such listings. If legislation were to be enacted that eliminated or substantially reduced the need for a significant number of issuers to avail themselves of the Quoted Eurobond Exemption this could have an adverse impact on the Group. There is currently no clarity on what legislative proposals will emerge or what form such proposals might take, and so no clarity on the impact of the consultation on the business. The Group has identified new revenue opportunities and diversification of its products, geographies and markets, which it is already pursuing as part of the growth strategy. This has included growing the number of high yield and securitisation issuers. By appointing a new Head of Bond Markets based in Dublin the Group has already taken steps to achieve significant potential growth in that area.

Business Model Disruption and Competition – The capital markets landscape continues to evolve, with mainstream exchanges diversifying beyond their traditional business models and smaller exchanges and new entrants looking for niche opportunities. The Exchange's competitors now take a variety of forms and include the private capital markets, alternative financing (such as crowdfunding) and more recent fintech innovations such as digital asset platforms. The Group stays abreast of such developments and actively seeks to identify opportunities for diversification and collaboration.

Business Risks

Reputational Risk – The Group's reputation and regulatory experience are extremely valuable to the business. The reputation of the Exchange may be impacted by poor conduct, decision making or any of the key risks. Events which impact the Exchange's reputation may also impact the reputation of Guernsey more broadly and the other jurisdictions in which the Group operates. Reputational risks are considered by the Board as part of the strategy formulation process. The Authority has in place rigorous processes to risk assess and review all applications for listing and membership at both take on and on an ongoing basis and remains committed to maintaining high standards.

Technology and Information Security Risk – A failure of the Group's technology and systems could impact the delivery or integrity of its services or the security of its data. The Group continues to invest in technology to safeguard its systems and data. The use of technology to enhance client service and improve operational efficiency is integral to the Group's growth strategy.

Coronavirus (COVID-19) – The current and predicted impact of the COVID-19 pandemic on the global economy and capital markets is likely to affect the type and volume of new business. The Group has evolved its working practices to protect the health of staff and enable them to remain focused on providing an uninterrupted, quality service to clients. Where it is appropriate and able to do so, the Group has provided flexibility in order to support current and prospective issuers.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board is committed to ensuring that it communicates with shareholders in a transparent and timely manner through the provision of accessible and high-quality information. The Board releases announcements to the market in accordance with the Listing Rules and uses the annual and interim financial statements, website and media releases to provide further information to current and prospective shareholders.

The Chair is responsible for ensuring that the views and concerns of shareholders are communicated to the Board as a whole. The Board reviews proxy voting reports and, where there is any significant dissent, seeks to engage with the relevant shareholders to understand and resolve any issues. Outside of formal engagements, contact details for the Chair and Chief Executive Officer are included on the Group's website, to enable shareholders to communicate with the Board should they wish to share their views. The Chair of the Company makes himself available to shareholders at all times.

The Annual General Meeting is the Company's primary forum for communicating with shareholders. Notice of the Annual General Meeting is issued at least ten days prior to the meeting and shareholders are encouraged to attend. The Chair and Chief Executive Officer make themselves available for further discussion both prior to and following the meeting. The Chair and, where possible, the other Non-Executive Directors attend the Annual General Meeting and are available to answer questions raised by shareholders. All resolutions are voted on separately and a market announcement is published confirming whether the resolutions proposed have been passed.

Whilst restrictions imposed in response to the COVID-19 pandemic meant that practices for the Annual General Meeting had to be adapted during 2020, the Board was able to engage with shareholders through an online presentation and live Q&A session. In response to requests from shareholders for greater clarity around the basis and calculation of the dividend, the Board published a Dividend Policy Statement in September 2020 detailing its new approach based on an expected payout ratio.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that engaging with our stakeholders and strengthening these relationships is integral to the long-term success of the Group. The Board is updated with feedback from stakeholders to ensure that the issues which matter most to them are considered as part of the decision-making process. Aside from our shareholders (including the States of Guernsey), the Board recognises staff, members, issuers, advisers, regulators, investors and society at large as being the Group's most important stakeholders. The Corporate Sustainability Statement is published on the Group's website and provides further information on the Exchange's important economic role in supporting sustainable growth and providing investors with the information to make informed decisions.

Staff

The Group's long-term success is dependent upon its ability to continue to attract, develop and retain high quality staff. The Group is committed to providing career and development opportunities for all staff and ensuring that they are treated fairly and with respect. 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. The Group values diversity throughout the organisation and seeks to provide all staff with equal opportunities in respect of recruitment, training, promotion and all other aspects of the employment relationship. The Group believes that it maintains good relations with its staff.

TISE Members

The Group benefits from longstanding relationships with a number of TISE's members. The Board receives and solicits feedback from the Exchange's new and established members both directly and, when it is escalated by the Authority's executives, indirectly. Members provide important feedback on service levels and market views about the Group. The Group is grateful to members for contributing their expertise to ensure that the Exchange's rules continued to meet the commercial needs of issuers.

TISE Issuers and Advisers

The Group engages with new and existing issuers and their advisers, in order to stay abreast of market trends and developments and informed about the broader market outlook. Issuers and their advisers provide feedback on the Exchange's service levels relative to its closest competitors; this information is used to inform objective setting for management and ensures that TISE retains its competitive edge.

TISE Investors

Investor protection is at the heart of what the Exchange does. The Group's values complement the regulatory mechanisms which have been implemented to protect investors in our market.

Regulators

Although the Company is not itself directly regulated, the Board recognises that the Group's long-term success relies on it maintaining a good relationship with the Guernsey Financial Services Commission and regulators in other jurisdictions, such as the UK, Jersey and the Isle of Man. The Group has implemented a system of controls to ensure that it complies with applicable legislation, regulation, rules and codes.

Society

As the operator of an exchange business, the Group is an important and high-profile constituent of the financial services infrastructure. Coupled with the investor protection aspects inherent in an exchange business, the activities and performance of the Group are very much in the public interest. The Board is thoughtful about the impact of its actions on the public at large and there is a high degree of awareness of stakeholder responsibilities.

Outside of financial services, the Group's Corporate Social Responsibility (CSR) programme helps to support and engage with the communities in which our staff live and work. Staff nominate a local community project or organisation to partner with and provide support through both fundraising and employee volunteering.

In addition to the 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.

Environment

The Group's 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 lighting systems) aimed at reducing overall consumption at our offices and minimising the negative impact on our environment. Where printed marketing materials are required for events and conferences, the Group elects to Carbon Capture its 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.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Group has implemented an enterprise-wide risk management framework to identify, assess, manage and control its actual and potential risks. The effectiveness of the internal controls is regularly reviewed by management, the Audit Committee, the Risk Committee and the Board.

The Board reviews and approves the Group's overall strategy, business plan and budget, and monitors the performance of the Company and management against the goals and objectives it has set. The Board determines the financial structure of the Company, including the investment of surplus funds and the dividend policy. The Board receives timely and comprehensive reporting to enable the Directors to assess the financial and operational performance of the Group and its key risks throughout the year.

The Audit Committee reviews the Company's financial reports and recommends them to the Board as presenting a fair, balanced and understandable account. The committee reviews the adequacy and effectiveness of the Group's internal controls and risk management practices to identify, assess, manage and control financial risks. The committee oversees the relationship with the external auditor and assesses their performance, resources and independence together with the effectiveness of the audit process.

The Risk Committee reviews the Group's significant risks within the context of the approved strategic objectives and overall risk appetite of the Group. The committee reviews the adequacy and effectiveness of the internal controls and risk management practices to effectively identify, assess, manage and control key business and non-financial risks. The committee reviews the Group's non-financial controls such as regulatory compliance, data protection, business continuity and cyber security.

The Board has overall responsibility for establishing high standards of business conduct and behaviour, risk management and the internal control framework. However, such systems of internal control can only provide reasonable, and not absolute, assurance against material misstatement or loss. The Board considers that the Group's internal controls are appropriate to the size, complexity and risks posed by its activities.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

The Board comprises five independent Non-Executive Directors (including the Chair) and the Chief Executive Officer. The Board is considered to be a suitable size and includes an appropriate combination of skills, experience, independence and other characteristics which promote a diversity of perspectives and ensure that it operates effectively. The Board takes decisions collaboratively and there is collective responsibility for achieving success.

The Board has determined that all Non-Executive are considered to be independent. All Directors are aware of and fulfil their duties and by doing so exercise, both individually and collectively, objective and independent judgement. In arriving at this conclusion, the Board also considers other relevant qualities, such as the Directors' experience, knowledge, professional background, integrity and ethics.

The roles of the Chair and Chief Executive Officer are distinct and separate with a clear division of responsibilities, which are set out in writing. The Chair is responsible for the leadership of the Board and for creating the conditions for overall Board and individual Director effectiveness. The Chair ensures that all Directors actively participate in Board and committee meetings and effectively contribute their skills and experience to inform discussions and shape the Group's strategic direction. The Chief Executive Officer has overall responsibility for leading the development and execution of the Group's strategy, for implementing the decisions of the Board and for managing the day-to-day operations of the Company within the appetite and strategy set by the Board.

The Board and each of the committees receive timely and comprehensive reporting to enable the Directors to assess the financial and operational performance of the Group and its key risks throughout the year. The Board papers include detailed information on business activities and financial performance, including the activities and performance of the Authority.

The Board has eight scheduled meetings each year and supplements this with additional ad hoc calls and meetings as required. Outside of the meeting cycle, the Chair engages with the Directors both collectively and individually to discuss matters of business. The Nominations Committee reviews the time required from Non-Executive Directors and whether they are spending enough time to fulfil their duties.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Board benefits from Directors with specific expertise in financial markets, corporate finance, accountancy, law, marketing, IT and change management. The Board comprises Directors with the collective experience, skills, capability and other characteristics which are required to develop and deliver the Group's strategy for the long-term benefit of our shareholders and other key stakeholders. Biographies for each of the Directors, including their background, experience, skills and time commitment, are included in the Annual Report.

Directors are provided with a comprehensive induction upon appointment and undertake ongoing professional development to ensure that their knowledge remains current and they are up to date with industry trends. Where development needs are identified, either individually or collectively, the Group supports individuals seeking training or additional information to perform their role.

The Board has implemented a rigorous and transparent process to identify candidates for appointment as a Director. Upon the recommendation of the Nominations Committee, the Board makes decisions regarding the appointment and re-election of Directors as well as on their removal.

Although there is no standing requirement for the Directors to offer themselves for re-election at given intervals, the Board has determined that all Directors should be subject to election by shareholders at the first Annual General Meeting following their appointment and to re-election thereafter at intervals of no more than three years. Separate resolutions for the re-election of each of the Directors will be proposed at the 2021 Annual General Meeting.

All Directors have access to the advice and support of the Company Secretary and may seek external advice, at the Company's expense, should they require it. The Nominations and Remuneration Committees are both authorised to engage external consultants to assist them with their work.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The performance of the Board, its Chair and individual members is formally evaluated on an annual basis using a self-assessment questionnaire. The summarised and anonymised results of the evaluation are considered by the Board and, where areas for improvement are identified, remedial actions are agreed. The Board also reviews progress made against the actions agreed during the prior year's evaluation.

The Nominations Committee reviews the results of the Board and committee evaluations as they relate to the following areas:

- composition of the Board;
- commitment required from Non-Executive Directors and whether they are spending enough time to fulfil their duties;
- plans for succession, both Executive and Non-Executive Directors; and
- the re-appointment of any Non-Executive Director under the "retirement by rotation" provisions having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.

The Board's performance evaluations to date have been internally facilitated. This is considered to be the most efficient use of the Company's resources and proportionate to the size of the Board and Group. Nevertheless, the Board is mindful of the benefits of undertaking an externally facilitated evaluation from time to time and will keep this under review.

The Nominations Committee considers succession planning on a regular basis and makes recommendations to the Board. The Board benefits from having Directors with a variety of lengths of service and succession is managed as circumstances arise. The Board seeks to maximise the development of internal talent but recognises that the Group's modest size creates dependencies upon external recruitment processes.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board approves the Group's vision, mission, values and strategy, effectively setting the 'tone from the top'. The Group's values of being responsible, curious and connected foster a culture of accountability, efficiency and innovation which support the Group's vision and mission and promote a corporate culture based on ethical behaviours and conduct. The Chief Executive Officer is a visible advocate of the Group's values and actively encourages all staff to demonstrate the values within their everyday working practices. Supported by the HR department, management ensure that staff are aware of the Group's values and their personal objectives are aligned to these. Furthermore, staff are encouraged to demonstrate their application of the values and they form a key consideration during staff performance reviews.

The Group maintains and regularly reviews its Financial Crime policies (including money laundering; tax evasion; terrorist financing; fraud; bribery and corruption; and market abuse), Health and Safety policy and Whistleblowing arrangements and provides training for staff in these areas.

The Board recognises the importance of building a strong, healthy corporate culture and the benefits which this brings to the organisation. The Board receives regular feedback from staff and other stakeholders which it uses to assess and monitor ethical behaviours and conduct throughout the Group.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board meeting schedule

The Board meets formally at least eight times each year and supplements this with additional ad hoc meetings as required. An agenda plan is produced prior to the start of each year which ensures that all matters of importance to the Company are considered by the Board and appropriate meeting time is allocated to enable proper debate.

Timely and comprehensive papers are circulated prior to each substantive Board and committee meeting. This enables Directors to prepare adequately and give proper consideration to the items. The Board papers include detailed information on business activities and financial performance, including the activities and performance of the Authority. Matters of concern and decisions required are highlighted, and background information provided to facilitate a relevant and robust discussion at the meeting. Any actions arising from such meetings are recorded by the Company Secretary and followed up by the senior management team. The Company Secretary prepares comprehensive minutes which are circulated to the Directors following each meeting and submitted for approval at the next meeting.

Roles of the Board, Chair and Chief Executive Officer

The Board is responsible for directing and supervising the management, business and affairs of the Company and for enhancing long-term shareholder value. The Board has overall responsibility for establishing high standards of business conduct and behaviour, managing risks and ensuring that internal controls are implemented to meet ongoing compliance with applicable legislation, rules and codes.

The roles of the Chair and Chief Executive Officer are distinct and separate with a clear division of responsibilities, which are set out in writing. The Chair is responsible for the leadership of the Board and for creating the conditions for overall Board and individual Director effectiveness. The Chair ensures that all Directors actively participate in Board and committee meetings and effectively contribute their skills and experience to inform discussions and shape the Group's strategic direction. The Chief Executive Officer has overall responsibility for leading the development and execution of the Group's strategy, for implementing the decisions of the Board and for managing the day-to-day operations of the Company within the appetite and strategy set by the Board.

Following the retirement of Jon Moulton at the end of 2020, the roles of Chair of the Board and Chair of the Audit Committee will be held by separate individuals in future.

The Board reviews and approves the Group's overall strategy, business plan and budget, and monitors the performance of the Company and management against the goals and objectives it has set. Comprehensive performance reporting, including variances from plans and forecasts, is provided to the Board on a quarterly basis. Results are reported against budget and the prior year performance, and forecasts for the current financial year are revised from time to time when actual performance makes it appropriate to do so. The directors of the board of the Authority and members of the senior management team attend Board meetings where appropriate to present their papers. Whilst the majority of Board meetings are held in Guernsey, the Board holds one meeting per year in each of the other office locations which provides the Non-Executive Directors with the opportunity to engage more broadly with the business and staff.

The Chief Executive Officer is supported by an established senior management team with significant expertise in their respective fields. The Group's Heads of Departments meet on a regular basis to review operational performance and discuss developments affecting the Group as a whole. Any member of this team may raise matters with the Chief Executive Officer for discussion by the Board.

The Board has determined that, within the overall context of the Group's scale, risk management framework and the work of Compliance, Finance and the external auditor, an internal audit function is not currently required. This will be kept under review as the Group develops.

Roles of the Group Committees

The Board, together with the board of the Authority, has established four Group committees to oversee specific areas and activities: Audit Committee, Nominations Committee, Remuneration Committee and Risk Committee. Each of the committees has terms of reference detailing their roles and responsibilities and these are reviewed by the Board at least annually.

The Board is represented on each of these committees by at least two Non-Executive Directors and the committees provide regular reporting to the Board on their activities. Whilst these committees may provide advice and make recommendations to the Board in respect of any areas within their remit, it remains the responsibility of the Board to agree and approve any action required.

Audit Committee

The committee is chaired by Gill Morris, with Charlie Geffen, Adrienne Muir (Non-Executive Director, Authority) and Anderson Whamond appointed as members. The Chief Executive Officer and Chief Financial Officer have standing invitations to attend committee meetings, and do so, but the committee holds at least one meeting with the auditor and without management present.

The committee meets at least three times per year and monitors the integrity of the financial reporting, reporting to the Board on any significant financial reporting issues or judgements contained therein. The committee reviews the adequacy and effectiveness of the Group's internal controls and risk management practices implemented by management to effectively identify, assess, manage and control financial risks. The committee oversees the relationship with the external auditor and assesses their performance, resources and independence together with the effectiveness of the audit process.

Nominations Committee

The committee is chaired by Anderson Whamond, with Guy Coltman, Charlie Geffen, Rob Trefny (Non-Executive Chair, Authority) and Stuart Turner appointed as members. Where appropriate, the Chief Executive Officer and Head of HR are invited to attend committee meetings and do so.

The committee meets at least twice per year and reviews the structure, size, balance and composition (including the skills, knowledge, experience and diversity) of the Board. The committee makes recommendations to the Board in respect of candidates for appointment as Director and may be assisted in this selection process by external consultants. Where relevant, the committee makes recommendations regarding the appointment of committee members and re-election of Directors, having due regard to their performance and ability to continue to contribute to the Board. The committee monitors the leadership needs of the Group and considers succession planning for the Group's Directors and other senior executives.

Remuneration Committee

The committee is chaired by Guy Coltman, with Charlie Geffen, Rob Trefny, Stuart Turner and Anderson Whamond appointed as members. Where appropriate, the Chief Executive Officer and Head of HR are invited to attend committee meetings and do so.

The committee meets at least twice per year and reviews the remuneration strategy of the Group, including the balance between fixed and performance related, immediate and deferred remuneration, within the context of the Group's strategic objectives and risk appetite. The committee reviews and makes recommendations to the Board on the total compensation package of each of the Group's Directors and senior executives, and may be assisted in this process by external consultants. The committee makes recommendations to the Board in respect of share awards and, where relevant, associated performance conditions.

Risk Committee

The committee is chaired by Stuart Turner, with Guy Coltman, Adrienne Muir and Rob Trefny appointed as members. The Managing Director of the Authority and Head of Market Regulation have standing invitations to attend committee meetings and do so.

The committee meets on an at least quarterly basis and reviews the Group's significant risks within the context of the Group's approved strategic objectives and overall risk appetite. The committee reviews the adequacy of the Group's non-financial controls, such as regulatory compliance, data protection, business continuity and cyber security, and the effectiveness of the Group's risk management strategy. The committee considers the remit, independence and resourcing of the Market Regulation and Compliance departments to ensure that they are able to perform their functions effectively.

Matters Reserved for the Board

There is a formal schedule of matters reserved for the Board which includes items such as:

- Responsibility for the overall leadership of the Company;
- Approval of the Group's strategic aims and objectives, vision, mission and values;
- Approvals of the Group's strategy, business plan and budget;
- Approval of the extension of the Group's activities into new business or geographic areas;
- Approval of major investments including the acquisition or disposal of interests or any decision to cease to operate all or any material part of the Group's business;
- Approval of major changes relating to the Group's corporate or capital structure;
- Approval of any changes to the Company's listing;
- Approval, following recommendations from the Audit Committee, of the Annual Report and Accounts, Interim Report and any other announcements which contain financial statements;
- Approval of the dividend policy and the declaration or recommendation of dividends;
- Approval, following recommendations from the Audit Committee, of any significant changes in accounting policies or practices;

- Ensuring the maintenance of a sound system of internal control and risk management;
- Approval of the Company's and Group's risk appetite statements and oversight of the Group's risk and control process;
- Approval of major capital projects;
- Approval of contracts which are material, strategically or by reason of size, or which are not entered into in the ordinary course of business;
- Ensuring a dialogue with shareholders and other stakeholders occurs based on the mutual understanding of objectives;
- Approval of non-routine resolutions and corresponding documentation to be put forward to shareholders;
- Approval, following recommendations from the Nominations Committee, of the appointment and removal of Board members, selection of the Chair and, where appointed, Senior Independent Director;
- Appointment, reappointment or removal of the external auditor to be put to shareholders for approval following the recommendation of the Audit Committee;
- Determining the remuneration policy for the Directors (and other senior management) to be put to shareholders for approval following the recommendation of the Remuneration Committee; and
- Reviewing the Group's overall corporate governance arrangements.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company's methodology for maintaining a dialogue with shareholders and other relevant stakeholders is set out in principles two and three. The Board is committed to ensuring that it communicates with shareholders and other stakeholders in a transparent and timely manner, and believes that by doing so it demonstrates the importance it places upon the views of all stakeholders.

The Chair and, where possible, the other Non-Executive Directors attend the Annual General Meeting and meet with shareholders upon request. Shareholders are encouraged to attend the Annual General Meeting and to ask questions. Contact details for the Chair and Chief Executive Officer are included on the Group's website and the Chair of the Company makes himself available to shareholders at all times.

Reports from each of the Group committees are included in the Company's Annual Report.



Dublin. Guernsey. Isle of Man. Jersey. London.

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