

TMX GROUP LIMITED

NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS AND MANAGEMENT
INFORMATION CIRCULAR

TUESDAY, MAY 12, 2020



To our shareholders

I'm pleased to introduce TMX Group's 2020 management information circular. It contains insights into how the board oversees the company, including our corporate governance practices and how we compensate our executives, as well as detailed information about this year's nominee directors and their compensation.

Over the past sixteen months, and most severely in early 2020, world markets have been subject to periods of extreme volatility due to prevailing macro economic uncertainty. Currently Covid-19 has meant that the vast majority of employees are working from home. Despite this new way of working, our employees have continued to put clients first and have been dedicated to keeping TMX's critical operations running during this unprecedented time. The primary focus of our senior leadership team and all TMX employees throughout such challenging markets conditions is on delivering responsive and reliable service to our clients and stakeholders across the world.

As we look to the future and as market conditions normalize, TMX's global growth strategy is to build on our balanced and diverse business model by capitalizing on longer-term trends in the marketplace to drive growth while also looking for targeted opportunities to leverage TMX capabilities in new markets.

For more information on TMX Group, including our performance in 2019 and our global growth strategy, please see our 2019 Annual Report, available at TMX.com.

A great deal of the board's current focus is on the leadership transition prompted by the January retirement of CEO Lou Eccleston. The board is currently engaged in an extensive search process to find our next CEO, interviewing both internal and external candidates. In the meantime, we have complete confidence in the ability of John McKenzie, TMX Group's interim CEO, and his strong senior leadership team to guide the company. I look forward to updating you on our progress in the coming months.

Compensation for this year's named executive officers reflects the company's performance and progress in executing the corporate strategy and pay for performance in each of their respective roles, and aligns with shareholder interests. You can read about this in detail starting on page 40.

Out of an abundance of caution and to proactively deal with the impact of the Covid-19 pandemic, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our annual and special meeting in a virtual only format, which will be conducted on May 12, 2020 at 2:00 p.m.

Please remember to vote your shares – your vote is important.

Sincerely,

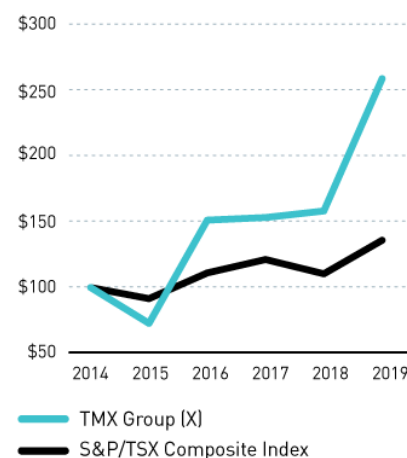


Charles Winograd
Chair, TMX Group Limited

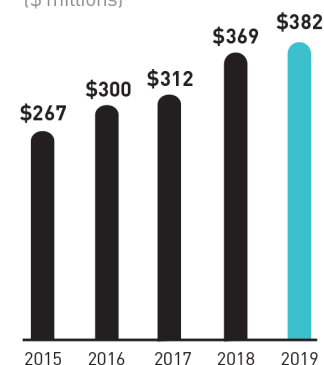


Charles Winograd,
Chair

Total shareholder return (as of December 31)



Income from operations (before acquisition costs and strategic realignment expenses)¹ (\$ millions)



¹ For 2015-2017, income from operations is presented before acquisition costs and strategic alignment costs, as applicable

Notice of our 2020 annual and special meeting

Tuesday, May 12, 2020

2:00 p.m. (Eastern time)

TMX Group

Virtual only meeting via live webcast
online at

<http://web.lumiagm.com/282197727>

What the meeting will cover

receiving our 2019 financial statements

appointing our auditor

electing our directors

voting on amendments to our share option plan

voting on our approach to executive compensation

considering any other business properly brought before the meeting

Your vote is important

You can vote if you owned TMX Group common shares at the close of business on March 16, 2020. The management information circular tells you about the meeting, what you're voting on and how to vote. Please read it carefully, and remember to vote.

The meeting will be held in a virtual only format, which will be conducted via live audio webcast. Registered shareholders and duly appointed proxyholders will be permitted to attend the meeting, ask questions and vote, all in real time, provided they are connected to the internet and have logged in at <http://web.lumiagm.com/282197727>. You have to be connected to the internet at all times to be able to vote – it's your responsibility to make sure you stay connected for the entire meeting.

If you can't attend the meeting, you can vote by proxy. Simply complete, date and sign the enclosed proxy or voting instruction form and mail or fax it to TSX Trust Company or go to www.voteproxyonline.com and enter your 12 digit control number by 10:00 a.m. (Eastern time) on Monday, May 11, 2020.

You can also vote at our virtual meeting – please see page 2 of the management information circular for details. You have to be connected to the internet at all times to be able to vote – it's your responsibility to make sure you stay connected for the entire meeting.

By order of the board,



Cheryl Graden

Senior Vice President,
Group Head of Legal and Business Affairs, Enterprise Risk Management
and Government Relations and Corporate Secretary,
TMX Group Limited

Toronto, Ontario
March 27, 2020

Where to get a copy of the 2020 management information circular

If you're a registered shareholder or you've already given us instructions to send you printed documents, your management information circular is attached to this notice.

If you're a beneficial shareholder, we're making the circular available online instead of by mail according to a set of rules developed by the Canadian Securities Administrators called *notice and access*.

You can download the circular at <https://docs.tsxtrust.com/2009>, on SEDAR (sedar.com), or on our website (tmx.com).

If you prefer to have a paper copy, contact us by April 24, 2020 and we'll send you one free of charge:

call toll-free 1 (888) 873-8392
email TMXshareholder@tmx.com
write Corporate Secretary
TMX Group Limited
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3
fax (416) 947-4727

TSX Trust Company

100 Adelaide Street West, Suite 301
Toronto, Ontario M5H 1S3
Fax (416) 595-9593

An overview of this document

TMX Group operates global markets, and builds digital communities and analytics solutions that facilitate the funding, growth and success of businesses, traders and investors. Our businesses operate cash and derivatives markets and clearinghouses for multiple asset classes including equities and fixed income. Our businesses provide listing and trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community.

The attached management information circular tells you what you need to know to vote at our annual and special meeting of shareholders. This overview highlights some key information about what you'll be voting on, and our governance and compensation practices. Please read the entire document before you vote your shares.

How to vote at our annual and special meeting

See page 86 for details.

Tuesday, May 12, 2020

2:00 p.m. (Eastern time)

You can vote your TMX Group common shares if you owned them at the close of business on March 16, 2020.

TMX Group

Virtual only meeting via live webcast online at
<http://web.lumiagm.com/282197727>

Two ways to vote

- 1 at our virtual meeting
- 2 by proxy, using your proxy or voting instruction form

What you'll be voting on

**The board recommends
you vote FOR these items**

	Where to read about it
appointing our auditor	page 7
electing our directors	page 8
voting on amendments to share option plan	Page 8
voting on our approach to executive compensation	page 10

Questions?

Contact our transfer agent, TSX Trust Company:

tel (416) 361-0930 (Toronto area)
tel 1-866-393-4891 (North America)
fax (416) 595-9593
email tmxinvestorservices@tmx.com

Important Information about TMX Group's virtual annual and special meeting

Out of an abundance of caution and to proactively deal with the impact of the coronavirus (COVID-19) pandemic, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our annual and special meeting in a virtual only format, which will be conducted via live webcast. Shareholders will have an equal opportunity to participate at the meeting online.

Below are some frequently asked questions regarding the virtual meeting format for our annual and special meeting of shareholders.

How can I participate and vote in the annual and special meeting?

1. Log in at <http://web.lumiagm.com/282197727> at least 15 minutes before the meeting starts
2. Click on "I have a control number"
3. Enter your 12-digit control number (on your proxy form)
4. Enter the password: tmx
5. Vote

We encourage to submit your vote in advance by going to www.voteproxyonline.com and enter your 12-digit control number on your proxy, by facsimile to 416-595-9593, or by mail to TSX Trust Company 301-100 Adelaide Street West, Toronto, ON M5H 4H1.

When can I join the annual and special meeting online?

You may begin to log into the meeting platform beginning at 1:45 p.m. Eastern Time on May 12, 2020. The meeting will begin promptly at 2:00 p.m. Eastern Time on May 12, 2020.

How can I ask questions?

While logged in for the meeting you will be able to submit questions online by clicking on the submit questions button. If there are questions pertinent to meeting matters that are unanswered during the annual and special meeting due to time constraints, management will post answers to a representative set of such questions at www.tmx.com/investor-relations/corporate-information/shareholder-events. The questions and answers will be available as soon as practicable after the meeting and will remain available until TMX Group's 2021 management information circular is filed.

What if I misplaced my 12-digit control number?

Please contact TSX Trust Company at TMXInvestorServices@tmx.com by 10:00 a.m. (Eastern time) on May 11, 2020 to get your control number. If you are unable to contact TSX Trust Company we have made arrangements to provide a live audio webcast of the meeting. We will post details on how you may hear the webcast on our website at www.tmx.com and in a media release before the meeting. You will not be able to vote your shares or submit your questions during the meeting.

What if I don't have internet access?

Please call toll free - 1-833- 921-1607 (English) or 1-833-921-1618 (French) to listen to the meeting proceedings. You will not be able to vote or submit your questions during the meeting.

Where can I find additional information?

For additional information about how to vote at the annual and special meeting, please see *How to vote* on page 86.

What if I have additional questions?

Shareholders who would like to communicate with the board should send correspondence to the attention of the chair of the board, TMX Group Limited, 100 Adelaide Street West, Suite 300, Toronto, Ontario M5H 1S3 or by email at TMXshareholder@tmx.com.

Governance at TMX Group

We believe that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of our chosen strategies and our successful business and financial performance.

The board's primary responsibility is to provide governance and stewardship to TMX Group, and to oversee our strategy, business operations and management.

The board is also responsible for board composition and determining director independence.

Our corporate governance practices are aligned with National Instrument 58-101 — *Disclosure of Corporate Governance Practices*, National Policy 58-201 — *Corporate Governance Guidelines*, and recognition orders issued by:

- Ontario Securities Commission
- Québec's Autorité des marchés financiers
- Alberta Securities Commission
- British Columbia Securities Commission.

You can find an overview of our corporate governance practices on our website, www.tmx.com, under the Investor Relations tab.

TMX Group board responsibilities

Ethical culture

Strategic planning

Financial oversight and reporting

Risk oversight

Leadership and succession

Shareholder communications and engagement

About the nominated directors

The board recommends you vote FOR the nominated directors.

Turn to page 12 to learn more.

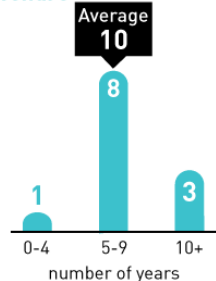
The board nominates directors who understand the complexity of our business and the industry we operate in, and who have the skills and experience to make an effective contribution to the board.

This year the board approved 12 nominees for election to the board. We believe this group has the right mix of skills and experience to guide the strategies and business operations of TMX Group.

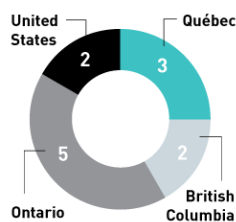
25%
women

63 years
average age

Tenure



Location



83%
independent

96%
2019 attendance

at 39 board and committee meetings

Executive compensation at TMX Group

Executive compensation at TMX Group is carefully designed to link executive pay with our business strategy, company and individual performance and shareholder returns – all within a well-defined risk framework. It balances short-term and longer-term awards to make sure we meet annual objectives while continuing to provide shareholder value over the longer term.

2019 compensation program

The human resources committee oversees compensation, including compensation design, decision-making, risk, policies and programs. The committee did not make any significant design changes to our compensation program this year.

In 2019, our focus continued to be on delivering strong financial results. To support this, our 2019 short-term incentive scorecard included 100% financial measures: 70% tied to income from operations and 30% tied to revenue growth. You can read more about the short-term incentive plan on page 63.

Consistent with our focus on performance, the committee approved modest changes to the long-term incentive pay mix, increasing the relative weighting of performance share units from 30% to 40% to provide stronger alignment with market practice and institutional shareholder preferences. You can read more about the long-term incentive plan on page 65.

2019 compensation decisions

- **Salaries** (page 63) – increased for some executives to recognize new accountabilities and changes in the competitive market.
- **Short-term incentives** (page 64) – as part of the company scorecard, the performance factor result was below target, at 71.2%. Although we delivered strong shareholder returns, we did not achieve the financial targets we set for the scorecard, resulting in bonuses below target for most executives.
- **Long-term incentives** (page 66) – were granted at target, in the form of performance share units, restricted share units and options.
- **Vested 2017 long-term incentive awards** (page 67) – paid out higher than grant values, reflecting the increase in our share price over the past three years, and for performance share units, our relative total shareholder return performance against the S&P/TSX Composite Index.

2019 actual compensation snapshot

	Salary	Short-term incentive	Long-term incentive	2019 compensation	Percent at risk	Compared to target
Lou Eccleston Chief Executive Officer (CEO)	\$990,000	\$1,039,500	\$2,723,000	\$4,752,500	79%	-9%
John McKenzie Chief Financial Officer (CFO)	\$415,000	\$290,500	\$560,250	\$1,265,750	67%	-9%
Jay Rajarathinam President of CDCC and CDS; Chief Technology and Operations Officer	\$430,000	\$376,250	\$537,500	\$1,343,750	68%	-11%
Luc Fortin President and Chief Executive Officer, Montréal Exchange (MX) and Global Head of Trading	\$400,000	\$280,000	\$480,000	\$1,160,000	66%	-9%
Peter Conroy President, Trayport	\$350,000	\$240,000	\$262,500	\$852,500	59%	+8%

Our compensation philosophy

Be competitive

Pay for performance

Align with shareholders

Be well governed

Manage risk

Be easily understood

**2019 vote: 92.50%
FOR our approach to
executive compensation.**

You can read about our executive compensation program and our compensation decisions for 2019 starting on page 40.

2020 Management Information Circular

We've sent you this management information circular because you owned TMX Group shares on March 16, 2020. That gives you the right to vote at our 2020 annual and special meeting of shareholders on May 12, 2020.

Management is encouraging you to vote at the annual and special meeting by soliciting your proxy. We solicit proxies mainly by mail, but employees of TMX Group or TSX Trust Company, our transfer agent, may contact you by phone or in person. We pay the cost of proxy solicitation.

This management information circular tells you about the meeting, what you're voting on and how to vote. Please read it carefully, and remember to vote.

Out of an abundance of caution and to proactively deal with the impact of the coronavirus (COVID-19) pandemic, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our meeting in a virtual only format, which will be conducted via live webcast. Shareholders will have an equal opportunity to participate at the meeting online.

Where to get more information

You can find financial information about TMX Group in our 2019 audited annual financial statements and related management's discussion and analysis. You can learn more about the finance and audit committee and read the committee charter in our 2020 annual information form.

These documents and others are on our website (tmx.com) and on SEDAR (sedar.com).

Approved by the board

The TMX Group board has approved the contents of this document and its distribution to shareholders.



Cheryl Graden

Senior Vice President,
Group Head of Legal and Business Affairs,
Enterprise Risk Management and Government Relations
and Corporate Secretary
TMX Group Limited

Toronto, Ontario
March 27, 2020

In this document

- *we, us, our* and *TMX Group* mean TMX Group Limited
- *you, your* and *shareholders* mean owners of TMX Group common shares
- *shares* means TMX Group common shares
- *circular* means this management information circular
- *meeting* means our 2020 annual and special meeting of shareholders, to be held on Tuesday, May 12, 2020
- *board* means the TMX Group board of directors

Our record date is March 16, 2020.

All information in this circular is as of March 16, 2020 and in Canadian dollars, unless noted otherwise.

Our head office

TMX Group Limited
100 Adelaide Street West, Suite 300
Toronto, Ontario, M5H 1S3

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What the meeting will cover

1 Receive TMX Group's 2019 financial statements

We'll present our financial statements and auditor's report for the year ended December 31, 2019. You'll find a copy of the statements on our website www.tmx.com, on SEDAR and posted on <https://docs.tsxtrust.com/2009>.

2 Appoint the auditor

You'll vote on appointing our independent auditor, KPMG LLP, and authorize the board to set the auditor's pay.

The auditor reports directly to the board's finance and audit committee. The committee is responsible for reviewing and recommending the auditor's compensation to the board, and making sure the auditor carries out its duties effectively and independently. It does this by, among other things:

- regularly reviewing the auditor's terms of engagement, accountability, experience, qualifications and performance
- conducting a comprehensive review of qualifications and performance every five years
- confirming the independence of the auditor at least once a year and pre-approving any non-audit services they provide.

KPMG LLP has been our auditor since 2012. The table below shows the services KPMG provided in 2018 and 2019, and the fees they were paid.

2019 vote: 99.92% FOR appointing KPMG LLP as our auditor.

The board recommends you vote FOR appointing KPMG LLP as our auditor until the next annual meeting

	2018	2019
Audit fees	\$1,190,870	\$1,152,616
• audit of financial statements including interim reviews of quarterly financial statements • other services normally provided by an auditor in connection with statutory and regulatory filings		
Audit-related fees	\$691,442	\$1,133,617
• the audit-related fees for the 2019 fiscal year are for assurance and related services that are reasonably related to the performance of the audit or review of financial statements and are not reported in <i>Audit fees</i> above, including the audit of the TMX Group pension plan, French translation services, reporting on compliance with internal cost allocation model, auditing and reporting on compliance with approved rebate model and reporting on internal controls as required by contract or for business reasons, Variance year-over-year relates to timing of invoices		
Tax fees	-	-
• tax compliance services		
All other fees	\$16,500	\$53,500
• other fees in 2019 primarily related to providing assistance with model risk governance and internal control observations and recommendations and Internal Audit Training		
Total	\$1,898,812	\$2,393,733

3 Elect directors

You'll elect directors to serve on our board until the next annual meeting or until they resign from the board. You can read about the nominated directors starting on page 14.

According to our articles of amalgamation, the board can include from three to 24 directors. This year the board approved 12 nominees for election to the board.

We believe this group has the right mix of skills and experience to guide the strategies and business operations of TMX Group. All of the nominees have agreed to serve on our board.

**The board recommends
you vote FOR the election of each
nominated director**

4 Approve amendments to our share option plan

You'll vote to increase the number of common shares available to be granted under the share option plan (Share Option Plan). The Share Option Plan's purpose is to motivate and reward participants for creating mid-and long-term shareholder value. Employees (and those of our designated subsidiaries) at or above the director-level, and certain employees below the director-level designated by the Chief Executive Officer, are eligible to be granted share options under the Share Option Plan. Details of the current Share Option Plan are on page 69.

**The board recommends
you vote FOR the amendments to
our share option plan**

The last request for additional shares under the Share Option Plan was approved by shareholders at the 2014 Annual and Special Meeting where shareholders increased the Share Option Plan limit to 4,329,282 TMX Group Shares, representing approximately 8% of our outstanding TMX Group Shares at that time and approximately 7.7% as at March 16, 2020. To date, the exercise of options has resulted in the issuance of 2,283,588 TMX Group Shares, leaving a reserve of 2,045,694 TMX Group Shares (or approximately 3.6% of our outstanding TMX Group Shares). Of this reserve, 1,544,231 TMX Group Shares are issuable under outstanding share options (representing approximately 2.7% of our outstanding TMX Group Shares), leaving a reserve of 501,463 TMX Group Shares for future awards.

At this time, the TMX Group board recommends increasing the number of TMX Group Shares currently available and reserved for issuance under the Share Option Plan by an additional 1,901,486 TMX Group Shares, thereby replenishing a portion of the shares reserved under the Share Option Plan. If approved by shareholders at the meeting, the total number of TMX Group Shares reserved for issuance under the share option plan will total 3,947,180 TMX Group Shares, or approximately 7% of outstanding TMX Group Shares. The Committee believes that this increase is reasonable and appropriate for a number of reasons, including the following:

- total dilution resulting from the proposed increase of 1,901,486 TMX Group Shares to be reserved, along with the 501,463 TMX Group Shares remaining in the current reserve, provides for 2,402,949 TMX Group Shares available for future grants under the Share Option Plan, representing approximately 4.3% of outstanding TMX Group Shares;
- together with the 1,544,231 TMX Group shares that are issuable under outstanding awards, total potential dilution (totaling 3,947,180 TMX Group Shares), is approximately 7% of outstanding TMX Group Shares;
- historically, TMX Group has experienced consistently low annual share utilization (burn rates), of approximately 1% of TMX Group Shares outstanding;
- the Share Option Plan amendments align with the prescribed guidelines published by Institutional Shareholder Services Canada; and

- the human resources committee retained Willis Towers Watson to review the proposed increase to the number of TMX Group Shares available to be granted under the Share Option Plan. This review concluded that TMX Group's executive compensation program, including long-term incentive plan design and potential levels of dilution align with prevailing Canadian market practices and governance standards.

In addition, to align with institutional shareholder guidelines we propose to amend the current amendment provision in the Share Option Plan, to codify an existing regulatory requirement that the TMX Group board or the human resources committee may not, without the approval of our shareholders, amend the Share Option Plan to amend, modify or delete any of the amendment provisions described in Section 3.5(b) of the Share Option Plan. The amendment provisions listed in Section 3.5(b) of the Share Option Plan are described on page 70.

The amendments to the Share Option Plan were approved by the TMX Group board on March 9, 2020, subject to shareholder, Toronto Stock Exchange and regulatory approvals.

Votes required to pass the resolution

The resolution approving the amendments described above to the Share Option Plan, must be approved by a simple majority of the votes cast by the shareholders present in person or represented by proxy at the Meeting, failing which the amendments to the Share Option Plan will not be made effective. The persons named in the enclosed proxy intend to vote for approval of the amendments to our Share Option Plan.

The board recommends you vote FOR the following resolution:

BE IT RESOLVED THAT:

- 1. The TMX Group Share Option Plan be, and is hereby amended to:*
 - a. replenish the total number of TMX Group common shares available to be granted under TMX Group's Share Option Plan by an additional 1,901,486 common shares; and*
 - b. add an additional provision whereby TMX Group board or the human resources committee may not, without the approval of TMX Group's shareholders, amend, modify or delete any of the amendment provisions described in Section 3.5(b) of the Share Option Plan.*
- 2. Any director or officer of TMX Group be and is hereby authorized and directed to execute and deliver for and in name of and on behalf of TMX Group, whether under its corporate seal or not, all such other certificates, instruments, agreements, documents and notices and to do all such other acts and things as in such person's opinion as may be necessary or desirable for the purpose of giving effect to this resolution.*

5 Vote on our approach to executive compensation

You'll vote on our approach to executive compensation. Executive compensation at TMX Group is carefully designed to link executive pay with our business strategy, company and individual performance and shareholder returns – all within a well-defined risk framework. It balances short-term and longer-term awards to make sure we meet annual objectives while continuing to provide shareholder value over the longer term.

Your vote is advisory, which means it isn't binding on the board. The board and the human resources committee will take the results of the vote into account when reviewing our approach to executive compensation for future years.

The board recommends you vote FOR the following advisory resolution:

BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the directors, that the TMX Group shareholders accept the approach to executive compensation disclosed in our circular delivered in advance of the 2020 annual and special meeting.

2019 vote: 92.50% FOR our approach to executive compensation.

You can read about our executive compensation program and our compensation decisions for 2019 starting on page 40.

Majority voting

You can vote *for*, or *withhold* your vote, from each nominated director.

According to our director qualification policy, directors who receive more *withheld* votes than *for* votes in an uncontested election have not received the support of shareholders, and must resign.

The governance and regulatory oversight committee will review the resignation and, unless there are exceptional circumstances, recommend that the board accept the resignation. The board will announce its decision about accepting the resignation in a press release within 90 days after the annual meeting. The board will accept the resignation unless there are exceptional circumstances. If the board does not accept the resignation, it will explain why. The director will not participate in these discussions.

The board can appoint another suitable director, or choose not to fill the vacancy until the next annual meeting, as long as it meets the requirements of our recognition orders, and the corporate and securities laws that apply to us.

Shareholder proposals

If you would like to present a shareholder proposal at our 2021 annual and special meeting, we need to receive it by February 1, 2021 to be considered for next year's management information circular.

Send your shareholder proposal to:

Corporate Secretary
TMX Group Limited
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3

Governance

This section of our circular tells you about governance at TMX Group.

We believe that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of our chosen strategies and our successful business and financial performance.

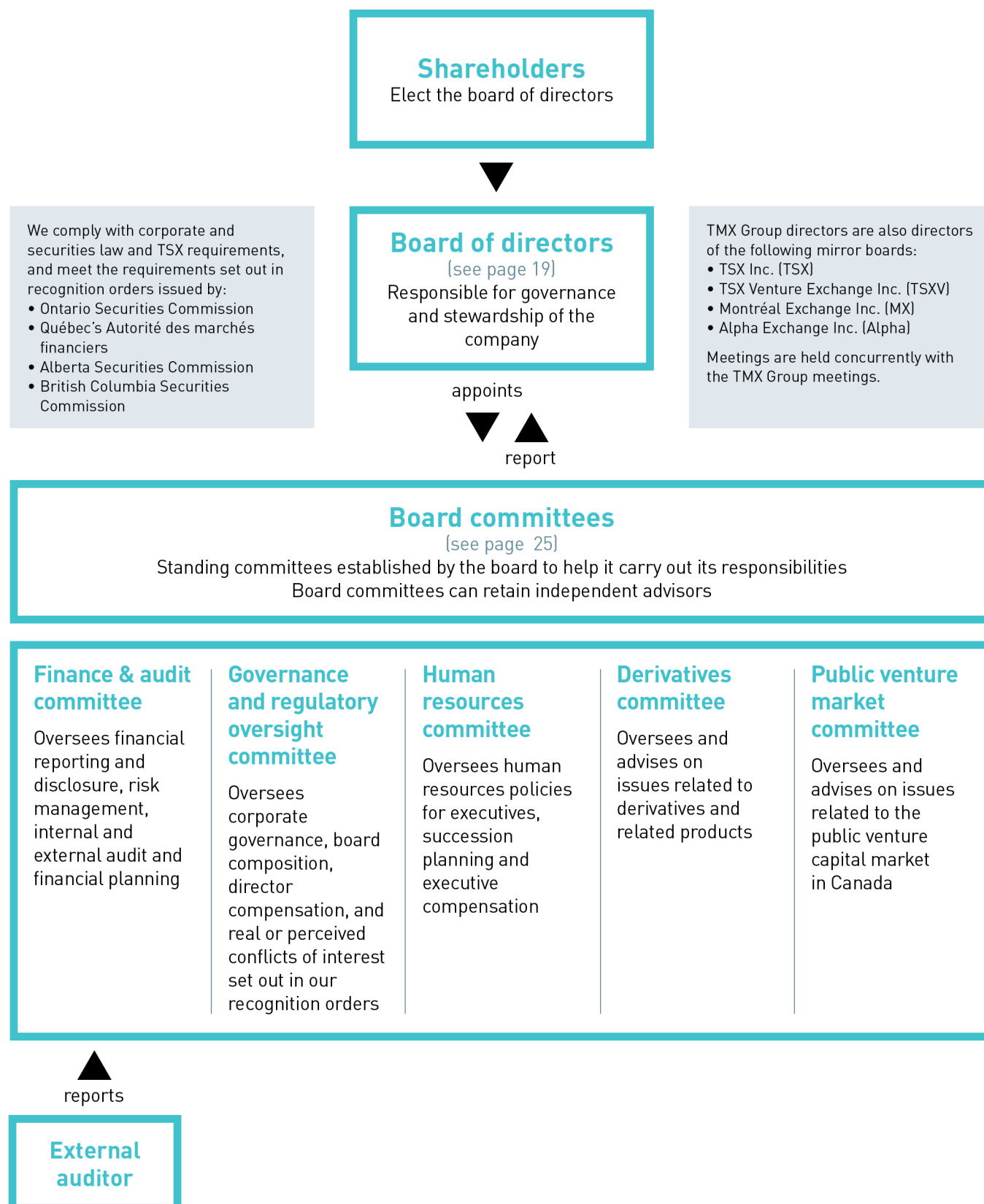
You can find an overview of our corporate governance practices on our website, www.tmx.com, under the Investor Relations tab.

Our corporate governance practices are aligned with National Instrument 58-101 — *Disclosure of Corporate Governance Practices*, National Policy 58-201 — *Corporate Governance Guidelines*, and recognition orders issued by the Ontario Securities Commission, Québec's Autorité des marchés financiers, the Alberta Securities Commission and the British Columbia Securities Commission.

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Our governance structure

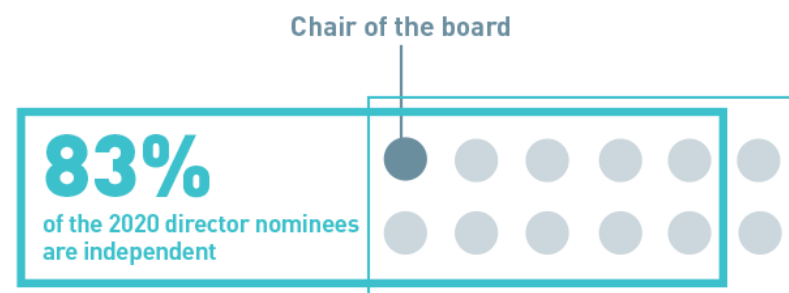
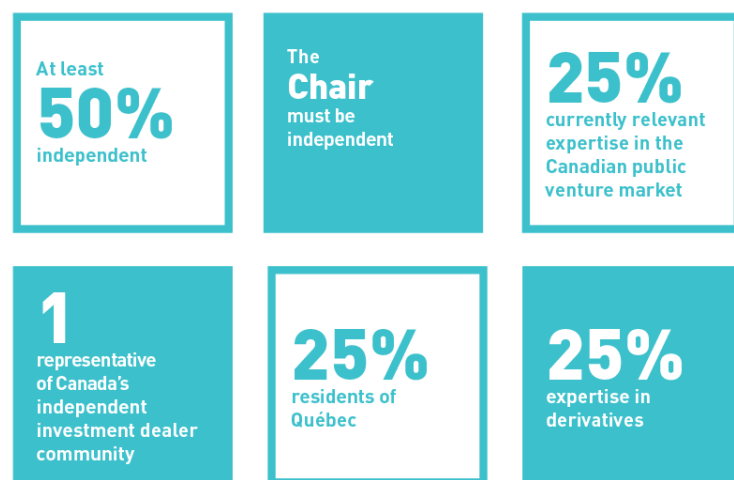


Nominating directors to the board

The TMX Group board needs directors who have a range of skills and qualifications, balanced by gender, age, tenure and geographic location. Directors need to understand the complexity of our business and the industry we operate in, and have the skills and experience to make an effective contribution to the board. The right composition is critical for constructive discussion and effective decision-making. Please turn to page 29 to read more about how we choose directors for the board.

We have to meet many different requirements for board composition stipulated by our recognition orders.

Recognition order requirements:



That means the director is independent within the meaning of:

1. Section 1.4 of National Instrument 52-110 – *Audit Committees*
2. National Policy 58-201 — *Corporate Governance Guidelines*, and
3. Our recognition orders

In addition to the above requirements, a director is not independent if he or she has one of the following relationships with a TSX, TSXV, MX or Alpha market participant:

- is a partner, officer, director or employee of the market participant, or an associate of a partner, officer, director or employee of the market participant
- is a partner, officer, director or employee of a company affiliated with the market participant, and is actively or significantly engaged in the day-to-day operations of the market participant.

Annual nomination process

Governance and regulatory oversight committee

Reviews strategic and business objectives and confirms required skills

Reviews corporate and securities laws and our recognition order requirements

Reviews current directors and identifies any gaps

Reviews new candidates

Submits final list of nominees to the board

Board

Approves the list of nominated directors

Shareholders

Vote on the nominated directors at the annual meeting

Snapshot of the 2020 director nominees

The 12 directors nominated to this year's board have the right mix of skills and experience to guide the strategies and business operations of TMX Group. All of them have agreed to serve on our board.

The board meets our recognition order requirements

83%
independent

75%
expertise in derivatives

25%
residents of Québec

1
representative of Canada's independent investment dealer community

33%
currently relevant expertise in the Canadian public venture market

Chair of the board
Charles Winograd
MBA, BA, CFA
Toronto, Ontario
Director since July 2012
Age 72
2019 vote: 88.68% FOR
2019 attendance: 100%



- ✓ Independent
- ✓ Expertise in derivatives

Country of residence
Canada

Current position

- Senior Managing Partner, Elm Park Capital Management
- President, Winograd Capital Inc.

Previous business experience

- Chairman, President and Chief Executive Officer of RBC Capital Markets (2001-2008)
- President and Chief Operating Officer (1998-2001) and Deputy Chairman and Director (1996-1998) of RBC Dominion Securities
- Chairman and Chief Executive Officer (1991-1995), President and Chief Executive Officer (1987 - 1990) and progressively senior positions (1971-1986) at Richardson Greenshields

Public company boards

Current

- Spin Master Corp. (since July 2015), lead director, audit committee, governance and human resources committee
- RioCan Real Estate Investment Trust (since Feb 2009), nominating and governance and regulatory oversight committee

In the past five years

- Talisman Energy Inc. (April 2009-May 2015), audit committee, governance and regulatory oversight committee

Other boards

- James Richardson and Sons Limited
- KevGroup
- Management Advisor, RP Investment Advisors
- Sinai Health System

Equity ownership at March 16, 2020

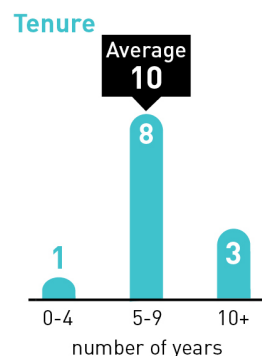
TMX Group DSUs: 38,828
Equity at risk: \$4,118,874

Mr. Winograd meets his equity ownership requirement (see page 38).

Other key metrics

25%
women

63 years
average age



Equity ownership

Includes the value of shares and deferred share units (DSUs) the director beneficially owns or controls (including dividend equivalents):

- shares are valued at \$98.82, the closing price of our common shares on TSX on March 16, 2020
- DSUs are valued at \$106.08, the average closing price of our common shares on TSX for the five trading days before March 16, 2020.

Turn to page 38 for more information.

**The board recommends you
vote FOR each nominated
director.**

Luc Bertrand
BA

Montréal, Québec
Director since
May 2011
Age 65
2019 vote: 87.32% FOR
2019 attendance: 94%



**Nicolas
Darveau-Garneau**
MBA, B.MATH

Los Gatos, California
Director since
September 2018
Age 51
2019 vote: 99.16%
2019 attendance:
100%



Christian Exshaw
**MSc (risk management
and financial
instruments),
MA (finance)**

Toronto, Ontario
Director since
January 2015
Age 53
2019 vote: 95.83% FOR
2019 attendance: 75%



- ✓ Not independent
- ✓ Works for National Bank Group Inc.
- ✓ Resident of Québec
- ✓ Expertise in derivatives

- ✓ Independent

- ✓ Not independent
- ✓ Works for CIBC World Markets Inc.
- ✓ Expertise in derivatives

Country of residence
Canada

Current position
• Vice Chair, National Bank Group Inc.

Previous business experience
• Deputy Chief Executive Officer and director of TMX Group (2008-2009)
• President and Chief Executive Officer of Montréal Exchange Inc. (2000-2009)

Public company boards
Current
• 5N Plus Inc., chairman (since 2016)

Other boards
• BOX Holdings Group LLC
• BOX Market LLC
• CH Group, Club de Hockey Canadian, chairman

Equity ownership at March 16, 2020
TMX Group shares: 590,000
Equity at risk: \$58,303,800

Mr. Bertrand does not have an equity ownership requirement (see page 38).

Country of residence
United States

Current position
• Chief Search Evangelist, Google LLC

Previous business experience
• Other positions at Google included Director, US Search Sales & Strategy (2016-2017), Director, Performance Advertising Sales (2014-2015), Head of Performance Advertising Sales (2012-2013), General Manager, Google Québec (2011-2012)
• Chief Executive Officer and Co-Founder BigDeal.com Inc. (2009-2011)
• Co-Founder, Liquor.com (2008 – present)
• Founder and Principal, NDG Ventures (2003-2009)
• Senior Equity Analyst, Sanford C. Bernstein (2001-2003)

Public company boards
Current
• Industrial Alliance Insurance and Financial Services Inc. (since 2018)

Other boards
• Liquor.com

Equity ownership at March 16, 2020
TMX Group DSUs: 1,668
Equity at risk: \$176,941

Mr. Darveau-Garneau has until September 2022 to meet his equity ownership requirement (see page 38).

Country of residence
Canada

Current position
Managing Director, Head Global Markets and Innovation, CIBC World Markets Inc.

Previous business experience
• Other positions at CIBC included Managing Director and Head of Capital Markets Trading, Wholesale Banking (2011-2015), Managing Director, Head Global Derivatives and Distribution (2010-2011) and Managing Director, Head Distribution (2008-2010)
• Managing Director, Foreign Exchange, Local Currencies & Structuring of Merrill Lynch (2007-2008)
• Managing Director, FX, Local Markets & Commodity Sales of Dresdner Kleinwort Wasserstein (1999-2006)

Other boards
• Children's Aid Foundation

Equity ownership at March 16, 2020
Mr. Exshaw does not have an equity ownership requirement (see page 38).

Marie Giguère
BA, BCL

Montréal, Québec
Director since
May 2011
Age 68
2019 vote: 99.48% FOR
2019 attendance: 100%



Martine Irman
BA, ICD.D, Advanced
Management Program

Toronto, Ontario
Director since
November 2014
Age 55
2019 vote: 99.35% FOR
2019 attendance: 100%



Harry Jaako
B.Eng.

Whistler, British
Columbia
Director since
July 2012
Age 67
2019 vote: 99.82% FOR
2019 attendance: 100%



- ✓ Independent
- ✓ Resident of Québec
- ✓ Expertise in derivatives

- ✓ Independent
- ✓ Expertise in derivatives

- ✓ Independent
- ✓ Expertise in the Canadian public
venture market

Country of residence
Canada

Current position

- Corporate Director

Previous business experience

- Executive Vice-President, Legal Affairs and Secretariat of Caisse de dépôt et placement du Québec (2010-2016)
- Vice President Legal Affairs and Corporate Secretary of Otéra Capital (2008-2010)
- Consultant at Caisse de dépôt et placement du Québec (2005-2008)
- Senior Vice-President, Chief Legal Officer and Secretary of Molson Inc. (1999-2005)
- Senior Vice-President, Corporate Affairs and General Secretary of Montréal Exchange Inc. (1997-1999)
- Partner at Fasken Martineau LLP

Public company boards

Current

- Boralex Inc. (since 2017)

Other boards

- Accounting Standards Oversight Council (AcSoc)
- Aligo Innovation
- REM commandité Inc.
- CH Group, Club de Hockey Canadian
- Fairstone

Equity ownership at March 16, 2020

TMX Group shares: 2,000
TMX Group DSUs: 5,260
Equity at risk: \$755,621

Ms. Giguère meets her equity ownership requirement (see page 38).

Country of residence
Canada

Current position

- Corporate Director

Previous business experience

- Vice Chair, TD Securities (2000-2019)
- Senior Vice President, TD Bank Group (2000-2019)
- various positions in international treasury, capital markets and securities of TD Bank Group (1989-1999)
- co-founder and member of Women Gaining Ground, United Way Toronto

Other boards

- YMCA of Greater Toronto, chair
- Export Development Canada, chair

Equity ownership at March 16, 2020

TMX Group DSUs: 557
Equity at risk: \$59,087

Ms. Irman has until November 2023 to meet her equity ownership requirement (see page 38).

Country of residence
Canada

Current position

- Executive Officer, Director and Principal, Discovery Capital Management Corp.
- President and Director, British Columbia Discovery Fund Inc.

Previous business experience

- Chairman, Co-Chief Executive Officer and Principal of Discovery Capital Corporation

Public company boards

In the past five years

- Avigilon Corporation (2008-2015), audit committee, compensation and corporate governance and regulatory oversight committee
- Vigil Health Solutions Inc. (2003-2017), audit committee, corporate governance and compensation committee

Other boards

- Navarik Corp.

Equity ownership at March 16, 2020

TMX Group DSUs: 38,355
Equity at risk: \$4,068,698

Mr. Jaako meets his equity ownership requirement (see page 38).

William Linton
FCPA, FCA, CA, B.Com

Toronto, Ontario
Director since
July 2012
Age 65
2019 vote: 99.47% FOR
2019 attendance: 100%



Jean Martel
BLL, BCL

Montréal, Québec
Director since
July 2012
Age 67
2019 vote: 99.83% FOR
2019 attendance: 100%



Gerri Sinclair
PhD, BA

Vancouver, British
Columbia
Director since
July 2012
Age 72
2019 vote: 99.46% FOR
2019 attendance: 100%



✓ Independent

✓ Independent
✓ Resident of Québec
✓ Expertise in derivatives
✓ Expertise in the Canadian
public venture market

✓ Independent
✓ Expertise in derivatives
✓ Expertise in the Canadian public
venture market

Country of residence
Canada

Current position
• Corporate Director

Previous business experience
• Executive Vice President Finance and
Chief Financial Officer of Rogers
Communications (2005-2012)
• President and Chief Executive Officer of
Call-Net Enterprises Inc. (2000-2005)
• Chair and Chief Executive Officer of Prior
Data Sciences Inc. (1998-2000)
• Executive Vice President and Chief
Financial Officer of SHL Systemhouse Inc.
(1994-1997)
• Increasingly senior management roles at
Rogers Communications (1978-1994),
including Vice President, Finance and CFO
of a subsidiary (1991-1994)

Public company boards
Current
• Empire Company Limited (since 2015)
human resources committee (chair),
corporate governance and nominating
committee

Other boards
• CSL Group Inc.

Equity ownership at March 16, 2020
TMX Group DSUs: 14,671
Equity at risk: \$1,556,300

Mr. Linton meets his equity ownership
requirement (see page 38).

Country of residence
Canada

Current position
• President and CEO, Martelligence Inc.
• Counsel – Financial sector and labour
sponsored funds, Morency LLP
• Corporate Director

Previous business experience
• Partner, Lavery, de Billy LLP (1999-2018)
• Chairman and President of Commission
des valeurs mobilières du Québec (1995-
1999)
• Assistant Deputy Minister of Finance,
Québec (1988-1994)

Public company boards
In the past five years
• Oceanic Iron Ore Corp. (2012-2017) audit
committee, human resources committee,
nomination and governance and regulatory
oversight committee

Other boards
• Québec Bar, Chair, Independent Review
Committee of the Investments Funds
• International Organization of Securities
Regulators (1995-1999), vice chair of the
executive committee, technical committee
• Business Development Bank of Canada

Equity ownership at March 16, 2020
TMX Group shares: 166
TMX Group DSUs: 47,468
Equity at risk: \$5,051,810

Mr. Martel meets his equity ownership
requirement (see page 38).

Country of residence
Canada

Current position
• Managing Partner, Kensington Capital
Partners since October 2016
• Corporate Director and Strategic
Consultant to government and industry,
specializing in telecommunications and
emerging technologies

Previous business experience
• Executive Director of Centre for Digital
Media at Great Northern Way Campus
(2006-2010)
• General Manager of MSN.ca (2002-2004)
• President of B.C. Premier's Technology
Council (2002-2004)
• Founder and Chief Executive Officer of
NCompass Labs (1996-2001)

Public company boards
Current
• Hut8 Mining Corp. (since February 2018)

Other boards
• Vancouver Airport Authority

Equity ownership at March 16, 2020
TMX Group DSUs: 51,000
Equity at risk: \$5,410,080

Ms. Sinclair meets her equity ownership
requirement (see page 38).

Kevin Sullivan
LLB, BA

Toronto, Ontario
Director since
July 2012
Age 60
2019 vote: 95.84% FOR
2019 attendance: 94%



Eric Wetlaufer
CFA, BA, ICD.D

Newton Highlands,
Massachusetts
Director since
July 2012
Age 57
2019 vote: 99.83% FOR
2019 attendance: 100%



- ✓ Independent
- ✓ Representative of Canada's independent investment dealer community
- ✓ Expertise in derivatives
- ✓ Expertise in the Canadian public venture market

- ✓ Independent
- ✓ Expertise in derivatives

Country of residence

Canada

Current position

- President, KMS Capital Ltd.
- Corporate Director

Previous business experience

- Deputy Chairman, GMP Capital Inc. (2010–2019)
- Chief Executive Officer (1999–2010) and President (1996–1999) of Griffiths McBurney & Partners, joined as Partner in 1995

Public company boards

In the past five years

- GMP Capital Inc. (1993–2019)

Other boards

- Next 36, advisory board
- Golf Canada Foundation
- Ontario Securities Commission, Industry Advisory Group

Equity ownership at March 16, 2020

TMX Group DSUs: 13,426
Equity at risk: \$1,424,230

Mr. Sullivan meets his equity ownership requirement (see page 38).

Country of residence

United States

Current position

- Corporate Director

Previous business experience

- Senior Managing Director & Global Head of Public Market Investments, Canada Pension Plan Investment Board (2011–2018)
- Group Chief Investment Officer, International of Fidelity Management & Research (2005–2010)
- Co-Founder and Partner of Oxhead Capital Management
- Chief Investment Officer of U.S. Mid Cap and Specialty Growth, Putnam Investments
- Managing Director of Cadence Capital Management

Public company boards

Current

- Niyogin Fintech (since February 2019)

Other boards

- The Soulpepper Theatre Company

Equity ownership at March 16, 2020

TMX Group DSUs: 3,258
Equity at risk: \$345,609

Mr. Wetlaufer meets his equity ownership requirement (see page 38).

Other disclosure about our directors

Mr. Jaako served as a director of Paradigm Environmental Technologies Inc. (Paradigm) from June 2005 to September 2013, and as Chairman from November 2007 to September 2013. In June 2014, Wolrige Mahon Limited was appointed as the receiver of Paradigm's assets pursuant to an order of the Supreme Court of British Columbia under the Bankruptcy and Insolvency Act (Canada).

About the TMX Group board

The board's primary responsibility is to provide governance and stewardship to TMX Group and to oversee our strategy, business operations and management.

Its responsibilities fall into six categories:

1. Ethical culture
2. Strategic planning
3. Financial oversight and reporting
4. Risk oversight
5. Leadership and succession
6. Shareholder communication and engagement

The board has established five standing committees to help it carry out these responsibilities. The board approves the committee charters and the limits of authority it delegates to each committee. See page 25 for information about the committees and their priorities in 2019.

In December 2019 the board constituted a Special Committee to deal with the historical allegations against Lou Eccleston that were raised in a media article in late November 2019, and launched an investigation led by an independent investigator, Janice Rubin. In January 2020, the board confirmed that the independent investigator found no evidence that Mr. Eccleston engaged in sexual harassment or sexual misconduct while employed at TMX Group and on Mr. Eccleston's retirement, concluded this investigation. Following the conclusion of the investigation the board engaged Janice Rubin as a consultant to meet with employees who raised issues related to TMX Group's work environment, which were outside of the investigation's original scope. The board invited any employees wishing to share information and insights on improvements to fostering a more collegial work environment and to further the board's commitment to the TMX Respectful Workplace Policy, to contact Ms. Rubin.

The CEO Search Committee was constituted following the announcement in January 2020 of Lou Eccleston's retirement as CEO of TMX Group. The committee's mandate is to identify a qualified candidate for appointment as CEO of TMX Group and to recommend that person to the board for appointment.

The CEO is appointed by and is directly accountable to the board.

The board is also responsible for establishing practices that allow the board to function independently of management and non-independent directors. See page 31 for more information about board independence.

Non-management directors meet without management present at every board and committee meeting. From time to time, the directors who are not independent will be recused from meetings to allow for independent discussion about transactions and agreements those directors may have a material interest in.

About the chair

The chair of the board must be independent. The chair leads the board and works with the CEO to make sure the company fulfills its responsibilities to stakeholders, including meeting its mandate to operate in the public interest.

Charters and position descriptions

The board has written position descriptions for the chair of the TMX Group board, the CEO, and the chair of each board committee.

These are set out in the board and committee charters: the TMX Group board charter is on page 82, and the charter for each committee is on our website (tmx.com).

The board and its committees review their respective charters at least once a year.

How to get in touch with the board of TMX Group

You can reach the board by sending an email to TMXshareholder@tmx.com

1. Ethical culture

The board actively promotes a culture of integrity with the goal of advancing high standards of ethical conduct. In this rapidly changing environment, the board is continuously looking for ways to improve our culture and work environment.

We expect all directors, officers and employees to behave in a way that's fair, honest, responsible and consistent with our core values of excellence, client focus, innovation, collaboration, respect and integrity.

Board and management set the tone at the top

Our recognition orders require us to take reasonable steps to make sure that every director and officer will perform their duties with integrity and in a manner that is consistent with TMX Group's public interest responsibilities. The board assesses the integrity of every director and officer and their ability to create a culture of integrity at TMX Group. As part of this process, every director and officer completes a personal information form and consents to searches being conducted so his or her personal information can be verified by TSX.

Codes of conduct

We have two codes of conduct, which you can find on our website (tmx.com) and on SEDAR (sedar.com). Compliance is mandatory and all directors, officers and employees have a responsibility to report violations of the codes. Violations can result in disciplinary action, including dismissal.

Everyone signs an acknowledgement every year that they have read, understood and complied with the code of conduct. Employees must also pass a test before they sign.

Board code of conduct	Emphasizes the importance of ethics in the promotion of a climate of honesty, truthfulness and integrity. Covers the obligations of a director, confidentiality and conflicts of interest, among other things.
Employee code of conduct	Emphasizes the importance of doing business ethically. Applies to all TMX Group officers and employees and officers and employees of our subsidiaries, and covers confidentiality, conflicts of interest, supplier and client relationships and technology, among other things.

Monitoring compliance

The board oversees compliance with the codes through three of its committees:

Board	• approves board and employee codes of conduct
Governance and regulatory oversight committee	• monitors director and officer compliance with the board code of conduct and the employee code of conduct, reviews violations and makes recommendations to the board for any disciplinary action • considers and grants any waivers from compliance with the board code of conduct and the employee code of conduct • reviews the board code of conduct annually • oversees conflict of interest policies and procedures related to our recognition orders • oversees reports of ethical breaches received through the whistleblower hotline or other means related to our recognition orders
Human resources committee	• oversees compliance of employee code of conduct • reviews the employee code of conduct annually
Finance and audit committee	• oversees any complaints about accounting, internal controls or auditing matters

How we create an ethical culture

Board and management set the tone at the top

Codes of conduct set high standards:

- board code of conduct
- employee code of conduct

Board committees monitor compliance

Reports of violations are responded to impartially and without retaliation

Reporting violations

Directors who are aware of a breach of the board code of conduct must immediately notify the assistant corporate secretary who will inform the appropriate committee of the board within two days of receiving the report.

Employees may report violations of the employee code of conduct to their manager, the CEO or a member of his senior management team, the senior vice president, group head of human resources, the senior vice president, group head of legal and business affairs, enterprise risk management and government relations and corporate secretary, the chief internal auditor, the chair of the finance and audit committee or, if they prefer to remain anonymous, through our confidential third-party whistleblower service. All reports are investigated promptly, confidentially and impartially. The governance and regulatory oversight committee has not waived any aspect of the board code of conduct or the employee code of conduct and no material change reports related to the conduct of any director or executive officer have been filed (generally required for behaviour that represents a material departure from the board or employee code of conduct).

2. Strategic planning

The board oversees the development and execution of our strategic plan.

Management, led by the CEO, prepares the corporate strategic plan and detailed operational plans every year, and presents them to the board at a dedicated strategic planning session. The board reviews and approves the plans, making sure they are consistent with the corporate vision and take into account the long-term and short-term opportunities and risks of the business.

2019 priorities

In 2019, the board focused on accelerating our transformation:

- growing recurring revenue
- expanding our global footprint.

Throughout the year, the board oversees the implementation and effectiveness of the plans within the context of our risk appetite, by comparing our results to the targets set out in the plans and in annual performance objectives.

3. Financial oversight and reporting

The board provides financial oversight to ensure that the company uses its resources wisely and reports adequate, accurate, timely, balanced and fair financial information to shareholders.

The board is responsible for:

- approving annual operating and capital budgets
- reviewing operating and financial results against approved strategy, budgets and objectives
- confirming the integrity of the system of internal controls, which include internal control over financial reporting and disclosure controls and procedures
- reviewing and overseeing our compliance with audit, accounting and financial reporting requirements
- approving our financial statements and accompanying MD&A and earnings press releases.

The finance and audit committee carries out certain of these activities on behalf of the board, working with our external auditor as appropriate. You can read about the finance and audit committee's activities in 2019 on page 25.

4. Risk oversight

The board oversees risk management by:

- making sure we have policies, processes and systems in place to identify and manage key enterprise risks and objective certainty
- approving our enterprise risk management policy
- approving our risk appetite statement.

The finance and audit committee assesses risk management policies and processes. It oversees the strategy and risk management committee, which is comprised of the CEO and key members of the senior leadership team and is responsible for implementing and monitoring the enterprise risk management program. The enterprise chief risk officer, who heads the enterprise risk management group, has a reporting line to the chair of the finance and audit committee. The enterprise chief risk officer is a member of the strategy and risk committee, reports regularly to the finance and audit committee and meets with the committee at least annually for a detailed discussion.

A culture of risk management

TMX Group recognizes that risk management is integral to its business, operations and financial performance. Our approach to risk management addresses opportunities, uncertainties and threats to the successful achievement of our objectives rather than managing our risks in isolation. This approach does not change the risks faced by our organization. Instead, it ties the risk management process to our objectives which ensures the integration of the enterprise's objectives, risks, risk treatments, and performance and the proper allocation of resources across the enterprise.

Risk management is embedded into the organization in three ways:

Culture – The board, together with the CEO and senior management, has established an enterprise-wide ethical culture that values the importance of effective risk management in day to day business activities and decision-making, and encourages frank and open communication.

Accountability – Risk management is integrated into policies and internal processes. Responsibilities and levels of authority for risk-taking are clearly defined. Business units and corporate functions own TMX's strategic and operational objectives, and therefore risks, assumed in their activities and are accountable for the effective management of those risks, supported by the risk management and internal audit groups.

Process – TMX's enterprise risk management system provides a framework to identify, assess, measure, manage, monitor and report on material risks that may impact TMX strategic and operational objectives. It ensures that objectives and risks across the organization:

- are transparent and well understood
- are consistent with the company's risk appetite
- appropriately balance risk and reward
- serve as inputs into the enterprise strategy formulation process

Our enterprise risk management process, which is reassessed regularly, includes disaster recovery and business continuity for critical functions and systems, to protect personnel and resources and allow us to continue critical business functions if a disaster occurs.

Please see our 2020 MD&A for a more detailed discussion of our key risks and risk management processes.

The board's annual risk review

Reviewing management's assessment of risks and objective certainty of top strategic and operational objectives enabling a view of key enterprise risks

Discuss new and emerging risks

Develop strategies to manage, monitor, report on and mitigate each identified risk

5. Leadership and succession

The human resources committee of the board oversees human resources policies and programs and is actively engaged in succession planning and executive compensation.

The board appoints the CEO and approves the appointment of other senior executives. It also approves the CEO's objectives and performance targets and CEO compensation.

Succession planning

Succession planning is an important focus for management and the board. The human resources committee reviews, approves and reports to the board on the succession plans for the CEO and other executives, including the named executives, to support the attraction, identification, development and retention of a diverse and talented workforce.

To understand TMX Group's various talent segments, we use a disciplined talent review process, led by the human resources team, to assess all executives, directors and high potential employees. We use a nine-box grid to plot employees on their potential and performance.

We also develop succession plans for every executive and director level role as well as other key roles. The outcome of the talent review is used to determine potential successors in four time segments: Ready Now, Ready in 1-3 years and Ready in 3-5 years.

The human resources team presents its findings to the board's human resources committee, which approves and reports to the board on the succession plans for executive roles. The CEO presents his view on CEO successors to the committee but final approval of CEO succession rests with the full board.

Over the course of 2019, talent assessments and succession plans were reviewed and where required, approved by the human resources committee.

In March 2019, Mr. Eccleston's employment arrangement was amended to include, among other things, a fixed term to December 31, 2020, subject to both parties option to mutually extend. As a result, the board was engaged in regular discussions regarding CEO succession in 2019 in anticipation of this contract expiry.

With the retirement of Mr. Eccleston on January 10, 2020, the board has actively engaged in a search process that considers both internal and external candidates.

Following the CEO's retirement, we announced the appointment of John McKenzie as Interim CEO, effective January 10, 2020. Mr. McKenzie has been with TMX Group for over 19 years, and assumed the responsibilities of interim CEO in addition to his current role as Chief Financial Officer.

Diversity

TMX Group leaders are responsible for creating a culture of inclusiveness. We strive for our leadership demographic profile to reflect that of our industry as a whole, and we actively seek to recruit, promote and retain women, members of visible minorities and people with disabilities.

In 2015 we adopted a *Diversity and the advancement of women* policy, which formalized practices we had followed for several years. The policy also established gender diversity targets.

How we develop future leaders

Proactively assess talent and define succession gaps

Identify employees with leadership potential and challenge them

Review individual development needs and career objectives

Coach and enable talent to help them achieve their full potential

Like others in our industry, we have been actively working to increase the number of women in leadership positions. To help us achieve our goals, we have:

- established targets, and we track the number of women in leadership roles
- engaged with new search firms
- added the development of women into our succession planning process
- changed or created roles to accommodate the development of female leaders
- ensured that we consider a slate of candidates that includes a representative proportion of women when we fill executive positions.

As a result of these focused activities, we are pleased to report that we have met our established targets, with 33% of executive roles held by women.

Positions held by women¹

	March 2020	Formal target
Senior executives	2 of 7 29%	33% of executives by 2020
Executives	12 of 35 34%	
Senior managers	28 of 99 28%	
All other employees	428 of 1,136 38%	

¹ Statistics based on available data

We also recognize the importance of promoting a broader lens on diversity beyond gender. In 2020, we have committed to implementing tools to encourage employees to self-identify across several diversity measures, and will use that information to develop additional strategies and action plans to promote a diverse and inclusive culture.

6. Shareholder communication and engagement

The board oversees shareholder communication and engagement.

Activities include:

- establishing the processes that management uses to make sure public disclosure is consistent, transparent, accurate, fair, balanced, regular and timely
- holding an annual 'say on pay' advisory vote to get feedback on executive compensation
- making sure the company has a mechanism to receive other feedback from shareholders.

We have a disclosure policy that sets out disclosure practices, names authorized spokespeople and helps ensure confidentiality. A disclosure committee made up of management and employees ensures we comply with the disclosure policy and applicable regulations, evaluates whether information is material and reviews disclosure documents before final approval by the board (as necessary).

TMX Group executives host conference calls with investors and analysts every quarter after announcing our financial results. These calls are broadcast live, and we make audio archives available by telephone or webcast for several months. Our investor relations staff provides information to current and potential investors, responds to inquiries and tracks any feedback received. We encourage all shareholders to attend our annual and special meeting to hear updates and interact with management and board members.

Shareholders who would like to communicate with the board should send correspondence to the attention of the chair of the board, TMX Group Limited, 100 Adelaide Street West, Suite 300, Toronto, Ontario M5H 1S3 or by email at TMXshareholder@tmx.com.

2019 engagement

In 2019, we met with investors at nine investment or industry conferences and attended many other investor meetings.

We post our investor brochure from these events on our website, along with other disclosure documents.

Board committees

The board has established five standing committees to help it carry out its responsibilities. Every director is invited to meetings of committees they don't sit on.

Finance and audit committee

Chair

William Linton

Members

Harry Jaako
Martine Irman
Eric Wetlaufer
Charles Winograd

2019 meetings

5

100% attendance

100% independent

(according to National Instrument 52-110 – *Audit Committees* and our recognition orders)

100% financially literate

(as defined by the board, but at a minimum means that the director can read and understand a set of financial statements that are comparable in scope and complexity to our financial statements, which is consistent with the meaning set out in National Instrument 52-110 – *Audit Committees*)

Oversees

- Financial reporting and disclosure
- Internal controls and whistleblower complaints
- External audit
- Internal audit and assurance
- Risk management
- Financial planning, investment opportunities, treasury activities and capital plan
- Pension plans

Recent areas of focus

- Recommended the annual and interim financial statements and related management's discussion and analysis and media releases to the board for approval
- Reviewed significant judgments relating to:
 - purchase of VisoTech
 - private placement of senior unsecured debentures
 - fair value of financial instruments
 - goodwill impairment
 - adoption of new accounting standards (IFRS 16 - Leases)
 - TMX Group internal cost allocation model and transfer pricing
 - financial system replacement
- Reviewed business plan, capital plan and internal reorganizations
- Reviewed disclosure controls and procedures and internal control over financial reporting
- Reviewed and monitored the project related to the modernized clearing platform
- Reviewed and approved the annual internal audit plan and monitored its execution
- Reviewed enterprise risk management activities and findings
- Reviewed independence and performance of our external auditor and approved the audit plan
- Reviewed updates on cyber security

Governance and regulatory oversight committee

Chair

Marie Giguère

Members

William Linton
Jean Martel
Gerri Sinclair
Charles Winograd

2019 meetings

4

95% attendance

100% independent

(according to
National Policy 58-201 – *Corporate Governance Guidelines* and our
recognition orders)

Oversees

- Board stewardship
- Board size and composition
- Director selection and orientation
- Board compensation
- Director independence
- Real and perceived conflicts of interest in three areas:
 - ownership interests by marketplace participants with a representative on the board
 - increased concentration of ownership in the exchange
 - profit-making objectives and public interest responsibilities.

Maintains appropriate conflict of interest policies and procedures, including overseeing reports of breaches or possible breaches of a recognition order through the TMX Group whistleblower hotline or other means of reporting.

Recent areas of focus

- Reviewed the board and each committee charter and recommended amendments to certain charters
- Completed the evaluation and assessment of the chair of the board, the board, its committees and each director
- Recommended the nominees to stand for election at the annual and special meeting of shareholders
- Approved the Statement of Corporate Governance Practices
- Recommended the composition of the board's committees
- Received regular updates on key governance and regulatory developments
- Reviewed the Board Orientation and Education Policy, Employee Trading Policy, Timely Disclosure Confidentiality and Insider Trading Policy and the Director Qualification Policy
- Reviewed directors and officers insurance
- Reviewed conflict of interest policies and procedures and filed its annual report with the Ontario Securities Commission
- Reviewed the report of conflicts committee and approved the appointment of the independent committee members to the conflicts committee

Human resources committee

Chair

Eric Wetlaufer

Members

Nic Darveau-Garneau
Marie Giguère
Gerri Sinclair
Charles Winograd

2019 meetings

6 (including 1 special meeting)
97% attendance

100% independent

(according to National Policy 58-201
– *Corporate Governance Guidelines* and
our recognition orders)

Oversees

- Executive appointment and compensation
- Succession planning for the CEO and other senior executives
- Human resources policies for executives
- Administration of compensation and benefits plans

Recent areas of focus

- Retirement of CEO
- Recommended the Interim CEO's compensation and 2020 objectives to the board
- Reviewed peer group and compensation benchmarking
- Reviewed annual performance assessments of senior management and approved their compensation
- Reviewed the compensation discussion and analysis and recommended it to the board for approval
- Approved the 2020 compensation design and funding
- Reviewed high-potential talent management and succession planning
- Reviewed and approved executive officer appointments and organizational changes
- Reviewed and recommended amendments to the share option plan, and the allocation of grants to employees
- Reviewed the performance share unit plan and the restricted share unit plan, and the allocation of grants to employees among those plans

Derivatives committee

Chair

Luc Bertrand

Members

Christian Exshaw
Martine Irman
Kevin Sullivan

2019 meetings

2
78% attendance

100%

with expertise in derivatives

Advises the board on

All policy issues and matters that are likely to have a significant impact on derivatives and related products of TMX Group and its subsidiaries.

Recent areas of focus

- Reviewed regular updates on the derivatives business
- Reviewed derivatives initiatives, including extended trading hours, developing multi-service graphical user interface to enhance the client experience and expanding the current suite of products to launch new equity, fixed income and other asset class products

Public venture market committee

Chair

Harry Jaako¹

Members

Luc Bertrand
Martine Irman
Gerri Sinclair¹
Kevin Sullivan¹

2019 meetings

4

100% attendance

60%

committee members with currently relevant expertise in the Canadian public venture market (as defined by our recognition order requirements – see page 13)

Advises the board on

All policy issues and matters that are likely to have a significant impact on the public venture capital market in Canada.

Recent areas of focus

- Reviewed the national advisory committee's quarterly report on summarizing its activities and the activities of the local advisory committees
- Received regular updates on TSXV's business
- Reviewed TSXV's strategy to be the pre-eminent global platform for growing venture stage issuers
- Reviewed technology initiatives to redefine the issuer experience
- Reviewed updates on various policy initiatives

Ad-hoc committees

Special committee

Chair

Charles Winograd

Members

Marie Giguère
Martine Irman
William Linton

2019 meetings

8

100% attendance

Areas of focus

- Investigating the historical allegations against Lou Eccleston that were reported in a media article
- Receiving Ms. Rubin's post-investigation review after a debrief with anyone who had raised out of scope issues during her earlier investigation relating to Mr. Eccleston, and meetings with TMX employees who wished to share information or insight into how we can further our commitments in the TMX Respectful Workplace Policy
- Working to develop a plan to move forward to continue to improve our culture and work environment

CEO search committee

Chair

Charles Winograd

Members

Luc Bertrand
Nic Darveau-Garneau
Marie Giguère
William Linton
Gerri Sinclair
Eric Wetlaufer

2019 meetings

The committee was constituted in January 2020 following the retirement of Lou Eccleston.

Areas of focus

- Conducting a search for a new CEO for TMX Group and certain of its subsidiaries and making a recommendation to the board of a candidate for appointment of the office of the CEO

About TMX Group directors

The governance and regulatory oversight committee is responsible for recommending directors who understand the complexity of our business and the industry we operate in, and have the skills and experience to make an effective contribution to the board.

All TMX Group directors share several basic characteristics: they are thoughtful and act with integrity, they are held in high regard by their peers, and they interact easily with other board members and management. They have the time to be fully engaged in all of the board's activities, and are willing to participate fully and frankly in a way that encourages free and open discussion.

The governance and regulatory oversight committee reviews the composition of the board once a year against criteria in four categories:

- recognition order requirements
- corporate and securities law requirements
- areas of expertise that support company strategy
- diversity that supports healthy debate.

Our recognition orders include requirements for independence, certain industry experience and certain geographic diversity. The committee has identified 13 areas of expertise that are specifically related to our business strategy. These areas will evolve over time as we execute on our global growth strategy aimed at increasing our presence in key new markets around the world. The committee also looks at diversity of gender, age, tenure and geographic location.

The committee uses a matrix built from these requirements to identify gaps between the board composition and the company's strategic requirements every year. Filling those gaps is a key consideration in the selection of new directors.

The table below shows our recognition order requirements and our required areas of expertise, along with the directors who fill each category.

Recognition order requirements	Luc Bertrand	Nicolas Darveau-Garneau	Christian Exshaw	Marie Giguère	Martine Irman	Harry Jaako	William Linton	Jean Martel	Gerri Sinclair	Kevin Sullivan	Eric Wettlaufer	Charles Winograd	TOTAL	
Independent [see page 31] Required: at least 50%	•		•	•	•	•	•	•	•	•	•	•	10	83%
Resident of Québec Required: at least 25% ¹	•			•				•					3	25%
Expertise in derivatives Required: at least 25%	•		•	•	•			•	•	•	•	•	9	75%
Currently relevant expertise in the Canadian public venture market Required: at least 25%						•		•	•	•			4	33%
Additional areas of expertise														
CEO/Senior officer experience working as a CEO or senior officer for a major organization	•			•	•		•	•	•	•	•	•	9	75%
Governance/board experience as a board member of a major or public company organization	•	•	•	•	•	•	•	•	•	•	•	•	12	100%
Regulated company experience working in an organization regulated by government or regulatory bodies	•	•	•	•	•	•	•	•	•	•	•	•	12	100%
Technology experience in businesses heavily dependent on information technology	•	•	•		•	•	•	•	•	•	•	•	11	92%
Strategy experience driving strategic direction and leading the growth of an organization	•	•	•		•	•	•	•	•	•	•	•	11	92%
Financial/risk financial accounting and reporting, corporate finance, internal controls and risk management	•	•		•	•	•	•	•	•	•	•	•	11	92%
Mergers and acquisitions experience in major mergers and acquisitions	•			•	•	•	•	•		•	•	•	9	75%
Marketing experience in marketing in the capital markets	•	•	•		•			•		•	•	•	8	67%
Human resources experience in compensation, benefit and pension programs, legislation and agreements	•			•	•		•	•	•	•	•	•	9	75%
Energy experience in the energy markets	•			•			•			•	•	•	6	50%
Broker/dealer experience working in the capital markets at a broker/dealer	•	•	•		•					•	•	•	7	58%
Clearing experience in cash, derivatives or energy clearing	•			•	•			•				•	5	42%
International experience working in an organization with global operations	•	•	•	•	•		•	•	•	•	•	•	11	92%

Determining director independence

Independence for the TMX Group board is defined by National Instrument 52-110 – *Audit Committees*, National Policy 58-201 – *Corporate Governance Guidelines* and our recognition orders.

The governance and regulatory oversight committee assesses each director's independence. Directors help with this by completing an annual questionnaire that asks for details about their relationship with TMX Group, other business relationships and shareholdings. New directors being considered for the board also complete the questionnaire.

Status of the 2020 nominated directors

	Independent	Status
Luc Bertrand	no	works for National Bank Group Inc.
Nicolas Darveau-Garneau	yes	
Christian Exshaw	no	works for CIBC
Marie Giguère	yes	
Martine Irman	yes	
Harry Jaako	yes	
William Linton	yes	
Jean Martel	yes	
Gerri Sinclair	yes	
Kevin Sullivan	yes	representative of the independent dealer community
Eric Wetlaufer	yes	
Charles Winograd	yes	
Total	83%	

83% of this year's nominated directors are independent

That means the director is independent within the meaning of:

1. Section 1.4 of National Instrument 52-110 – *Audit Committees*

2. National Policy 58-201 – *Corporate Governance Guidelines*, and

3. Our recognition orders

A director is not independent if he or she has one of the following relationships with a TSX, TSXV, MX or Alpha market participant:

- is a partner, officer, director or employee of the market participant, or an associate of a partner, officer, director or employee of the market participant
- is a partner, officer, director or employee of a company affiliated with the market participant, and is actively or significantly engaged in the day to day operations of the market participant.

Conflicts of interest

Our board code of conduct and corporate and securities legislation require directors to disclose conflicts. We manage these in advance by asking directors to disclose any real or potential conflicts of interest in an annual questionnaire. The board takes appropriate measures to ensure the exercise of independent judgment in considering transactions and agreements that a director or executive officer may have a material interest in.

Director resignation

Directors are expected to submit their resignation to the board if their circumstances change, or if there are reasonable grounds to question their ability to act independently. The governance and regulatory oversight committee will consider the resignation and make a recommendation to the board about whether it would be in the best interests of TMX Group to have the director remain on the board.

Building a diverse board

The governance and regulatory oversight committee looks at diversity of gender, age, tenure and geographic location every year as part of its annual review of board composition.

Gender diversity

25%

women

Our director qualification policy includes gender diversity as a factor to be considered when determining board composition. The board aspires to have at least 25% women on the board.

This year's nominated directors include three women, representing 25% of the nominated directors. We measure the effectiveness of our approach to gender diversity by tracking the number of women on the board every year.

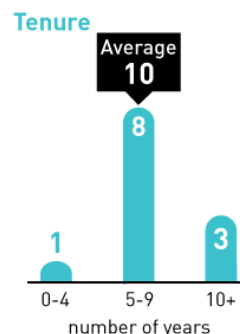
Age and tenure

63 years

average age

We believe that board renewal is in the best interests of TMX Group.

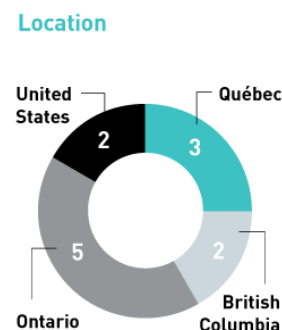
The board has decided not to adopt a mandatory retirement age, but has introduced a tenure limit of 12 years for directors appointed or elected to the board after May 2011, to be served in one-year terms. The governance and regulatory oversight committee can nominate a director who has reached the tenure limit for up to three additional one-year terms, if necessary to comply with regulatory requirements, to ensure a specific area of expertise is represented on the board, or if it is otherwise in the best interests of TMX Group.



Geographic location

While our recognition orders require at least 25% of our directors to be residents of Québec, the governance and regulatory oversight committee also looks for representation from the other locations we operate in.

This year's nominated directors are located in British Columbia, Ontario, Québec and the United States.



Attending meetings

2019 meeting attendance

There were 39 board and committee meetings in 2019. Directors attended 96% of all meetings, in aggregate

Directors are expected to come fully prepared to every regularly scheduled board and committee meeting, as well as special meetings where possible (except in exceptional circumstances).

If they can't attend in person, directors can attend by conference call, or by video conference.

A director whose attendance falls below 75% must submit his or her resignation to the board. The governance and regulatory oversight committee will consider the resignation, and make a recommendation to the board about whether it would be in the best interests of TMX Group to have the director remain on the board.

2019 attendance

	Board	Derivatives committee	Finance and audit committee	Governance and regulatory oversight committee	Human resources committee	Public venture market committee	Special committee	All board and committee meetings
Luc Bertrand	9/10	2/2				4/4		15/16 94% ³
Nicolas Darveau-Garneau	10/10				3/3			13/13 100%
Louis Eccleston ¹	8/10							8/10 80%
Christian Exshaw	8/10	1/2						9/12 75%
Marie Giguère	10/10			4/4	6/6		8/8	28/28 100%
Martine Irman	10/10	2/2	2/2			4/4	8/8	26/26 100%
Harry Jaako	10/10		5/5			4/4		19/19 100%
Lise Lachapelle ²	3/3		2/2					5/5 100%
William Linton	10/10		5/5	4/4			8/8	27/27 100%
Jean Martel	10/10			2/2				12/12 100%
Gerri Sinclair	10/10			4/4	6/6	4/4		24/24 100%
Kevin Sullivan	9/10	2/2				4/4		15/16 94%
Eric Wetlaufer	10/10		5/5		6/6			21/21 100%
Charles Winograd	10/10		5/5	4/4	6/6		8/8	33/33 100%
Michael Wissell ³	3/3	0/1		1/2	2/3			6/9 67%

1 Mr. Eccleston retired from the board on January 10, 2020.

2 Ms. Lachapelle and Mr. Wissell retired from the board on May 10, 2019.

3 Mr. Bertrand was unable to attend one unscheduled meeting of the TMX Group Board. We asked for and received a waiver of notice from him.

Serving on other public boards

0

There are no board interlocks.

While we don't have a formal limit on the number of other public company boards a director can sit on, the governance and regulatory oversight committee looks at whether directors are overcommitted by keeping track of how many other public company boards our directors sit on.

The governance and regulatory oversight committee also looks at whether two or more board members sit on the same board of another public company (other than a TMX Group subsidiary), and will discuss and agree on the best course of action if there is an issue.

None of this year's nominated directors is overcommitted, and none of them sits together on another public company board. See the director profiles starting on page 14 for details about other boards the directors sit on.

Director education

We make sure our directors understand our business, and keep current on industry developments, operating environment, continuous disclosure obligations, accounting and financial reporting requirements and best practices in corporate governance.

The governance and regulatory oversight committee regularly reviews the content of our orientation and director education programs against current and emerging trends, corporate objectives and input from directors and management, and makes changes as necessary.

Orientation

Our orientation program for new directors is designed to help them understand TMX Group and their own responsibilities so that they can make a meaningful contribution as quickly as possible.

New directors receive a manual that includes extensive information about the business, our corporate strategy, priorities, financial performance and plans, risks and legal and regulatory requirements, as well as detailed information about the board and what we expect of our directors.

New directors also meet with the CEO and other members of the executive operating committee, and are invited to spend time at our offices to deepen their knowledge of the company.

Continuing education

We organize presentations for directors and prepare written materials for them to read, tailoring the content to current issues and the specific needs of the board.

Continuing education is integrated into our board meetings, and directors are invited to attend all committee meetings even when they are not sitting members. Directors receive a comprehensive package of information before every board meeting, committee meeting and strategic planning session. The board committees also deliver reports to the full board after each committee meeting. All of these materials are accessible on a permanent, secure extranet.

Directors also receive a daily news email with relevant information about the industry, and periodic reports and analysis of significant industry developments.

TMX Group staff regularly present to the board about different aspects of our business, and we arrange for third-party experts to present on specialized topics. The table below lists presentations our directors attended in 2019 as part of the continuing education program.

	Date	Presenter	Who attended
Investor Relations	February 2019	TMX Group management	93% of board
Small Medium Enterprises	March 2019	Third-party expert	Full board
Evolution of TMX Investor Base	September 2019	TMX Group management	Full board
Peer Global Marketplace	November 2019	Third-party expert	Full board

We also encourage directors to attend programs offered by others to keep up with developments in corporate governance, regulatory or industry matters and best practices relevant to their board and committee roles. They select the programs they believe will benefit them the most, and we reimburse them up to a set amount each year.

We pay for our directors to be members of the Institute of Corporate Directors, which gives them access to events, educational programs and publications. Directors are also invited to attend any seminars presented by TSX, TSXV, MX and Canadian Derivatives Clearing Corporation (CDCC).

Performance evaluation

The board has an annual process for evaluating its effectiveness and the effectiveness of the chair of the board, the board's committees and individual directors.

The governance and regulatory oversight committee leads the annual assessment process, with input from all directors, using performance criteria the committee establishes together with the chair of the board.

In June 2019, the governance and regulatory oversight committee retained a third party expert to conduct the annual process for evaluating the board's effectiveness. The third party expert interviewed each director and several members of management and reported the results to the governance and regulatory oversight committee. The committee will determine if any recommended changes are required to improve the performance and effectiveness of the board.

In 2020, the committee plans to continue with its annual five-step assessment process. Every director completes a self-assessment and a survey that seeks feedback on peers. Then the chair of the board interviews every director one-on-one. The chair is interviewed by the chair of the governance and regulatory oversight committee. The interviews provide an opportunity to offer candid feedback on board effectiveness and to expand on the survey responses.

The chair of the board shares feedback with each director individually as appropriate. The chair also discusses the results of the individual evaluations with the chair of the governance and regulatory oversight committee and reports summary findings to the committee and to the full board. The committee reviews the results of the assessments and recommends any changes it believes will improve the performance and effectiveness of the board.

Annual five-step assessment process

1. Written self-assessment

2. Peer evaluation survey

3. One-on-one interviews

4. Feedback shared individually and with the full board

5. Governance and regulatory oversight committee recommends any follow-up

How we pay our directors

Our director compensation program is designed to attract and retain highly qualified board members and to align their interests with those of our shareholders.

The board approves how much we pay our directors, and what form that compensation takes, to make sure compensation meets the program's objectives and reflects the responsibilities and risks of being a director.

The governance and regulatory oversight committee regularly reviews director compensation levels and makes recommendations for the board to consider. The committee typically retains external consultants to provide advice and benchmarks based on comparable companies.

Director compensation includes:

- an annual retainer for membership on the board (paid in a combination of cash and deferred share units (DSUs))
- an annual retainer for participating on board committees
- fees for attending each meeting.

Annual fee schedule

	2019 (as of January 1, 2019)
Board retainer	
Chair of the board	
• cash	\$135,000
• DSUs	\$210,000
Directors	
• cash	\$45,000
• DSUs	\$70,000
Committee retainers	
Committee chairs	
• Finance and audit committee	\$20,000
• Human resources committee	\$15,000
• Other committees	\$10,000
Committee members	
• Finance and audit committee	\$6,000
• Human resources committee	\$6,000
• Other committees	\$3,000
Meeting attendance fees	
Board meetings	\$1,500
Committee meetings	\$1,500
Travel fee (if return air travel time exceeds six hours)	\$1,500

About DSUs

A DSU is a notional share that has the same value as one TMX Group common share, and therefore has the same upside and downside risk. DSUs earn additional units as dividend equivalents at the same rate as dividends paid on our common shares.

Our directors redeem DSUs for cash and only after they leave our board. The redemption value will depend on the market value of our shares at that time.

Some of our directors aren't paid

The CEO does not receive director compensation because he was compensated for his role as CEO.

The following directors have chosen not to receive director compensation, or have asked that it be paid to their employers:

Do not receive compensation	Has his cash compensation paid to his employer
Luc Bertrand	Christian Exshaw
Michael Wissell	(paid to CIBC)

Because these directors aren't paid or granted DSUs, we don't impose an equity ownership requirement.

Director compensation table

The table below lists all compensation earned by our directors in 2019.

Director fees include payment for services the directors provide as directors of the TMX Group board and the boards of TSX, TSXV, MX and Alpha.

All other compensation includes additional fees several directors earn for serving on the boards or committees of other subsidiaries or entities TMX Group has a significant investment in (see below for details).

	Annual fees						All other compensation	Total compensation	Allocation of annual fees	
	Board retainer		Committee retainers		Meeting attendance fees				paid in cash	taken as DSUs
	cash	DSUs	chair	member	board	committees				
Luc Bertrand (not paid)	-	-	-	-	-	-	\$40,500		\$40,500	-
Nicolas Darveau-Garneau	\$45,000	\$70,000	-	\$3,500	\$15,000	\$4,500	-	\$138,000	-	100%
Christian Exshaw (paid to CIBC)	\$45,000	-	-	\$3,000	\$12,000	\$1,500	-	\$61,500	\$61,500	-
Lou Eccleston (not paid)	-	-	-	-	-	-	-			
Marie Giguère	\$45,000	\$70,000	\$10,000	\$7,750	\$15,000	\$27,000	\$7,500	\$183,750	\$56,875	69%
Martine Irman¹	\$11,250	\$35,000	-	\$2,500	\$6,000	\$18,000	-	\$72,750	-	100%
Harry Jaako	\$45,000	\$70,000	\$10,000	\$6,000	\$15,000	\$13,500	\$3,500	\$159,500	\$93,000	43%
Lise Lachapelle	\$18,750	-	-	\$3,750	\$4,500	\$3,000	\$4,250	\$34,250	\$34,250	-
William Linton	\$45,000	\$70,000	\$20,000	\$3,000	\$15,000	\$27,000	\$54,000	\$234,000	\$109,000	53%
Jean Martel	\$45,000	\$70,000	\$6,333	\$1,250	\$15,000	\$3,000	\$14,500	\$155,083	\$42,542	73%
Gerri Sinclair	\$45,000	\$70,000	-	\$12,750	\$15,000	\$21,000	-	\$163,750	-	100%
Kevin Sullivan	\$45,000	\$70,000	-	\$6,000	\$13,500	\$9,000	-	\$143,500	-	100%
Eric Wetlaufer	\$45,000	\$70,000	\$15,000	\$6,000	\$15,000	\$21,000	\$12,000²	\$184,000	-	100%
Charles Winograd	\$135,000	\$210,000	-	-	-	-	-	\$345,000	-	100%
Michael Wissell (not paid)	-	-	-	-	-	-	-	-	-	-

1 Ms. Irman was previously employed at TD Securities Inc. and waived her board compensation until her retirement in November 2019. After her retirement, Ms. Irman began to receive her board compensation and was granted DSUs.

2 Mr. Wetlaufer was compensated \$12,000 for his attendance at the meetings of the Special Committee in his capacity as Chair of the human resources committee.

All other compensation includes fees for sitting on boards and committees of the following TMX Group subsidiaries and significant investments:

	MX rules and policies committee / TSX and Alpha rules committee	TSX Trust Company board	BOX Holdings Group, LLC and BOX Market, LLC board	Total
Luc Bertrand			\$40,500	\$40,500
Marie Giguère	\$7,500			\$7,500
Harry Jaako	\$3,500			\$3,500
Lise Lachapelle	\$4,250			\$4,250
William Linton		\$54,000		\$54,000
Jean Martel	\$14,500			\$14,500

Equity ownership

To align the interests of our directors with those of our shareholders, we require directors to own three times their annual retainer in TMX Group equity.

That means directors have to own at least \$345,000 (\$1,035,000 for the chair) in equity, represented by a combination of TMX Group shares and DSUs. This requirement was increased on January 1, 2019 from \$285,000 for directors and \$900,000 for the chair.

Until they meet this requirement, directors have to receive at least 50% of their annual director compensation in the form of DSUs. Unless otherwise noted, they have four years from the time they joined the board to meet the requirement.

The table below shows the value of the TMX Group shares and DSUs each director held as at March 16, 2020. We calculated the value as follows:

- *TMX Group shares*: we used the closing price of our common shares on TSX on March 16, 2020 (\$98.82)
- *DSUs*: we used the weighted average trading price of our common shares on TSX for the five trading days ending on March 16, 2020 (\$106.08).

All of the directors meet their equity ownership requirement with the exception of Mr. Darveau-Garneau, who has until September 2022 to meet the minimum equity ownership requirement, and Ms. Irman, who has until November 2023.

	2018		2019		Change		Value at March 16, 2020	Meets ownership requirement
as of March 16, 2020	TMX Group shares (#)	DSUs (#)	TMX Group shares (#)	DSUs (#)	TMX Group shares (#)	DSUs (#)		
Luc Bertrand	590,000	-	590,000	-	-	-	\$58,303,800	n/a
Nicolas Darveau-Garneau	-	217	-	1,668	-	1,451	\$176,941	no
Marie Giguère	2,000	3,846	2,000	5,260	-	1,414	\$755,621	yes
Martine Irman¹	-	-	-	557	-	557	\$59,087	no
Harry Jaako	-	36,620	-	38,355	-	1,735	\$4,068,698	yes
William Linton	-	13,038	-	14,671	-	1,633	\$1,556,300	yes
Jean Martel	166	45,086	166	47,468	-	2,382	\$5,051,810	yes
Gerri Sinclair	-	48,027	-	51,000	-	2,973	\$5,410,080	yes
Kevin Sullivan	-	11,631	-	13,426	-	1,795	\$1,424,230	yes
Eric Wetlaufer	-	1,405	-	3,258	-	1,405	\$345,609	yes
Charles Winograd	-	34,643	-	38,828	-	4,185	\$4,118,874	yes

¹ Ms. Irman was previously employed at TD Securities Inc. and waived her board compensation until her retirement in November 2019. After her retirement, Ms. Irman began to receive her board compensation and was granted DSUs.

Compensation

This section of our circular describes executive compensation at TMX Group, including how we design and oversee our executive compensation program and how we link executive pay to our long-term success.

Our five named executives for 2019 were:

- Louis (Lou) Ecclestone, Chief Executive Officer
- John McKenzie, Chief Financial Officer
- Jayakumar (Jay) Rajarathinam, President of CDCC and CDS and Chief Technology and Operations Officer
- Luc Fortin, President and Chief Executive Officer, Montréal Exchange (MX) and Global Head of Trading
- Peter Conroy, President, Trayport

With the exception of Peter Conroy, all named executives were members of the TMX Group Senior Management Team on December 31, 2019.

Having your say on executive pay

We want to make sure you understand how we pay our executives, and why, before you vote at the 2020 annual and special meeting. Last year, 92.5% of votes cast voted FOR our approach to executive compensation.

Please read through this section of the circular, and if you have questions about our executive compensation program or the pay decisions for 2019, you can reach us at:

(416) 947-4277 or (888) 873-8393 (toll-free)

TMXshareholder@tmx.com

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Compensation discussion and analysis

2019 Overview

TMX Group is steadfast in our client-first commitment to serving the world's capital markets while focusing on generating long-term, profitable growth, and this is reinforced in our client-first vision statement: *To be an indispensable solution for companies around the world to raise capital and the preferred destination for traders and investors to prosper.*

In 2019, TMX Group delivered strong operating results, drawing on the balanced strength of our complementary set of assets and a consistent, disciplined approach to cost management. This year's strong performance within MX and CDCC, at the core of our derivatives business, as well as Trayport, served to partially offset softer capital markets activity in our Capital Formation business.

Although challenging market conditions had an impact on our revenue in 2019 (down 2% compared to 2018), our operating expenses were 6% lower, resulting in an overall 4% increase in income from operations. In addition, we continued to deliver strong value to our shareholders with share price growth of 59% over 2018, and total shareholder return of 63% for 2019.

TMX Group remains focused on building on our organization's success by serving our clients across the world, executing against our global growth strategy and creating value for shareholders.

Key financials

in millions of dollars	December 31, 2018	December 31, 2019	change
Revenue	\$820.7	\$806.9	-2%
Operating expenses	\$451.7	\$424.5	-6%
Income from operations	\$369.0	\$382.4	+4%

Data as reported in our financial statements. 2018 revenue and operating expenses were reclassified for comparative purposes.

Key initiatives and accomplishments

In addition to our positive income from operations growth, we made significant headway on key strategic initiatives that support long-term shareholder value. Key accomplishments:

- We completed the acquisition of Vienna-based VisoTech, a leading provider of European short-term energy trading solutions. VisoTech provides advanced algorithmic trading solutions to customers in the European spot power and natural gas markets, enabling clients to use VisoTech's pre-defined algorithms to develop their own customized trading strategies
- In October 2019, we announced that Trayport and Nodal Exchange, a Washington D.C.-based derivatives exchange serving North American commodities markets, announced an agreement to offer Trayport's core trading screen, Joule, to trading participants of Nodal Exchange. This agreement establishes a key entry point for Trayport into the U.S. energy market
- TSX and TSXV attracted 250 new listings (not including 21 graduates), including 20 new international listings. For the year-ended December 31, 2019, TSX and TSXV were ranked second globally by the World Federation of Exchanges for new international listings

- Starting in February 2019, MX offered clients the ability to trade its equity index futures during extended hours. For 2019, volumes during extended trading hours represented approximately 4% of total volumes in these products.
- In 2019, MX set a new annual total volume record with 116 million contracts traded. Canadian Bankers' Acceptance Futures (BAX) set a new annual volume record with 29,816,722 contracts, and a number of key MX products set volume records – annual, monthly or daily.

Company leadership changes

In 2019, we continued to make organizational changes designed to improve the execution of our growth strategies and business plans, with a focus on client service delivery. The changes included expanded mandates for two named executives, as follows:

- In February 2019, Jay Rajarathinam, Chief Technology and Operations Officer, TMX Group, assumed leadership of our post-trade business as President, CDCC and CDS, with the retirement of Glenn Goucher, President, CDCC and CDS.
- In October 2019, Luc Fortin assumed leadership of TMX Datalinx to strengthen the alignment between our product and service offering and the client markets we serve.

In January 2020, we announced the retirement of our Chief Executive Officer, Lou Eccleston. Following this announcement, we appointed John McKenzie as Interim Chief Executive Officer, effective January 10, 2020. John has been with TMX Group for over 19 years, and assumed the responsibilities of Interim CEO in addition to his role as Chief Financial Officer.

Executive compensation at a glance

Executive compensation at TMX Group is carefully designed to link executive pay with our business strategy, company and individual performance and shareholder returns – all within a well-defined risk framework. It balances short-term and longer-term awards to make sure we meet annual objectives while continuing to provide shareholder value over the longer term.

2019 compensation program

The human resources committee oversees compensation, including compensation design, decision-making, risk, policies and programs. The committee did not make any significant design changes to our compensation program this year.

In 2019, our focus continued to be on delivering strong financial results. To support this, our 2019 short-term incentive scorecard included 100% financial measures: 70% tied to income from operations and 30% tied to revenue growth. You can read more about the short-term incentive plan on page 63.

Consistent with our focus on performance, the committee approved modest changes to the long-term incentive pay mix, increasing the relative weighting of performance share units from 30% to 40% to provide stronger alignment with market practice and institutional shareholder preferences. You can read more about the long-term incentive plan on page 65.

2019 compensation decisions

- **Salaries** (page 63) – increased for some executives to recognize new accountabilities and changes in the competitive market.
- **Short-term incentives** (page 64) – as part of the company scorecard, the performance factor result was below target, at 71.2%. Although we delivered strong shareholder returns, we did not achieve the financial targets we set for the scorecard, resulting in bonuses below target for most executives.
- **Long-term incentives** (page 66) – were granted at target, in the form of performance share units, restricted share units and options.
- **Vested 2017 long-term incentive awards** (page 67) – paid out higher than grant values, reflecting the increase in our share price over the past three years, and for performance share units, our relative total shareholder return performance against the S&P/TSX Composite Index.

Our compensation philosophy

Be competitive

Executives earn competitive pay when corporate and individual performance meet established objectives

Pay for performance

Executives earn more when our performance is high, and less when our performance is low

Align with shareholders

Long-term incentive plan payouts are directly linked to our share price performance

Be well governed

Executive compensation is overseen by a committee with the right expertise, using a process that demonstrates high standards of good governance

Manage risk

Compensation risk is identified, measured and managed within acceptable risk tolerance

Be easily understood

We want our stakeholders to understand how we pay our executives, and why

**2019 vote: 92.50%
FOR our approach to executive compensation.**

2019 actual compensation snapshot

	Salary	Short-term incentive	Long-term incentive	2019 compensation	Percent at risk	Compared to target
Lou Eccleston Chief Executive Officer (CEO)	\$990,000	\$1,039,500	\$2,723,000	\$4,752,500	79%	-9%
John McKenzie Chief Financial Officer (CFO)	\$415,000	\$290,500	\$560,250	\$1,265,750	67%	-9%
Jay Rajarathinam President of CDCC and CDS; Chief Technology and Operations Officer	\$430,000	\$376,250	\$537,500	\$1,343,750	68%	-11%
Luc Fortin President and Chief Executive Officer, Montréal Exchange (MX) and Global Head of Trading	\$400,000	\$280,000	\$480,000	\$1,160,000	66%	-9%
Peter Conroy President, Trayport	\$350,000	\$240,000	\$262,500	\$852,500	59%	+8%

2020 compensation decisions

Changes to the short-term incentive plan scorecard for 2020

Consistent with its annual review of executive compensation programs, the committee reviewed and approved changes to the short-term incentive scorecard, effective for 2020.

The scorecard will continue to be measured based on income from operations (70%) and revenue (30%). The revenue measure will now, however, be divided equally into recurring revenue and transaction-based revenue.

This change was made to measure different forms of revenue, to reflect the different volatilities of each revenue stream and to mitigate the impact of market conditions (both positive and negative) on short-term incentive funding. The definitions of recurring and transaction revenue streams for scorecard purposes are the same definitions described in our 2019 annual report.

Our 2021 management information circular will include more detail about the short-term incentive design for 2020.

CEO retirement and Interim CEO appointment

Lou Eccleston retired from TMX Group on January 10, 2020. The human resources committee and the special committee, in consultation with its external advisors, reviewed the terms of his retirement. These are described on page 45.

John McKenzie was appointed Interim CEO on January 10, 2020, in addition to his role as CFO. To recognize his additional responsibilities, he will receive a cash allowance of \$25,000 per month while he is Interim CEO, and an annual bonus of up to 100% of the cumulative monthly cash allowance, based on the achievement of defined performance objectives related solely to the CEO role. He also received a one-time grant of restricted share units in February 2020 with a grant value of \$750,000.

There were no other significant changes to compensation for 2020. See page 44 for 2020 compensation details for each named executive officer.

2019 compensation decisions

Lou Eccleston

Chief Executive
Officer

Prior to his retirement, Lou was responsible for the overall financial performance, long-term strategy and daily operations of all facets of TMX Group.

Challenging market conditions had an impact on our revenue, which was down 2% from 2018, as softer capital markets activity reduced financing activity on our exchanges and activity in equities and fixed income trading. This was offset by solid revenue growth from Trayport, MX and CDCC. Our financial performance continued to reflect consistent cost management discipline – operating expenses were 6% lower than 2018, and income from operations was 4% higher.

In spite of the challenging market conditions, our share price was 59% higher than 2018, and total shareholder return was 63% for 2019, delivering significant value for shareholders.

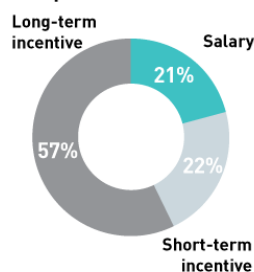
Under Lou's leadership, TMX Group continued to focus on its global growth strategy and expansion in 2019:

- *Capital Formation*: continued global expansion efforts, targeting specific regions where our unique ecosystem and sectoral expertise give us a competitive edge.
- *Derivatives*: focused on moving to capitalize on the growing demand for derivatives products in global markets (particularly on the buy-side) by expanding MX's existing international sales networks in foreign markets.
- *Trayport*: acquired Vienna-based VisoTech, a leading provider of European short-term energy trading solutions, and established an entry point into the U.S. energy market with an agreement with the Nodal Exchange, a Washington DC-based derivatives exchange serving commodities markets.

On January 10, 2020, TMX Group announced the retirement of Lou Eccleston, whose fixed term contract was originally set to expire on December 31, 2020. We have included a summary of his retirement terms on the following page.

Total direct compensation

2019 actual compensation mix



	2018 Actual ⁽¹⁾	target	2019 Actual ¹
Salary	\$825,000	\$990,000	\$990,000
Short-term incentive	\$1,546,875	\$1,485,000	\$1,039,500
Long-term incentive			
• PSUs	\$748,688	\$1,089,000	\$1,089,200
• RSUs	\$748,688	\$816,750	\$816,900
• Options	\$771,375	\$816,750	\$816,900
Total	\$4,640,626	\$5,197,500	\$4,752,500
Currency allowance	\$701,282	-	-
At risk		81%	

¹ See 2020 retirement, below, for information about compensation that was forfeited on retirement

2019 compensation

In March 2019, Lou's employment arrangement was amended to include a fixed term, subject to the parties' option to mutually agree to extend. In addition, as part of the amendment, Lou's salary was increased from \$825,000 to \$990,000 and he received a slightly enhanced U.S. benefits package. His 2019 target short-term incentive (150% of salary) and long-term incentive (275% of salary) percentages did not change.

His 2019 long-term incentive was awarded at target (\$2,723,000) on March 7, 2019 and his 2019 short-term incentive was paid at 70% of his target award, based on our short-term incentive scorecard. See page 64 for details.

In 2018, he received a currency allowance for his total cash compensation in recognition of his status as a U.S. citizen, with a U.S. residence and U.S. dollar cost base, but receiving all elements of compensation in Canadian dollars. He did not receive a currency allowance in respect of his 2019 total cash compensation.

2020 retirement

Effective January 10, 2020, Lou retired before the end of his fixed term contract. At that time, a retirement agreement was negotiated with the following terms:

- his salary ceased and his Canadian benefits and pension participation ended on January 10, 2020. His enhanced U.S. benefits coverage continues until July 2022
- his 2017 RSU and PSU grants were paid after they vested on January 23, 2020, according to the original schedule (see page 67 for payment details)
- his 2018 and 2019 RSU and PSU grants were forfeited
- his share options continue to vest and remain exercisable under retirement treatment (refer to page 65 for our share option plan provisions), except his 2017 grant of performance options, which was forfeited
- his DSUs will be redeemed on the 12-month anniversary of his retirement date, in line with his original employment agreement and post retirement equity requirement.

Looking back at the CEO's earnings

Our compensation programs are designed to align CEO compensation with the creation of shareholder value. As a result, a significant portion of CEO compensation is at risk, including long-term incentives which are structured to deliver compensation based on our share price and total shareholder returns over various performance cycles.

Lou joined TMX Group as CEO in November 2014. The table below compares the total direct compensation he has been awarded every year since then to the actual value of that compensation as at December 31, 2019. It also compares what he's earned with what our shareholders have earned over the same time periods.

For comparison, both CEO total direct compensation and the value earned by shareholders have been indexed to \$100. The values can vary from year to year based on our share price performance. Overall, both Lou's total direct compensation and TMX Group's shareholder return have increased over the cumulative periods, in alignment with our pay for performance philosophy.

Change in CEO total direct compensation over time

Compensation year	CEO pay	Value as of December 31, 2019
2014	\$1,582,353	\$8,948,764
2015	\$2,926,500	\$10,482,693
2016	\$5,009,070	\$14,263,783
2017	\$4,706,250	\$10,153,622
2018	\$5,341,817	\$6,390,616
2019	\$4,752,500	\$4,870,246
Average		

Change in value of \$100 investment over time

Measurement period	CEO pay	Shareholders
Jan 1, 2014 to Dec 31, 2019	\$566	\$263
Jan 1, 2015 to Dec 31, 2019	\$358	\$251
Jan 1, 2016 to Dec 31, 2019	\$285	\$352
Jan 1, 2017 to Dec 31, 2019	\$216	\$171
Jan 1, 2018 to Dec 31, 2019	\$120	\$168
Jan 1, 2019 to Dec 31, 2019	\$102	\$163
	\$274	\$228

CEO pay includes the total direct compensation awarded each year (salary, short-term incentive award, long-term incentive grant value and Lou's currency allowance for 2016, 2017 and 2018).

Value as of December 31, 2019 includes the realized and realizable value of each year's total direct compensation as of December 31, 2019, less approximately \$9.2 million in forfeited long-term incentives on Lou's retirement on January 10, 2020. See page 45 for more details.

Realized value:

- salary paid
- the actual short-term incentive award and currency allowances received
- vested RSU and PSU payouts. For realized value purposes, we have included the actual amount paid in February 2020 for the 2017 RSUs and PSUs; and
- the value received from exercising options (Lou has not exercised any options as at December 31, 2019).

Realizable value:

- the current value of outstanding DSUs (using the December 31, 2019 30-day fair market value of \$109.76); and
- the in-the-money value of options outstanding, excluding performance options forfeited in January 2020 (using the December 31, 2019 closing price of \$112.45).

John McKenzie

Interim Chief
Executive Officer
and Chief Financial
Officer

John is responsible for the financial management of the company, including financial planning and reporting, tax and treasury, corporate strategy and development, investor relations, and the oversight of the capital formation business. He also serves as a company director for TMX Group's post-trade businesses, CDS and CDCC.

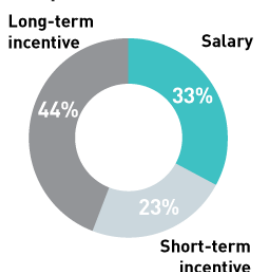
In 2019, John and his team led financial discipline across the enterprise, leading to a 6% reduction in overall operating expenses compared to 2018. He also supported and delivered exceptional value to our shareholders with two dividend increases.

John supported the successful execution of our acquisition of Vienna-based VisoTech, and championed the revision of our strategic planning process to provide clarity and focus on areas for growth across the enterprise.

On January 10, 2020, TMX Group announced the appointment of John as Interim Chief Executive Officer. He assumed the responsibilities of Interim CEO in addition to his current role as CFO. John's proven skill set and demonstrated leadership effectiveness will help us to continue to propel the execution of TMX Group's long-term strategy.

Total direct compensation

2019 actual
compensation mix



	2018 actual	target	2019 actual	2020 Target ¹
Salary	\$385,154	\$415,000	\$415,000	\$415,000
Short-term incentive	\$365,000	\$415,000	\$290,500	\$415,000
Long-term incentive				
• PSUs	\$130,680	\$224,100	\$224,100	\$224,100
• RSUs	\$130,680	\$168,075	\$168,075	\$168,075
• Options	\$134,640	\$168,075	\$168,075	\$168,075
Total	\$1,146,154	\$1,390,250	\$1,265,750	\$1,390,250
At risk		70%		70%

¹ Does not include compensation for his responsibilities as Interim CEO (see details below)

2019 compensation

In recognition of the competitive market, John's 2019 target compensation was adjusted as follows:

- salary increased from \$400,000 to \$415,000
- short-term incentive target increased from 80% to 100% of salary
- long-term incentive target increased from 125% to 135% of salary.

His 2019 long-term incentive was awarded at target (\$560,250) on February 25, 2019, and his 2019 short-term incentive was paid at 70% of his target award, based on our short-term incentive scorecard. See page 64 for details.

2020 compensation

John's target total direct compensation for his role as CFO did not change. His 2020 long-term incentive was granted at target (\$560,250) on February 20, 2020.

To recognize John's additional responsibilities while he is Interim CEO, the board approved the following compensation arrangements:

- monthly cash allowance of \$25,000
- annual bonus of up to 100% of the cumulative monthly cash allowance, with payment tied to the achievement of defined performance objectives for the Interim CEO role
- \$750,000 one-time RSU award granted on February 20, 2020 that vests and pays out over three years.

Jay Rajarathinam

President CDCC and CDS; Chief Technology and Operations Officer

Jay Rajarathinam is President of CDCC and CDS and Chief Technology and Operations Officer. He is responsible for leading our post trade services and operations, which is a crucial component of the capital markets infrastructure. Jay also focuses on setting and executing the technology strategy in support of all TMX Group businesses, and overseeing several enterprise functions, including data management and analytics, information security, procurement and vendor management.

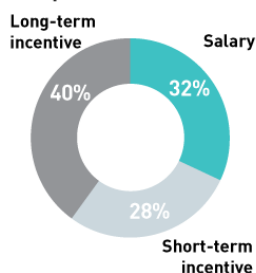
In 2019, Jay and his team continued to modernize our technology platforms to ensure adequate capacity, performance and operational stability. In addition, Jay introduced new technologies, including the expanded use of cloud services, information security and artificial intelligence tools, and advanced monitoring and operations tools.

Within CDS and CDCC, Jay ensured the delivery of several key business priorities including the launch of a new risk management system for CDCC and completion of business requirements for CDS modernization.

Jay continued to support our adoption of Agile methodologies across all our business units, including the Capital Formation initiative to streamline and digitize the listed issuer onboarding processes and within CDCC to ensure we realize our derivatives growth priorities.

Total direct compensation

2019 actual compensation mix



	2018 Actual	2019 target	2019 actual	2020 Target
Salary	\$415,000	\$430,000	\$430,000	\$430,000
Short-term incentive	\$595,000	\$537,500	\$376,250	\$537,500
Long-term incentive				
• PSUs	\$150,645	\$215,000	\$215,000	\$215,000
• RSUs	\$150,645	\$161,250	\$161,250	\$161,250
• Options	\$155,210	\$161,250	\$161,250	\$161,250
Total	\$1,466,500	\$1,505,000	\$1,343,750	\$1,505,000
Other payments	\$320,000 ¹	-	\$320,000	-
At risk		71%		71%

¹ The special one-time bonus in 2018 was in recognition of his transformational contributions and expanded role as President CDCC and CDS.

2019 compensation

To recognize his expanded role and the global competitive market for information technology and operations executives, Jay's 2019 target compensation was adjusted as follows:

- salary increased from \$415,000 to \$430,000
- two previous short-term incentive awards were combined into one award with a target of 125% of salary (target did not change)
- long-term incentive target increased from 110% to 125% of salary

His 2019 long-term incentive was awarded at target (\$537,500) on February 25, 2019, and his 2019 short-term incentive was paid at 70% of his target award, based on our short-term incentive scorecard. See page 64 for details.

In addition, the human resources committee recommended and the board approved an additional payment of \$320,000 to ensure Jay's 2019 total compensation remained competitive with a global market for senior executives in information and technology roles.

2020 compensation

Jay's target total direct compensation did not change. His 2020 long-term incentive was awarded at target (\$537,500) on February 20, 2020.

Luc Fortin

President and
Chief Executive
Officer, MX and
Global Head of
Trading

Luc is responsible for leading growth across all TMX Markets including derivatives, fixed income and equity trading, and in 2019 he also assumed leadership of TMX Datalinx. He and his team are focused on the delivery of a best-in-class experience to trading clients and the development of new product solutions.

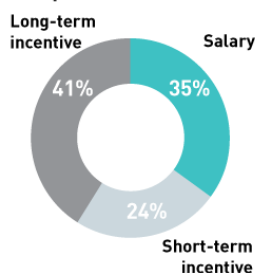
In 2019, Luc and his team launched enhanced features and functionality on TSX Dark, Canada's alternative dark pool for trading TSX and TSXV listed securities, and achieved approximately 15% market share for dark trading on TSX and TSXV-listed symbols.

Luc also initiated the second phase of MX's extended trading hours project in 2019, which is planned to deliver an approximate 20-hour trading day in 2021, allowing domestic and international clients to manage their exposure to Canadian markets during non-regular Canadian business hours.

With over 116 million contracts traded in 2019, MX set a new annual total volume record, with many futures products, including 5 and 10 year Government of Canada Bond Futures, breaking contract records year over year. Luc and his team also set the foundation for the development and launch of new ESG products in 2020 to address client investment needs.

Total direct compensation

2019 actual
compensation mix



	2018 actual	target	2019 actual	2020 target
Salary	\$368,865	\$400,000	\$400,000	\$415,000
Short-term incentive	\$368,800	\$400,000	\$280,000	\$415,000
Long-term incentive				
• PSUs	\$127,050	\$192,000	\$192,000	\$199,200
• RSUs	\$127,050	\$144,000	\$144,000	\$149,400
• Options	\$130,900	\$144,000	\$144,000	\$149,400
Total	\$1,122,665	\$1,280,000	\$1,160,000	\$1,328,000
At risk		69%		69%

2019 compensation

In recognition of the competitive market, Luc's 2019 target compensation was adjusted as follows:

- salary increased from \$380,000 to \$400,000
- short-term incentive target increased from 80% to 100% of salary
- long-term incentive target remained unchanged at 120% of salary

His 2019 long-term incentive was awarded at target (\$480,000) on February 25, 2019, and his 2019 short-term incentive was paid at 70% of his target award, based on our short-term incentive scorecard. See page 64 for details.

2020 compensation

In recognition of Luc's expanded role, which now includes leadership of TMX Datalinx, his salary was increased from \$400,000 to \$415,000. His short-term and long-term incentive targets did not change. His 2020 long-term incentive was awarded at target (\$498,000) on February 20, 2020.

Peter Conroy

President,
Trayport

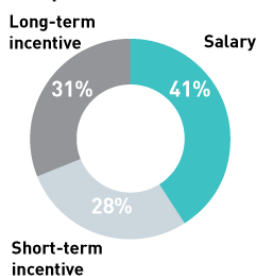
Peter assumed leadership of Trayport Limited (a wholly owned subsidiary of TMX Group) as an expatriate in September 2018, following ten years as the President of Shorcan. Peter is responsible for the leadership of the Trayport business, which now includes VisoTech, and for driving strategy to achieve continued growth.

In 2019, Peter led the successful acquisition and integration of VisoTech, a leading provider of European short-term energy trading solutions. He also secured an arrangement to offer Trayport's core trading screen, Joule, to trading participants of the Nodal Exchange, a derivatives exchange serving North American commodities markets. These transactions further extend Trayport's global reach and ability to meet increasing demand from current and new customers.

Peter also focused on continuing to engage Trayport's customers to drive engagement and satisfaction, and facilitated a series of client conferences attended by over 150 clients across three locations. He also engaged regularly with brokers and traders to explore new asset classes and enhance technology and product offerings, providing a roadmap for future growth opportunities.

Total direct compensation

2019 actual
compensation mix



	2018 actual	target	2019 actual	2020 target
Salary	\$259,166	\$350,000	\$350,000	\$350,000
Short-term incentive¹	\$215,000	\$175,000	\$240,000	\$175,000
Long-term incentive				
• PSUs	\$35,640	\$105,000	\$105,000	\$105,000
• RSUs	\$35,640	\$78,750	\$78,750	\$78,750
• Options	\$36,720	\$78,750	\$78,750	\$78,750
Total	\$582,166	\$787,500	\$852,500	\$787,500
At risk		56%		56%

1 Does not include an additional one-time incentive opportunity related to his assignment at Trayport (which if realized, would pay out in early 2022), or any assignment-related relocation or expenses.

2019 compensation

In recognition of his promotion to President, Trayport, and his expatriate assignment to the United Kingdom, Peter's compensation was reviewed at the end of 2018 and adjusted as follows:

- salary increased from \$241,000 to \$350,000
- short-term incentive target remained at 50% of salary
- long-term incentive target increased from 45% to 75% of salary
- participation in a Trayport cash incentive plan with a payout, if any, in early 2022, at the end of a three year performance period (2019-2021). The payout will range from 0% to 100% of his cumulative annual short-term incentive target based on performance (see page 71 for details).
- an annual cost of living allowance of \$64,560, and other relocation related support in recognition of his U.K.-based assignment.

His 2019 long-term incentive was awarded at target (\$262,500) on February 25, 2019, and his 2019 short-term incentive was paid at 137% of his target award, based on his significant contributions to Trayport's strong 2019 performance. See page 64 for details.

2020 compensation

Peter's target total direct compensation did not change. His 2020 long-term incentive was awarded at target (\$262,500) on February 20, 2020.

Share performance and executive pay

The graph below compares our total cumulative shareholder return over the past five years with the cumulative total return of the S&P/TSX Composite Index. It assumes \$100 was invested in our common shares and in the index on December 31, 2014, and that dividends were reinvested during the five year period.

The graph also shows total direct compensation paid to the named executives in each year, also indexed to \$100 for comparison. This includes:

- salary paid
- short-term incentive paid
- grant value of long-term incentives awarded
- currency allowance paid to Lou Eccleston from 2016 – 2018

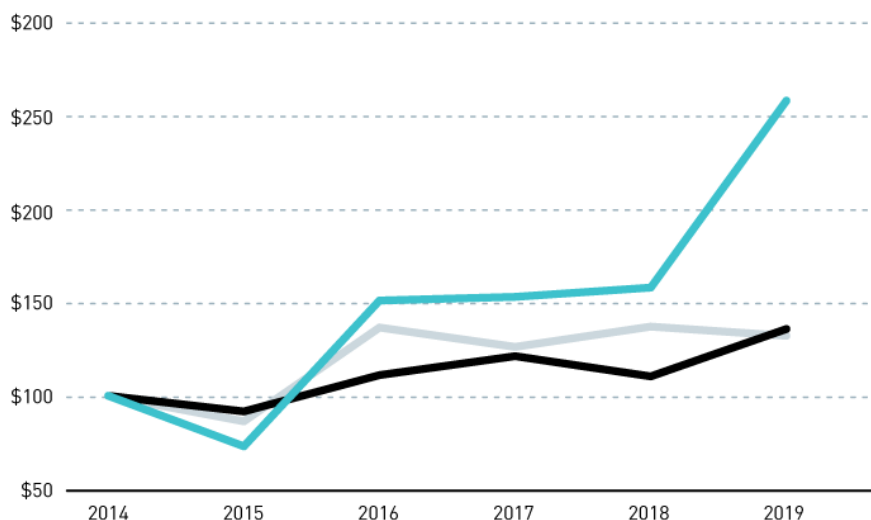
It does not include one-time sign-on or performance awards, pensions or all other compensation as disclosed in the summary compensation table.

TMX Group's share price has outperformed the S&P/TSX Composite Index. At the same time, what our executives earn – which includes long-term incentive awards that are directly linked to our share price – is consistent with our performance.

The human resources committee and the board believe that the executive compensation program provides competitive pay, aligns executives' interests with those of our shareholders, reflects good governance practices, aligns with our risk profile and is easily understood.

Total shareholder return

(as of December 31)



— TMX Group (X)
— S&P/TSX Composite Index
— NEO total direct compensation

as of December 31

	2014	2015	2016	2017	2018	2019
TMX Group (X)	\$100	\$73	\$151	\$153	\$158	\$257
S&P/TSX Composite Index	\$100	\$92	\$111	\$121	\$110	\$136
Total direct compensation paid to the named executives	\$100	\$86	\$136	\$126	\$137	\$128

For comparability year over year, we include the active CEO, CFO and three most highly compensated named executives as of December 31 of each year.

Linking pay to performance

Our short-term incentive plan is tied to measures that are directly linked to our financial performance and corporate strategy. Our scorecard in 2019 continued to be comprised of 100% financial goals, with two key measures that drive share price: income from operations and revenue growth. See page 64 for details.

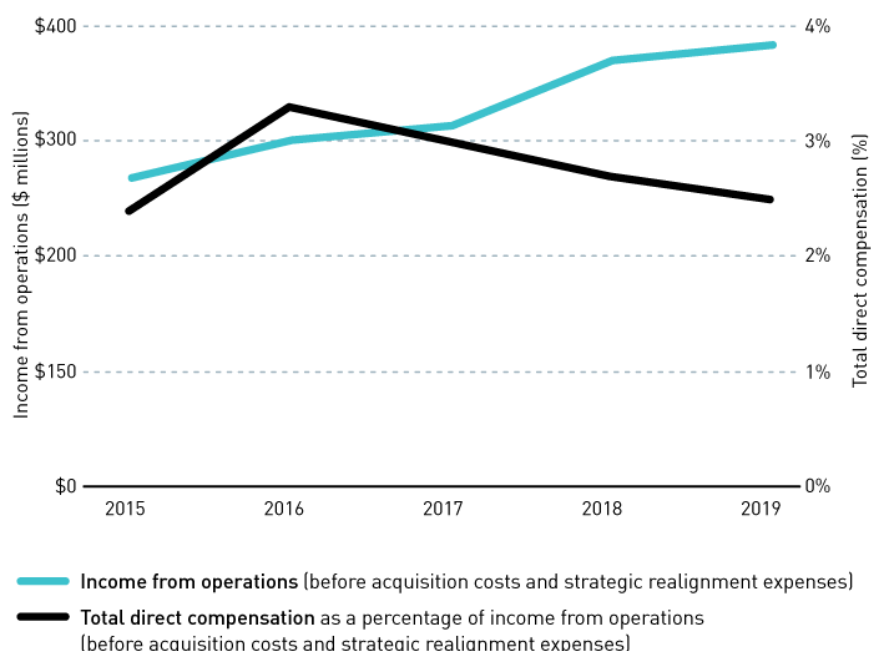
A large part of executive compensation is awarded as long-term incentives linked to our share price performance. The value of outstanding long-term incentive awards changes in direct proportion to the change in our total shareholder return. See page 65 for details.

To align their interests with those of our shareholders, the named executives have to own equity in TMX Group. The equity ownership requirement varies by level (see page 57).

To encourage business decisions that are in the long-term interests of TMX Group and its shareholders, the CEO is required to maintain his equity ownership requirement for one year post-retirement.

Pay for performance analysis

(as of December 31)



as of December 31	2015	2016	2017	2018	2019
Income from operations ¹ (\$ millions)	\$267.4	\$300.1	\$312.6	\$369.0	\$382.4
Total direct compensation of the named executives (\$ millions)	\$6.4	\$10.0	\$9.3	\$10.0	\$9.4
Total direct compensation as a percentage of income from operations	2.4%	3.3%	3.0%	2.7%	2.5%

¹ For 2015 – 2017, income from operations is presented before acquisition costs and strategic alignment costs, as applicable

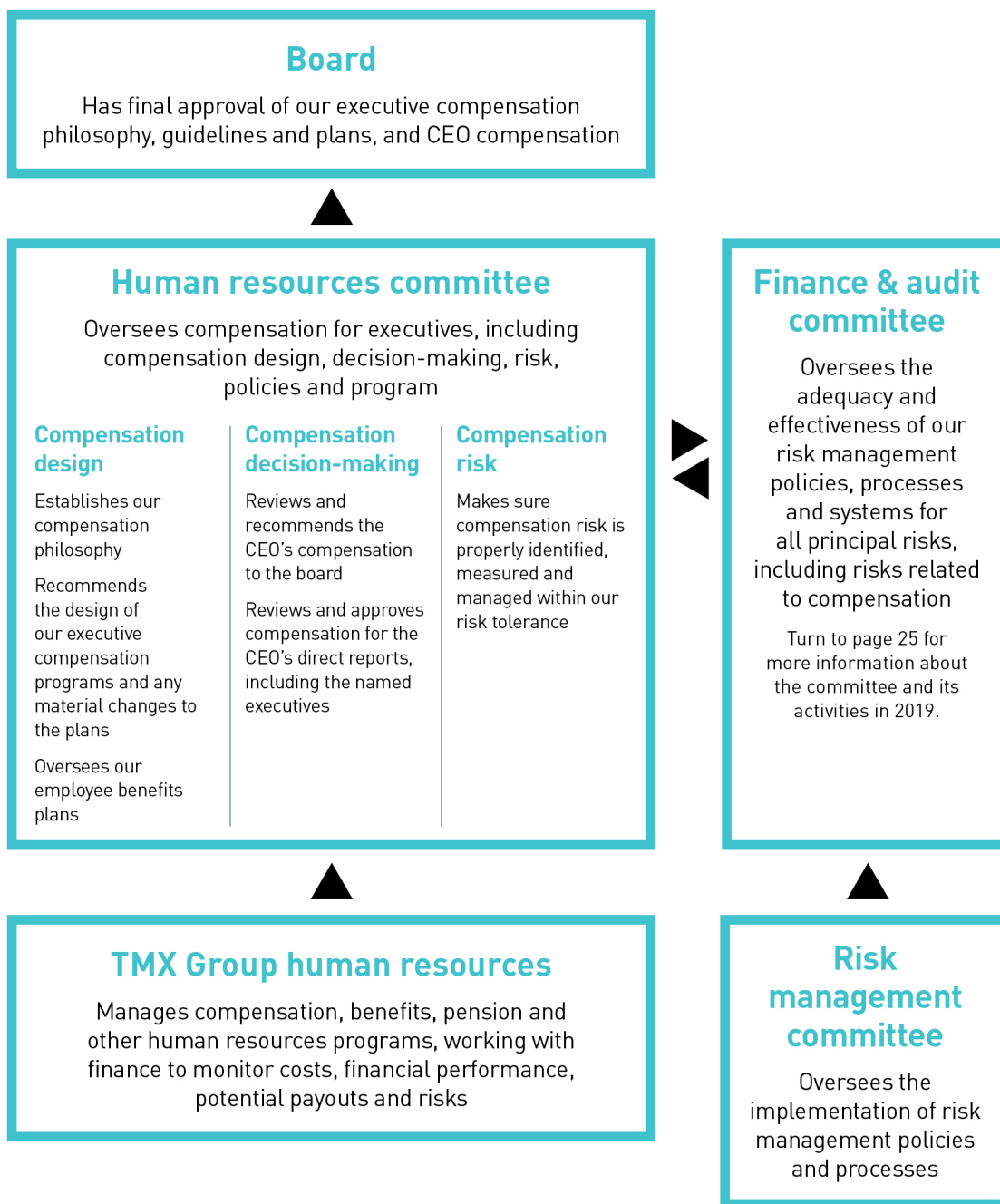
Compensation governance

The TMX Group board, the human resources committee and management are all involved in compensation design, decision-making, oversight and risk management.

Turn to page 19 for more information about the board, its responsibilities and priorities for 2019.

The human resources committee is responsible for all aspects of human resources at TMX Group. Turn to page 27 for more information about the committee and its activities in 2019.

TMX Group management



Committee expertise

The human resources committee currently has five members. The average committee tenure is 5.4 years.

Members are required to have a good understanding of issues related to human resources and compensation. Most have experience in financial management and risk, and have worked as a senior executive at a major organization. Every member meets our requirements for independence (see page 31).

The table below lists the directors on the committee and their relevant experience. You can read more about them in their profiles starting on page 14. You'll also find more information about their skills on page 30.

	Committee member since	Independent	Human resources experience in compensation, benefit and pension programs, legislation and agreements	Financial and risk experience in financial accounting and reporting, corporate finance, internal controls and risk management	Senior executive experience as a CEO or senior officer for a major organization
Eric Wetlaufer (chair)	2012	yes	yes	yes	yes
Nicolas Darveau-Garneau	2019	yes	yes	yes	no
Marie Giguère	2018	yes	yes	yes	yes
Gerri Sinclair	2012	yes	yes	yes	yes
Charles Winograd	2012	yes	yes	yes	yes

Independent advice

The committee retains an independent advisor for advice about executive compensation, including compensation philosophy, governance, decision-making and risk, and for information about compensation trends.

In 2019, the committee retained Willis Towers Watson for the following services:

- advising the committee and management on relevant competitive market trends and executive compensation governance matters
- reviewing CEO performance objectives, compensation levels and design
- reviewing compensation levels and design for the other named executives
- reviewing the management information circular
- assisting with determining the terms of the CEO's employment agreement and subsequent retirement
- providing ongoing executive compensation consulting support as needed

For non-executive compensation related fees, the chair of the committee pre-approves any services Willis Towers Watson provides to management and other committees of the board.

The table below shows the fees paid to Willis Towers Watson in the past two years. Willis Towers Watson also provides insurance broker and placement services to TMX Group through a team that is separate and distinct from the Willis Towers Watson executive compensation consulting team. The 2018 non-executive compensation related fees also included a comprehensive review of board of director compensation at the request of the governance committee. The chair of the human resources committee approved Willis Towers Watson's fees before this review

The committee evaluates the independence of Willis Towers Watson and the executive compensation consulting team each year. In 2019, the committee concluded that the advisors are independent of TMX Group management, well qualified in human resources and compensation, and effectively represent the interests of shareholders when working with the committee and board.

	2018	2019
Executive compensation related fees	\$163,475	\$163,291
Non-executive compensation related fees	\$73,898	--
Insurance broker and placement services	\$135,933	\$74,712
• provided to TMX Group management		
Total	\$373,306	\$238,003

The committee considered the following in its evaluation:

- members of the Willis Towers Watson executive compensation consulting team are not responsible for selling other Willis Towers Watson services to TMX Group and receive no incentive or other compensation based on the fees charged to TMX Group for other services provided by Willis Towers Watson or any of its affiliates.
- the Willis Towers Watson executive compensation consulting team is separate and distinct from the team that provides insurance broker and placement services to TMX Group management.
- the executive compensation consultants do not have a business or personal relationship with any of the committee members or management, and do not own any TMX Group shares other than possibly through mutual funds.
- Willis Towers Watson has strict protocols and processes to mitigate conflicts of interests and all consultants are required to adhere to a code of conduct.

Managing compensation risk

An acceptable level of risk is a necessary component of our business strategy. Identifying and effectively managing risk is integral to our business operations and financial performance.

The board is responsible for overseeing risk at TMX Group. It oversees the adequacy and effectiveness of our risk management framework and establishes our risk tolerance.

The finance and audit committee oversees our enterprise risk management approach, and the adequacy and effectiveness of our risk management policies, processes and systems for all principal risks, including risks related to executive compensation.

The human resources committee makes sure compensation risk is properly identified, measured and managed within our risk tolerance. It does this in three ways:

1. Compensation governance

Senior executives have to own equity in TMX Group

The equity ownership requirement varies by level.

The CEO has to hold his equity after he leaves

The CEO has to maintain his equity ownership requirement for a year after leaving the company.

Executives are not allowed to hedge

Executives and directors are not allowed to:

- sell TMX Group securities short, or buy or sell call or put options for TMX Group shares
- buy any financial instrument (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in market value of TMX Group equity securities the executive or director has received as compensation or holds directly or indirectly.

Compensation can be clawed back

If we have to restate our financial statements because of intentional misconduct by the CEO or one of the senior management team, and the restatement would have resulted in lower incentive awards, the executive has to repay incentive compensation received in the two years before the date of the restatement (after February 2014). This includes:

- all or part of his or her short-term incentive awards
- all of his or her vested and unvested long-term incentive awards.

Severance is reasonable

Employment agreements are not excessive. Severance is limited to no more than two years of salary, benefits and short-term incentive at target.

2. Compensation design

Regular review of executive compensation

Program is designed considering prevailing market practices and industry trends, investor feedback and the competitive market for talent.

A significant amount of executive pay is at risk

Executives with more responsibility have a higher amount of pay that is variable and not guaranteed. We call this pay at risk.

Incentive plans are aligned with business strategy

The human resources committee makes sure the performance measures and targets used for the short-term incentive are aligned with the business plan approved by the board, and with our risk tolerance.

Incentive plans are aligned with shareholder experience

The value of all long-term incentives is directly linked to our share price over several time horizons.

Incentive awards are capped

Short-term incentive funding and individual awards have maximum payment caps as part of the design. Long-term incentive has a cap on the PSU performance multiplier.

3. Compensation decision-making

Formal decision-making process

The human resources committee uses a formal process to make sure compensation design is effective and compensation decisions are appropriate.

Regular review of business risks

Management regularly monitors performance and potential payouts to manage any inherent risks.

Scenario testing

Scenarios are modeled to understand potential payment outcomes.

Oversight of payouts

The human resources committee reviews total annual payouts under all incentive plans and provides oversight and governance of sales incentive plans, including reviewing the compensation of non-executive employees who earn more than \$1 million in a year.

Use of discretion

The committee has the discretion to adjust the overall funding for our annual short-term incentive pool, long-term incentive pool and the compensation of individual executives when there are exceptional circumstances.

Equity ownership

To align their interests with those of our shareholders, members of the senior management team are required to own a minimum level of equity in TMX Group. The equity ownership requirement varies by level. In 2020, the human resources committee approved the extension of equity ownership guidelines beyond the senior management team, to include the next level of senior executives.

Newly appointed executives covered under the policy have four years to meet their equity ownership requirement. When an executive is promoted to a position that has a higher equity ownership requirement, due to either a change in the multiple of salary and/or a significant salary increase, more time is allowed to meet the new requirement, but the executive is still expected to meet the original requirement within the original four years. TMX Group shares, RSUs and DSUs qualify for meeting the requirement.

Executives who have not yet met their equity ownership requirement can convert some or all of their short-term incentive award into DSUs. See page 71 for more information. Once an executive meets the requirement, he or she does not have to make additional contributions to offset reductions in market value, but is expected to make additional contributions if his or her equity ownership level falls below the requirement because of an increase in salary, or a disposition.

To encourage business decisions that are in the long-term interest of TMX Group and its shareholders, the CEO is required to maintain the 3x salary equity ownership for one year after leaving the company. The CEO also has to disclose to the public his intention to buy or sell TMX Group shares, or to exercise options, at least two days before each transaction.

The table below shows the equity holdings for the named executives, who were employees as of March 16, 2020.

We have presented ownership levels based on the following:

- TMX Group shares: the weighted average trading price of our common shares on TSX for the five trading days ending on March 16, 2020 (\$106.08)
- RSUs and DSUs: the higher of grant price or the weighted average trading price of our common shares on TSX for the five trading days ending on March 16, 2020 (\$106.08)

	Required ownership as a multiple of salary	TMX Group shares		DSUs		RSUs		Total	Ownership at March 16, 2020 as a multiple of salary
John McKenzie	2x	3,057	\$324,287	7,383	\$783,189	11,745	\$1,330,302	\$2,437,777	5.9x
Jay Rajarathinam	2x	1,183	\$125,493	1,650	\$188,125	5,460	\$593,950	\$907,568	2.1x
Luc Fortin	2x	370	\$39,250	-	\$0	4,818	\$524,923	\$564,173	1.4x
Peter Conroy	1x	414	\$43,917	-	\$0	2,138	\$234,051	\$277,968	0.8x

Luc Fortin has until November 2020 to meet his requirement, and Peter Conroy has until March 2024 to meet his requirement.

As at March 16, 2020, Mr. Eccleston, the former CEO, has maintained his equity ownership level above his 3x salary requirement.

Compensation design and decision-making

The human resources committee uses a five-step process each year to make sure executive compensation at TMX Group is aligned with our performance, is competitive, and motivates and rewards our executives.

The committee doesn't determine compensation using a formula. It considers internal guidelines, employment contract requirements, company and scorecard results and external compensation data and advice, and uses business judgement and discretion to award compensation that aligns with our performance and promotes our long-term success.



1. Designing the program

At the beginning of the year, the committee reviews our compensation philosophy and our executive compensation program, in consultation with the independent consultant. It reviews changes brought forward by management and approves those it feels are appropriate, taking into consideration compensation risk, and recommends them to the board for approval.

The table below is the compensation program approved for 2019. There were no material design changes this year. The program rewards executives over different time horizons: annual compensation, compensation paid over the mid and long-term, and benefits they receive over their full career with TMX Group.

Read more
on page 63

Annual compensation		Why we use it
Salary	Fixed annual salary, set based on level of responsibility, capabilities, knowledge, experience and performance in the role	to attract and retain top performing executives
Short-term incentive	Annual cash bonus that depends on corporate and individual performance compared to pre-approved goals	to motivate and reward executives for achieving or exceeding annual corporate and individual performance goals aligned with achieving our financial and strategic objectives

Read more
on page 65

Long-term compensation		Why we use it
Performance share units (PSUs)	PSUs vest 35 months after the grant based on three-year performance compared to a relevant index. They are paid in cash based on our share price	to motivate and reward executives for creating shareholder value over the medium and long term
Restricted share units (RSUs)	RSUs vest 35 months after the grant. They are paid in cash based on our share price	granted at the beginning of each year to recognize the executive's contribution to the growth, profitability and sustainability of the business and to motivate and retain talent
Options	Options vest 25% each year beginning on the first anniversary of the grant. We may also award performance-based options that have performance vesting conditions specific to each grant. Options expire after 10 years. Their value depends on our share price on the day they are exercised	can also be granted when there are internal appointments, promotions, external hires at senior levels, or for retention and in other special circumstances
Deferred share units (DSUs)	Executives can choose to receive their short-term incentive as DSUs instead of cash. We also grant DSUs as a long-term incentive award. DSUs can only be redeemed after the executive leaves the company. They are paid in cash based on our share price	

Read more
on page 76

Benefits		Why we use it
Pension	Defined benefit or defined contribution plan – type of plan depends on level and length of time with the company	• to be market competitive • to attract and retain qualified executives • to support the overall wellness, including financial wellness, of employees
Benefits	Group benefits plan that all employees participate in, including the named executives. Benefits depend on the local market, but can include: • extended health • dental • financial protection in the event of death, accident or disability • health and wellness spending accounts • other optional benefits	
Perquisites	Varies by level, but can include: • an annual cash allowance • paid parking • annual medical exam • home security services	

Compensation benchmarking

Because of the unique nature of TMX Group, there isn't a specific sample of companies that exactly matches our industry, geography, size and scope. We collect several market references to benchmark the competitiveness of executive compensation. This review helps us to assess our compensation structure each year, and make adjustments to target pay levels for the upcoming year.

In 2019, we used the following market samples to benchmark compensation for the CEO and other named executives. We believe these are appropriate because the companies in each group:

- compete with us for talent
- have similar executive positions we can use as a market reference.

Data sources, screening criteria and benchmark matches

	International stock exchanges	Financial services and technology	Large Canadian financial institutions	Canadian general industry	U.S. general industry / U.K. financial services
Source	Public filings ¹	Public filings ¹	WTW CDB ²	WTW CDB ²	WTW CDB ²
Screening criteria	• publicly-traded • international stock exchanges • no size restrictions	• publicly-traded • Canadian financial services & technology organizations • international stock exchanges with market capitalization less than \$25 billion	• large five Canadian banks and two global insurers	• publicly traded • cross-industry, excluding metals & mining, oil & gas, chemicals • revenues of \$300 million to \$5 billion	U.S. general industry: • publicly traded • cross-industry, excluding metals & mining, oil & gas, chemicals • revenues of \$300 million to \$5 billion U.K. financial services: • total market sample
Sample size	• 11 companies	• 16 companies	• 7 companies	• 27 companies	• U.S: 273 companies • U.K: 99 companies

¹ Most recent public disclosure, including management information circulars or remunerations reports

² Willis Towers Watson's 2019 Executive Compensation Data Bank (WTW CDB)

	International stock exchanges	Financial services and technology	Large Canadian financial institutions	Canadian general industry	U.S. general industry / U.K. financial services
Benchmark matches					
Lou Eccleston	CEO	CEO	SEVP level	CEO	–
John McKenzie	CFO/top finance	CFO/top finance	Blend of EVP & SVP levels	CFO/top finance	–
Jay Rajarathinam	CTO/top information & technology (where disclosed)	CTO/top information & technology roles (where disclosed)	Blend of EVP & SVP levels	CTO/top information & technology roles	CTO/top information & technology roles (U.S. general industry)
Luc Fortin	Segment heads & business unit leaders (where disclosed)	Segment heads & business unit leaders (where disclosed)	Blend of EVP & SVP levels	Segment head roles	–
Peter Conroy	–	–	Blend of EVP & SVP levels	–	Division head roles (U.K. financial services)
Composition of the market references					
	11 companies: • ASX Limited • Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. • CBOE Global Markets, Inc. • CME Group Inc. • Deutsche Börse Aktiengesellschaft • Euronext N.V. • Hong Kong Exchanges & Clearing Limited • Intercontinental Exchange Group, Inc. • London Stock Exchange Group plc. • Nasdaq, Inc. • Singapore Exchange Limited	16 companies: • ASX Limited • BlackBerry Limited • Canadian Western Bank • CBOE Global Markets, Inc. • Cogeco Communications • The Descartes Systems Group Inc. • Entertainment One Ltd. • Euronext N.V. • E-L Financial Corporation Limited • Genworth MI Canada Inc. • Intact Financial Corporation • Laurentian Bank of Canada • Nasdaq, Inc. • Open Text Corporation • Shaw Communications Inc. • Singapore Exchange Limited	7 companies: • Bank of Montreal • The Bank of Nova Scotia • Canadian Imperial Bank of Commerce • Royal Bank of Canada • The Toronto-Dominion Bank • Manulife Financial • Sun Life Financial	27 companies Participating organizations in Willis Towers Watson's 2019 General Industry Executive Compensation Data Bank, in Canada and the U.S., as well as the 2019 Financial Services Compensation Data Bank in the U.K., who meet the above screening criteria	U.S.: 273 companies U.K.: 99 companies

2. Establishing the mix of components

We focus our executives on performance, emphasizing longer-term performance, by making sure the majority of their total direct compensation is variable and not guaranteed. Executives with more responsibility have a higher amount of variable pay. We call this pay at risk.

The table to the right shows the target total direct compensation mix for 2019 for each named executive. The actual mix depends on company and individual performance – see page 63 for this year's results.

	Salary	Short-term incentive	2019 pay at risk		
			PSUs	RSUs	Options
Lou Eccleston	19%	29%	21%	16%	16%
John McKenzie	30%	30%	16%	12%	12%
Jay Rajarathinam	29%	36%	14%	11%	11%
Luc Fortin	31%	31%	15%	11%	11%
Peter Conroy	44%	22%	13%	10%	10%

3. Setting compensation and performance targets

At the beginning of each year, the human resources committee approves target compensation for the CEO for the upcoming year, as well as the CEO's compensation recommendations for his direct reports (including the named executives). This includes reviewing and approving any changes to salary, short and long-term incentive target awards, benefits and other perquisites.

As part of this process, the committee:

- reviews the CEO's performance objectives for the year and recommends them to the board for approval
- approves the annual performance objectives for the CEO's direct reports, based on the CEO's assessment of their individual performance and compensation
- reviews the measures, targets and weightings for the financial scorecard for the short-term incentive plan, based on scenario modelling and analysis, ensuring they align with the annual business plan approved by the board
- reviews corporate non-financial measures and business unit performance goals that support the achievement of the short-term incentive plan targets.

The board reviews and approves:

- the CEO's performance objectives for the year
- the measures, targets and weightings for the annual scorecard for the short-term incentive plan.

4. Reviewing progress

Throughout the year, the committee reviews our progress by:

- monitoring interim results against scorecard targets
- monitoring performance and results against objectives and the alignment with our risk framework
- reviewing potential payouts to manage risk
- approving compensation changes related to new appointments
- commissioning and reviewing competitive market research as required.

5. Awarding compensation

At the end of each year, the CEO:

- evaluates the performance of his direct reports (including the named executives) against their individual performance objectives, taking into consideration their contribution to scorecard results and the financial and non-financial performance of their line of business or functional area
- makes a compensation recommendation to the committee based on his assessment.

The human resources committee:

- approves the funding for the short-term incentive pool based on performance against the financial scorecard and its overall assessment of performance against non-financial measures tied to our strategy
- has discretion to adjust the pool funding up or down based on our non-financial performance, and if unexpected or exceptional circumstances arise
- approves the funding for the long-term incentive pool
- assesses the CEO's overall performance and specific accomplishments against his objectives, considering financial and non-financial components
- recommends the CEO's total compensation to the board for approval, including his short-term incentive award, grants of long-term incentives and any adjustments to salary or other compensation elements
- reviews the performance and compensation recommendations prepared by the CEO for his direct reports, including the other named executives, and approves their total compensation.

The board:

- considers the committee's evaluation and compensation recommendations for the CEO
- approves the CEO's total compensation for the year, with independent advice from the committee's external compensation advisor. The CEO does not participate in these discussions.

2019 compensation review

This section explains our compensation program in more detail, and the compensation decisions for 2019. You'll find a consolidated discussion for each named executive starting on page 44.

Salary

The table below shows the salary changes made for 2019.

	2018 (ending salary)	2019 salary	change
Lou Eccleston	\$825,000	\$990,000	20%
John McKenzie	\$400,000	\$415,000	3.8%
Jay Rajarathinam	\$415,000	\$430,000	3.6%
Luc Fortin	\$380,000	\$400,000	5.3%
Peter Conroy	\$350,000	\$350,000	0%

Short-term incentive plan

Each named executive's incentive target is set as a percentage of salary based on his or her role. Performance objectives for each executive are approved at the beginning of the year, and aligned with achieving our financial and strategic objectives.

TMX Group scorecard

Short-term incentives for all named executives (except Peter Conroy) are based on pool funding calculated using a performance scorecard, which is based entirely on TMX Group's corporate financial performance. The committee approves the design of the performance scorecard at the beginning of each year, and sets threshold, target and maximum performance goals tied to achieving our financial goals, in line with our corporate strategy. It reviews the interim results every quarter. If performance falls below threshold for one of the approved measures, the funding generated for that measure can be zero.

At the end of the year, the committee assesses the scorecard calculation against how we have performed on our non-financial objectives. Although these are not included in the scorecard calculation, they are key drivers of our financial performance, and connect to the strategic priorities established during the business planning process and that are approved by the board.

The committee can use discretion to adjust short-term incentive funding up or down based on our non-financial performance, and if there are unexpected or exceptional circumstances.

Then the committee assesses each executive's individual performance based on several factors, including:

- overall contribution to corporate financial and non-financial performance
- the executive's business or functional unit performance
- the executive's individual performance on other key priorities as determined at the beginning of the year.

The committee doesn't use a formula to calculate the final award, and there are no weights aligned with these factors. Once the pool funding has been set, individual awards are allocated based on an assessment of the executive's achievement of his or her personal objectives, considering business unit financial and non-financial measures and results, against the objectives that were set at the beginning of the year. We take a holistic approach, within the context of the overall funding that is generated by the scorecard. The CEO, the committee and the board use discretion in determining final awards.

2019 TMX Group scorecard results

The 2019 scorecard included two key financial measures that support shareholder value creation: income from operations and revenue growth. The table below shows the threshold, target and maximum performance goals that were approved at the beginning of the year, our actual results and the calculated score.

Despite making significant progress on the execution of our global growth strategy, challenging market conditions had an impact on our revenue growth and income from operations, which resulted in performance below target for both measures.

Based on its overall performance assessment, the committee recommended the calculated performance score of 71.2% for pool funding, which the board approved. No discretion was applied.

		Threshold 50	Target 100	Maximum 200	2019 results	score	x	weighting	=	weighted score	calculated score
Income from operations	70%	\$344.8 85% of target	\$405.7	\$466.6 115% of target	\$379.1 Below target	78.1%	x	70%	=	54.7%	71.2%
Revenue growth	30%	\$799.0 95% of target	\$841.1	\$883.2 105% of target	\$803.2 Below target	54.9%	x	30%	=	16.5%	

The 2019 results we used in the short-term incentive scorecard are different from what appears on page 40 and in our 2019 annual financial statements. For scorecard purposes, we adjusted revenue (\$3.7 million decrease) for certain recoverable costs related to CDS's clearing operation, previously netted, are now included in both CDS revenue and selling, general and administration expenses. Income from operations was adjusted for costs related to our acquisition of VisoTech (\$0.8 million), savings resulting from the forfeiture of long-term incentive upon CEO retirement (approximately \$4 million) and accounting changes not within management's control. These adjustments resulted in an overall \$3.3 million decrease in income from operations used for scorecard purposes.

Short-term incentive plan - Peter Conroy

Peter Conroy participated in a short-term incentive plan specific to Trayport, with funding based on performance against pre-determined revenue, income from operations and client satisfaction goals for Trayport. The committee assessed Peter's individual performance based on his overall contribution to Trayport's financial and non-financial results and his individual performance on other key priorities for the year. Given Peter's significant contributions to Trayport's strong 2019 performance, the committee approved a bonus award of 137% of target.

2019 awards

The table below shows the short-term incentive award paid to each named executive for 2019, compared to target and 2018 (in 2018, TMX scorecard funding was above target at 126.6%).

For the named executives (except Peter Conroy), the committee determined that individual performance objectives had been met at target levels and awarded bonuses at 70% of target, generally in line with the TMX scorecard funding level. Please turn to page 44 for a review of each named executive's individual performance in 2019.

	Salary	x	Incentive target as a percentage of salary	=	Incentive target	2019 short- term incentive award min: \$0 max: 2x target	Compared to target	Compared to 2018
Lou Eccleston	\$990,000	x	150%	=	\$1,485,000	\$1,039,500	-30%	-33%
John McKenzie	\$415,000	x	100%	=	\$415,000	\$290,500	-30%	-20%
Jay Rajarathinam	\$430,000	x	125%	=	\$537,500	\$376,250	-30%	-37%
Luc Fortin	\$400,000	x	100%	=	\$400,000	\$280,000	-30%	-24%
Peter Conroy	\$350,000	x	50%	=	\$175,000	\$240,000	+37%	12%

Long-term incentive plan

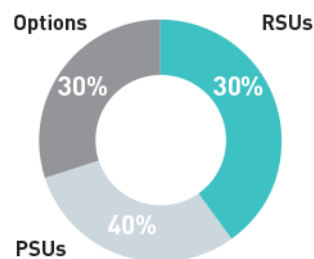
The long-term incentive is granted in the form of PSUs, RSUs and options, as shown in the graph to the right.

For 2019, consistent with our focus on performance, the committee approved modest changes to the long-term incentive pay mix to increase the weight of performance share units from 30% to 40% (reducing the weight of both RSUs and options). This change improves our alignment with market practice and institutional shareholder preferences.

About PSUs, RSUs and options

The human resources committee can, with the required regulatory approval or shareholder approval, amend, suspend or terminate the PSU, RSU and share option plans at any time, in whole or in part. For 2019, the committee, together with board, approved administrative changes to clarify the definition of 'termination date' in the RSU, PSU and share option plans, and 'award maturity date' in the RSU and PSU plans. See page 69 for more information about the plans.

2019 Long-term incentive target allocation



	Performance share units	Restricted share units	Options
Who participates	Mainly directors or above, but the CEO can also select employees below the level of director to participate.		
How we calculate the number of units or options awarded	We divide the dollar amount awarded as PSUs and RSUs by the weighted average trading price of our common shares on TSX for the five trading days immediately before the grant date		We divide the dollar amount awarded as options by a Black-Scholes value to calculate the number of options awarded (see page 72 for details) We use the Monte Carlo methodology if we have a grant of performance options
Dividend equivalents	Dividend equivalent units are issued and reinvested over the vesting period		Do not earn dividend equivalents
Transferability	Can only be transferred or assigned if the employee dies		
Vesting	Vest 35 months after the grant date based on three-year performance. The number of units that vest is calculated by multiplying the units awarded (plus the units earned as dividend equivalents) by a performance multiplier that is determined by our three-year total shareholder return compared to a relevant index (see page 66)	Vest 35 months after the grant date	Time-based options vest 25% each year for four years starting on the first anniversary of the grant date Performance-based options have performance vesting conditions specific to each grant
Payout	The final payout is in cash. We calculate it by multiplying the units that vest (plus the units earned as dividend equivalents) by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date	The final payout is in cash. We calculate it by multiplying the units awarded (plus the units earned as dividend equivalents) by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date	Executives can buy TMX Group common shares with their vested options (called exercising the options) An option's exercise price is normally the weighted average trading price of our common shares on TSX for the five trading days immediately before the grant date The value of the option is the difference between its exercise price (set at the time of the grant), and the price of a TMX Group share at the time of exercise. An option with an exercise price that is higher than the price of a TMX Group common share has no value (known as underwater or out of the money options) Options that are not exercised expire at the end of 10 years (excluding earlier expiry dates linked to termination) If an option's expiry date falls within a blackout period or outside a trading window (as defined in the share option plan), the expiry date will normally be extended to 10 business days after the end of the blackout period or into the next trading window

2019 awards

The table below shows the long-term incentives granted to each named executive for 2019. The awards were granted on February 25, 2019, with the exception of the CEO whose awards were granted on March 7, 2019. Awards were set based on each executive's performance and future potential at TMX Group.

We calculated the number of PSUs and RSUs granted to each executive by dividing the dollar amount awarded by \$83.93 (the weighted average trading price of our common shares on TSX for the five trading days before the grant date, February 25, 2019), and for the CEO by \$83.17 (the weighted average trading price of our common shares on TSX for the five trading days before the grant date, March 7, 2019).

We used a Black-Scholes value of \$8.42 to calculate the number of options awarded to each named executive – see page 72 for details.

	Salary	x	Long-term Incentive target as a percentage of salary	=	Incentive target	2019 long-term incentive award	Form of award		
							PSUs 40%	RSUs 30%	Options 30%
Lou Eccleston ¹	\$990,000	x	275%	=	\$2,722,500	\$2,723,000	\$1,089,200	\$816,900	\$816,900
John McKenzie	\$415,000	x	135%	=	\$560,250	\$560,250	\$224,100	\$168,075	\$168,075
Jay Rajarathinam	\$430,000	x	125%	=	\$537,500	\$537,500	\$215,000	\$161,250	\$161,250
Luc Fortin	\$400,000	x	120%	=	\$480,000	\$480,000	\$192,000	\$144,000	\$144,000
Peter Conroy	\$350,000	x	75%	=	\$262,500	\$262,500	\$105,000	\$78,750	\$78,750

¹ 2019 PSUs and RSUs awarded were forfeited upon Lou's January 10, 2020 retirement.

PSU performance conditions

Grant date: February 25, 2019 (and for the CEO, March 7, 2019)

Vesting date: December 31, 2021

Performance period: January 1, 2019 to December 31, 2021

Multiplier range: 0 to 200% of PSUs

PSU performance measure

The performance multiplier will be based on the TMX Group three-year total shareholder return (expressed as a compound annual growth rate over the performance period) compared to the threshold, target and maximum total return of the S&P/TSX Composite Index (compound annual growth rate), assuming reinvested dividends, as described in the table below.

Threshold 0	Target 100	Maximum 200
15 percentage points below the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period	Match the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period	15 percentage points above the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period

If performance falls between threshold and maximum, we'll calculate the performance multiplier using a straight line interpolation. If the TMX Group total shareholder return is higher than the S&P/TSX Composite but negative over the performance period, the performance multiplier will be capped at 100%.

We believe the S&P/TSX Composite Index is a reasonable benchmark because it reflects the performance of the broad Canadian equities market. TMX Group is one of the companies included in the Index.

Payout of PSUs awarded for 2017

Grant date: February 23, 2017

Grant price: \$72.23

Vesting date: January 23, 2020

Performance period: January 1, 2017 to December 31, 2019

The table below shows the payout value of the PSUs granted on February 23, 2017 that vested on January 23, 2020. See below for details about how we calculated the payout.

	2017 grant value of PSUs	Number of PSUs granted	+	Number of PSUs received as dividend equivalents	x	PSU performance multiplier see below	x	Price of TMX Group shares on TSX for the 30 trading days immediately before vesting	=	Payout	Payout as a percentage of grant value
Lou Eccleston	\$748,688	10,365	+	884	x	188%	x	\$112.49	=	\$2,378,990	318%
John McKenzie	\$103,455	1,432	+	122	x	188%	x	\$112.49	=	\$328,675	318%
Jay Rajarathinam	\$90,750	1,256	+	107	x	188%	x	\$112.49	=	\$288,279	318%
Luc Fortin	\$96,525	1,336	+	114	x	188%	x	\$112.49	=	\$306,641	318%
Peter Conroy	\$33,000	457	+	39	x	188%	x	\$112.49	=	\$104,891	318%

How we calculated the payout

We calculated the payout at the end of the performance period in two steps:

- we calculated how many units vested by multiplying the units awarded (plus the units earned as dividend equivalents) by the performance multiplier
- we multiplied the number of vested units by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date.

How we calculated the performance multiplier

The performance multiplier was 188%, based on the TMX Group three-year total shareholder return from January 1, 2017 to December 31, 2019 (expressed as a compound annual growth rate over the performance period), compared to the total return of the S&P/TSX Composite Index (compound annual growth rate) during the same period, assuming reinvested dividends.

Threshold	Target	Maximum
0	100	200
15 percentage points below the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period	Total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period: 7.1%	15 percentage points or more above the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period

TMX Group three-year total shareholder return (compound annual growth rate):

20.2%

This is 13.2 percentage points above the target, which resulted in a performance multiplier of

188%

Payout of RSUs awarded for 2017

The table below shows the payout value of the RSUs granted on February 23, 2017 that vested on January 23, 2020. The payout value of RSUs is based on the number of units granted (plus the units earned as dividend equivalents), multiplied by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date.

	2017 grant value of RSUs	Number of RSUs granted	+	Number of RSUs received as dividend equivalents	x	Price of TMX Group shares on TSX for the 30 trading days immediately before vesting	=	Payout	Payout as a percentage of grant value
Lou Eccleston	\$748,688	10,365	+	884	x	\$112.49	=	\$1,265,420	169%
John McKenzie	\$103,455	1,432	+	122	x	\$112.49	=	\$174,827	169%
Jay Rajarathinam	\$90,750	1,256	+	107	x	\$112.49	=	\$153,340	169%
Luc Fortin	\$96,525	1,336	+	114	x	\$112.49	=	\$163,107	169%
Peter Conroy	\$33,000	457	+	39	x	\$112.49	=	\$55,793	169%

Options exercised in 2019

The table below shows the options the named executives exercised in 2019. The gain is the difference between the option's exercise price and the actual market price of a TMX Group share on the TSX at the time of exercise.

	Grant date	Number of options	Exercise price	Gain
John McKenzie	February 14, 2013	6,957	\$55.39	\$199,417
Jay Rajarathinam	February 22, 2018	4,614	\$76.28	\$199,673
Peter Conroy	February 12, 2015	1,949	\$47.12	\$70,173
	February 23, 2016	1,668	\$40.14	\$71,234
	February 23, 2017	2,230	\$72.23	\$42,229
	February 22, 2018	1,093	\$76.28	\$16,156

More information about the share option plan

- The human resources committee administers the share option plan on behalf of the board, to comply with TSX requirements and all laws that apply.
- The committee determines the vesting schedule and term of options.
- We do not provide financial assistance for participants to exercise their options.
- See *Termination and change of control provisions* on page 78 for information about what happens to vested and unvested options when a named executive stops working for TMX Group.

Securities authorized for issue under the plan

As of December 31, 2019	Number of securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Remaining contractual life	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders (TMX Group share option plan)	1,646,974	\$66.58	6.83	620,578

2019 activity

- 392,405 options granted
- 45,184 options cancelled
- 443,381 options exercised and shares issued

Plan limits

- Maximum number of TMX Group shares that can be issued under the share option plan: 4,329,282 (equivalent to approximately 7.7% of total shares outstanding as at December 31, 2019).
- Maximum number of TMX Group shares issued to any one participant: 5% of total shares outstanding.
- Maximum number of TMX Group shares issued to insiders as a whole within any one year period: 10% of total shares outstanding.
- Maximum number of TMX Group shares issuable to insiders as a whole: 10% of total shares outstanding.

Plan status as of December 31	2018		2019	
	#	% of shares outstanding	#	% of shares outstanding
Shares issued on exercise of options	1,618,349	2.9%	2,061,730	3.7%
Options granted and outstanding	1,743,134	3.1%	1,646,974	2.9%
Options available for future grants	967,799	1.7%	620,578	1.1%
Total	4,329,282	7.8%	4,329,282	7.7%

Burn rate, overhang and dilution

as of December 31	2015	2016	2017	2018	2019
Burn rate Total options issued during the year, as a percentage of the weighted average of TMX Group shares outstanding	1.4%	1.2%	1.1%	0.7%	0.7%
Overhang Outstanding options plus the options available to grant, as a percentage of total TMX Group shares outstanding	7.6%	6.3%	5.6%	4.9%	4.0%
Dilution Outstanding options, as a percentage of total TMX Group shares outstanding	3.6%	3.2%	3.4%	3.1%	2.9%

Share reserve replenishment for 2020

As outlined on page 8, we are seeking shareholder approval to increase the number of shares reserved for issuance under the share option plan to facilitate future share option grants. The board recommends increasing the number of TMX Group Shares reserved for issuance under the share option plan by an additional 1,901,486 TMX Group shares, thereby replenishing a portion of the shares reserved under the share option plan. If approved by shareholders at the meeting, the total number of TMX Group shares reserved for issuance under the share option plan will total 3,947,180 (or approximately 7% of total TMX Group shares outstanding as at March 16, 2020). Full details and the vote resolution can be found, starting on page 8.

The human resources committee retained Willis Towers Watson to review the proposed increase and they concluded that TMX Group's executive compensation program, including long-term incentive plan design and potential levels of dilution, align with prevailing Canadian market practices and governance standards.

Making changes to the plan

The board requires shareholder approval to make any of the following changes to the plan:

- increase the number of TMX Group shares reserved for issuance under the share option plan or to remove or exceed any insider participation limit under the plan
- reduce the exercise price of an option (including cancelling and then reissuing an option at a reduced exercise price to the same participant)
- expand the category of people who qualify to participate in the plan (except as already allowed by the plan)
- extend the term of an option granted beyond its original expiry date (except as already allowed by the plan)
- allow the issuance of deferred or restricted share units or any other provision that results in participants receiving TMX Group shares when no cash consideration is received by TMX Group
- allow options granted under the share option plan to be transferable or assignable (except when a participant dies, which is already allowed by the plan)

As TMX Group is a listed issuer subject to the TSX Listing regulations, the board cannot modify the above list of plan changes that require shareholder approval. Notwithstanding this prohibition and for greater clarity, we are making an administrative change to the share option plan to include this requirement in the list above by adding an additional provision whereby the board or the human resources committee may not, without the approval of shareholders, amend, modify or delete any of the amendment provisions described in section 3.5(b) of our share option plan.

The board or the human resources committee can make the following changes without shareholder approval as long as it receives all necessary regulatory reviews and/or approvals:

- terminate the plan
- change the vesting provisions of outstanding options
- add or change any form of financial assistance provisions to the plan
- make necessary adjustments to the issuable shares or the exercise of outstanding options when there is a share split, share dividend, combination or exchange of shares, merger, consolidation or spin-off, other distribution of TMX Group assets to shareholders (other than normal cash dividends) or any other alteration of the share capital affecting TMX Group shares
- make changes necessary to comply with laws or regulatory requirements
- other administrative changes.

TMX Group executive DSU plan

All executives can choose to convert all or part of their short-term incentive award into DSUs. DSUs can be redeemed for cash only when the executive retires or leaves the company.

Executives can convert up to an amount equal to two times annual salary, plus equity ownership requirements for members of the senior management team and select senior executives (turn to page 57 for information about equity ownership requirements).

We calculate the number of DSUs awarded by dividing the dollar amount the executive is deferring by the weighted average trading price of our common shares on TSX for the five trading days immediately before the deferral date. DSUs earn dividend equivalents that are credited as additional units at the same rate as dividends paid on TMX Group common shares.

When DSUs are redeemed, we calculate the payout by multiplying the units awarded (plus the units earned as dividend equivalents) by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the redemption date (five trading days for DSUs granted before 2010).

The human resources committee can amend, suspend or terminate the DSU plan at any time, in whole or in part, with regulatory or shareholder approval as required.

Additional cash incentive plan for Peter Conroy

In addition to his participation in the long-term incentive plans described above, Peter Conroy participates in a one-time cash incentive opportunity related to his assignment at Trayport. Payouts under the plan, if any, will be made in early 2022 at the end of a three year performance period (2019-2021), and will be reported for the year it is awarded. The award will range from 0% - 100% of Peter's three year cumulative annual short-term incentive target based on performance against financial growth milestones over the performance period. No bonus will be payable if threshold financial targets are not met. The committee retains discretion to adjust any payout under the plan based on its overall assessment of Trayport's performance.

Changes to the long-term incentive plans for 2020

No material changes were made to the design of long-term incentive plans in 2020, however the committee and the board did approve the following, which require shareholder approval:

- increase the number of shares reserved for issuance under the share option plan (see page 8 for details)
- a change to the share option plan to include an additional provision whereby the board or the human resources committee may not, without the approval of shareholders, amend, modify or delete any of the amendment provisions contained in our share option plan (see page 8 for details)

Compensation details

Summary compensation table

The table below shows the total compensation awarded to the named executives for the last three years ending December 31.

		Salary (\$)	Share- based awards (\$)	Option- based awards (\$)	Non-equity incentive plan compensation - Annual incentive plan (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Lou Eccleston ⁽¹⁾ CEO	2019	990,000	1,906,100	816,900	1,039,500	148,500	29,154	4,930,154
	2018	825,000	1,497,375	771,375	1,546,875	123,750	726,958	5,491,333
	2017	825,000	1,497,375	771,375	1,051,875	123,750	568,706	4,838,081
John McKenzie CFO	2019	415,000	392,175	168,075	290,500	364,196	4,258	1,634,204
	2018	385,154	261,360	134,640	365,000	498,559	3,965	1,648,678
	2017	341,827	206,910	106,590	254,800	529,739	3,619	1,443,485
Jay Rajarathinam President of CDCC and CDS; Chief Technology and Operations Officer	2019	430,000	376,250	161,250	376,250	64,500	346,248	1,754,498
	2018	415,000	301,290	155,210	595,000	62,250	342,794	1,871,544
	2017	334,856	181,500	93,500	407,195	40,072	22,262	1,079,385
Luc Fortin President and Chief Executive Officer, MX and Global Head of Trading	2019	400,000	336,000	144,000	280,000	60,000	10,106	1,230,106
	2018	368,865	254,100	130,900	368,800	55,330	8,870	1,186,865
	2017	325,000	193,050	99,450	193,830	50,781	8,207	870,318
Peter Conroy President, Trayport	2019	350,000	183,750	78,750	240,000	35,000	140,216	1,027,716
	2018	259,166	71,280	36,720	215,000	18,466	41,241	641,873
	2017	241,000	66,000	34,000	170,500	16,870	3,064	531,434

Salary

Salaries have been pro-rated where applicable.

Share-based awards

Includes PSUs and RSUs. We calculated the number of units awarded by dividing the dollar amount by the weighted average trading price of our common shares on TSX for the five trading days immediately before the date of the award.

Option-based awards

We calculated the grant date fair value of the awards using the data in the table to the right.

	Award	Grant date	Grant price
2019	PSUs & RSUs	February 25	\$83.93
	PSUs & RSUs (CEO)	March 7 ¹	\$83.17
2018	PSUs & RSUs	February 22	\$76.28
2017	PSUs & RSUs	February 23	\$72.23

	Award	Grant date	Exercise price	Accounting fair value
2019	Options	February 25	\$83.93	\$8.42
	Options (CEO)	March 7 ¹	\$83.17	
2018	Options	February 22	\$76.28	\$8.41
2017	Options	February 23	\$72.23	\$7.62

¹ Lou Eccleston's 2019 RSU, PSU and option grants were made later, further to his sign off on the amended employment arrangement in March 2019. See page 45 for a summary his retirement agreement in January 2020, which impacted the treatment of share-based awards reported in the table above.

Calculating the fair value of options

We used a Black-Scholes methodology to calculate the fair value of options, using the following assumptions (the same assumptions we used for accounting purposes):

	Grant date	Expected life (years)	Expected volatility	Risk-free interest rate	Expected dividend yield
2019	February 25 March 7 (CEO)	2 to 5	16.5 to 17.4%	2.16 to 2.21%	3.0%
2018	February 22	2 to 5	16.8 to 17.5%	2.16 to 2.45%	2.6%
2017	February 23	2 to 5	18.0 to 18.5%	1.09 to 1.44%	2.5%

Annual incentive plan

Jay Rajarathinam's 2017 amount includes a \$157,195 short-term incentive award and an additional \$250,000 linked to his personal incentive plan award. His 2018 amount includes a \$395,000 short-term incentive award and an additional \$200,000 linked to his personal incentive plan award (see page 48 for details). Jay elected to defer 50% of his 2019 short-term incentive award into DSUs.

Pension value

The compensatory change for each named executive. See the pension tables starting on page 76.

All other compensation

Includes:

- premiums for term life insurance, AD&D and other perquisites maintained for the benefit of the named executives
- employer contributions to the Employee Share Purchase Plan

Lou Eccleston also received the following:

- 2019: \$26,958 for tax advice.
- 2018: a currency allowance of \$701,282 related to his 2018 cash compensation paid in February 2019 (calculated using the 2018 average exchange rate of \$1.00 CAD = \$0.772 USD), and \$23,641 for tax advice.
- 2017: a currency allowance of \$560,625 related to his 2017 cash compensation paid in February 2018 (calculated using the 2017 average exchange rate of \$1.00 CAD = \$0.77 USD), and \$6,046 for tax advice.

Jay Rajarathinam also received the following:

- 2019: an additional payment of \$320,000 was approved by the board to ensure total compensation was competitive with a global market for talent, and \$19,472 for tax advice.
- 2018: a performance award of \$320,000 for transformational contributions to TMX Group and in recognition of his additional responsibilities as President, CDS & CDCC, and \$18,869 for tax advice.
- 2017: \$18,439 for tax advice.

Peter Conroy also received the following related to his expatriate assignment:

- 2019: \$36,300 for family travel/accommodation, \$35,497 for child education and a \$64,560 cost of living allowance.
- 2018: \$10,178 for family travel/accommodation, \$5,172 for one-time legal advice, \$10,760 cost of living allowance, and an additional payment of \$11,350 in recognition of additional responsibilities during transition to his Trayport assignment

Incentive plan awards

The table below shows all outstanding long-term incentive awards as of December 31, 2019. It does not include DSUs that executives received because they chose to defer their short-term incentive award. See page 57 for more information and a list of all outstanding DSUs.

Option-based awards

The value of unexercised in-the-money options is the difference between the option's exercise price and \$112.45 (the closing price of a TMX Group share on TSX on December 31, 2019).

Share-based awards

We calculate the market or payout value of share-based awards that have not vested, or have vested but are not paid out or distributed, by multiplying the number of units by \$109.76 (the fair market value of a TMX Group share on TSX for the 30 days before December 31, 2019). PSUs assume performance below threshold and a payout of \$0. For any share-based award where we know what the payment is (for example, awards that vested and were paid in February 2020), we have included the actual payments known.

Option-based awards

	Grant date	Number of securities underlying unexercised options	Share option exercise price	Share option expiration date	Value of unexercised in-the-money options
Lou Eccleston	Nov 17, 2014 ¹	135,000	\$53.00	Nov 16, 2024	\$8,025,750
	Feb 12, 2015	107,822	\$47.12	Feb 11, 2025	\$7,044,011
	Feb 23, 2016	116,970	\$40.14	Feb 22, 2026	\$8,458,101
	Feb 23, 2017	101,236	\$72.23	Feb 22, 2027	\$4,071,712
	Feb 23, 2017 ¹	108,814	\$72.23	Feb 22, 2027	\$4,376,499
	Feb 22, 2018	91,721	\$76.28	Feb 21, 2028	\$3,317,549
	Mar 7, 2019	97,020	\$83.17	Mar 6, 2029	\$2,840,746
John McKenzie	Feb 13, 2014	8,671	\$50.15	Feb 12, 2021	\$540,203
	Feb 12, 2015	9,920	\$47.12	Feb 11, 2025	\$648,074
	Feb 23, 2016	9,987	\$40.14	Feb 22, 2026	\$722,160
	Feb 23, 2017	13,994	\$72.23	Feb 22, 2027	\$562,839
	Feb 22, 2018	16,012	\$76.28	Feb 21, 2028	\$579,154
	Feb 25, 2019	19,958	\$83.93	Feb 24, 2029	\$569,202
Jay Rajarathinam	Feb 23, 2017	12,278	\$72.23	Feb 22, 2027	\$493,821
	Feb 22, 2018	13,840	\$76.28	Feb 21, 2028	\$500,593
	Feb 25, 2019	19,150	\$83.93	Feb 24, 2029	\$546,158
Luc Fortin	Aug 12, 2016	3,806	\$60.73	Aug 11, 2026	\$196,846
	Feb 23, 2017	13,058	\$72.23	Feb 22, 2027	\$525,193
	Feb 22, 2018	15,557	\$76.28	Feb 21, 2028	\$562,697
	Feb 25, 2019	17,096	\$83.93	Feb 24, 2029	\$487,578
Peter Conroy	Feb 23, 2016	1,667	\$40.14	Feb 22, 2026	\$120,541
	Feb 23, 2017	2,230	\$72.23	Feb 22, 2027	\$89,691
	Feb 22, 2018	3,277	\$76.28	Feb 21, 2028	\$118,529
	Feb 25, 2019	9,356	\$83.93	Feb 24, 2029	\$266,833

Share-based awards

Grant date	Type of award	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
Feb 12, 2015	DSUs	6,132	-	\$673,014
Feb 23, 2017 ²	RSUs	11,249	\$1,265,420	-
	PSUs	11,249	\$2,378,990	-
Feb 22, 2018 ¹	RSUs	10,355	\$1,136,592	-
	PSUs	10,355	-	-
Mar 7, 2019 ¹	RSUs	10,004	\$1,098,032	-
	PSUs	13,339	-	-
July 11, 2016	DSUs	1,340	-	\$147,098
Feb 23, 2017 ²	RSUs	1,554	\$174,827	-
	PSUs	1,554	\$328,675	-
Feb 22, 2018	RSUs	1,807	\$198,368	-
	PSUs	1,807	-	-
Feb 25, 2019	RSUs	2,056	\$225,606	-
	PSUs	2,740	-	-
Feb 23, 2017 ²	RSUs	1,363	\$153,340	-
	PSUs	1,363	\$288,279	-
Feb 22, 2018	RSUs	2,084	\$228,708	-
	PSUs	2,084	-	-
Feb 25, 2019	RSUs	1,971	\$216,370	-
	PSUs	2,629	-	-
Feb 23, 2017 ²	RSUs	1,450	\$163,107	-
	PSUs	1,450	\$306,641	-
Feb 22, 2018	RSUs	1,758	\$192,925	-
	PSUs	1,758	-	-
Feb 25, 2019	RSUs	1,761	\$193,280	-
	PSUs	2,348	-	-
Feb 23, 2017 ²	RSUs	496	\$55,793	-
	PSUs	496	\$104,891	-
Feb 22, 2018	RSUs	493	\$54,079	-
	PSUs	493	-	-
Feb 25, 2019	RSUs	963	\$105,651	-
	PSUs	1,284	-	-

¹ **Lou Eccleston:**

Performance options: Granted on November 17, 2014 and performance conditions were met on November 14, 2016 and January 13, 2017. Vested 25% per year starting on the first anniversary of the grant date:

- one third vest based on time
- another third vest because the following performance condition was met (November 14, 2016): the daily volume weighted average trading price increased by at least 15% above the exercise price and that price was sustained for at least 30 consecutive trading days
- the final third vest because the following performance condition was met (January 13, 2017): the daily volume weighted average trading price increased by at least 25% above the exercise price and that price was sustained for at least 30 consecutive trading days.

Grant date: February 23, 2017

Performance condition was met on July 24, 2018 (the daily volume weighted average trading price increased by at least 15% above the exercise price and was sustained for at least 30 consecutive trading days). The original vesting date was February 23, 2020, however these options were forfeited on Lou's retirement January 10, 2020 (see page 45 for more details)

RSUs and PSUs: Granted February 22, 2018 and March 7, 2019, were forfeited on Lou's retirement January 10, 2020 (see page 45 for more details)

² **Share-based awards that vested in January 2020**

RSUs and PSUs awarded on February 23, 2017 vested on January 23, 2020. To provide complete disclosure, we show the actual amounts paid out instead of using the standard assumptions at December 31, 2019. These were redeemed using the 30-day fair market value prior to vesting date of \$112.49, and a 188% performance multiplier for the PSUs.

Incentive plan awards – value vested or earned in 2019

The table below includes:

- option-based awards: the gain the named executives would have received if they had exercised all options that vested in 2019 on the day the options vested
- share-based awards:
 - for all named executives, includes the value of RSUs and PSUs that were granted on February 23, 2017 and vested on January 23, 2020 (performance period ended December 31, 2019)
 - for Jay Rajarathinam, includes the value of the 2017 RSUs and PSUs noted above (\$441,619) plus the final tranche of his sign-on RSUs that were awarded on July 18, 2016 and vested on January 31, 2019 (\$151,456)
 - for Luc Fortin, includes the value of the 2017 RSUs and PSUs as noted above (\$469,747) plus the payment of his off-cycle 2016 annual RSUs and PSUs that were awarded on August 12, 2016 and vested on July 12, 2019 (\$120,444)
- non-equity awards: the short-term incentive award for 2019, paid on February 28, 2020.

	Long-term incentive plan (see page 65)		Short-term incentive plan (see page 63)
	Option-based-awards — value vested during the year	Share-based-awards — value vested during the year	Non-equity incentive plan compensation — value earned during the year
Lou Eccleston	\$2, 649,991	\$3,644,410	\$1,039,500
John McKenzie	\$262,286	\$503,502	\$290,500
Jay Rajarathinam	\$68,054	\$593,075	\$376,250
Luc Fortin	\$113,854	\$590,191	\$280,000
Peter Conroy	\$160,081	\$160,685	\$240,000

Retirement benefits

We offer retirement benefits to the named executives through the TMX Group registered pension plan. The pension plan has both *defined benefit* and *defined contribution* components.

Defined benefit

- non-contributory defined benefit component of the TMX Group registered pension plan
- closed to new participants in 2009
- named executives who participate: John McKenzie

The Income Tax Act (Canada) limits the benefits that can be paid by defined benefit pension plans. We maintain a supplementary plan to top up the benefits earned under the defined benefit plan. The supplementary plan is funded through a retirement compensation arrangement.

Our defined benefit component and supplementary plan provide an annual pension benefit. The total annual benefit is capped at 100% of the executive's final salary, calculated as follows:

Years of credited service x 2% x the average of the best three consecutive years of pensionable earnings.
Pensionable earnings = salary plus short-term incentive, capped at 50% of salary, commencing in 2006.

Normal retirement age is 65, but executives can choose to retire:

- before 65 if they are at least 60 or when their age plus service equals 85. They will receive a full pension.
- on or after the first day of the month after their 55th birthday. Their pension will be reduced by 0.25% for each month that retirement is before they turn 60 (or when their age plus service equals 85).

The annual pension is payable for life. If the executive dies, his or her spouse will receive 60% of the annual pension for life. Otherwise, pension payments are guaranteed for 120 months. In addition, executives are guaranteed the greater of:

- the commuted value of their accrued pension benefit
- 10% of their pensionable earnings accumulated each year with interest.

Defined benefit obligation

The table below shows the total estimated annual benefits payable to each named executive under the defined benefit and supplementary retirement plans, and the present value of our accrued obligation:

	Number of years credited service	Annual benefits payable		Opening present value of defined benefit obligation	Compensatory change	Non-compensatory change	Closing present value of defined benefit obligation
		at year end	at age 65	January 1, 2019			December 31, 2019
John McKenzie	19.3	\$220,883	\$420,820	\$3,318,893	\$364,196	\$770,621	\$4,453,710

Opening present value is the value of the projected pension earned for service up to December 31, 2018, calculated using the actuarial methods and assumptions disclosed in note 25 of our 2019 annual financial statements.

Compensatory change is the value of the projected pension earned for service in 2019, calculated using the actuarial methods and assumptions disclosed in note 25 of our 2019 annual financial statements, plus gains or losses related to changes in compensation levels or actuarial assumptions.

Non-compensatory change includes interest accrued on the opening present value, plus gains and losses not related to changes in compensation levels or actuarial assumptions.

Closing present value is the projected pension earned for service up to December 31, 2019, calculated using the actuarial methods and assumptions disclosed in our 2019 financial statements. It represents the actuarial present value of our total obligation to the executive at December 31, 2019.

Defined contribution

- non-contributory defined contribution component of the TMX Group registered pension plan
- records kept by Sun Life
- named executives who participate: Lou Eccleston, Jay Rajarathinam, Luc Fortin and Peter Conroy

We contribute 15% of each named executive's salary to the plan every year, with the exception of Peter Conroy, where we contribute 10% of his salary to the plan.

The defined contribution plan is governed by pension legislation that limits annual contributions. We automatically credit any contributions that exceed this limit to a non-registered savings plan on an after tax basis.

The table below shows the amounts accumulated in the defined contribution component of the TMX Group registered pension plan and the non-registered savings plan, at the start and the end of the year. The compensatory change is the amount TMX Group contributed for each executive in 2019.

	Accumulated value at start of year (January 1, 2019)	Compensatory change	Accumulated value at year end (December 31, 2019)
Lou Eccleston	\$529,607	\$148,500	\$758,638
Jay Rajarathinam	\$115,988	\$64,500	\$205,647
Luc Fortin	\$126,544	\$60,000	\$208,790
Peter Conroy	\$337,440	\$35,000	\$407,067

Termination and change of control provisions

What our executives are entitled to if they stop working with TMX Group

What the executive is entitled to

	If he or she:			If his or her employment is terminated:	
	resigns voluntarily	retires ¹	dies	without cause	with cause
Salary	Stops on the date of resignation	Stops on the date of retirement	Stops on the date of death	As required by law or according to employment agreements (see below)	Stops on the termination date
Short-term incentive	Forfeited	Pro-rated based on time worked during the fiscal year	Pro-rated based on time worked during the fiscal year	Paid out at target or based on a historical average, or according to employment agreements (see below)	Forfeited
Performance share units	Forfeited	Continue to vest according to the vesting schedule	PSUs vest in full as of the date of death and are paid out with a performance factor of 100%	Vesting is pro-rated to the date of termination assuming a performance factor of 100%, or according to employment agreements (see below) If a participant is 55, on the date of termination, PSUs are treated under the retirement provisions of the plan	Forfeited
Restricted share units	Forfeited	Continue to vest according to the vesting schedule	RSUs vest in full as of the date of death and are paid out	Vesting is pro-rated to the date of termination, or according to employment agreements (see below) If a participant is 55, on the date of termination, RSUs are treated under the retirement provisions of the plan	Forfeited
Share options	Unvested options are forfeited Vested options must be exercised within 30 days of the date of resignation	Unvested options vest according to the original schedule Vested options must be exercised within the later of 36 months of the retirement date or 90 days from the day the last option vests Options granted before September 18, 2015: - Unvested options are forfeited on the date of retirement - Vested options must be exercised within 36 months of the date of retirement	Unvested options vest immediately. Vested options must be exercised within 12 months of the date of death Options granted before September 18, 2015: - Unvested options are forfeited on the date of death - Vested options must be exercised within 12 months of the date of death	Unvested options are forfeited, or according to employment agreements (see below) Vested options must be exercised within 90 days of the date of termination If a participant is 55, on the date of termination, options are treated under the retirement provisions of the plan	All vested and unvested options are forfeited
Deferred share units	Canadian employees must file a notice of redemption by December 15 of the year after the year of resignation or retirement We redeem all DSUs owned by U.S. employees on the date of resignation or retirement		We redeem all DSUs within 90 days of the date of death (for Canadian employees) or 30 days (for U.S. employees)	Canadian employees must file a notice of redemption by December 15 of the year after the year employment is terminated We redeem all DSUs owned by U.S. employees on the termination date, or according to employment agreement	
Benefits and perquisites	Benefits and perquisites end on the date of resignation	Retirement benefits continue if applicable. All other benefits and perquisites end on the retirement date	Dependent survivors retain their benefits coverage for two years. Perquisites end on the date of death	Benefits and perquisites continue for the executive's severance period (see below)	Benefits and perquisites end on the date of termination

¹ Retired executives who start working again are required to contact us to find out whether they lose their rights to unvested PSUs, RSUs, and options granted after September 18, 2015.

Employment agreements

We have employment agreements with Jay Rajarathinam, Luc Fortin and Peter Conroy (and as at December 31, 2019, with the former CEO Lou Eccleston), covering key compensation and other employment terms, including:

- salary, short-term and long-term incentives
- sign-on awards
- participation in our pension plan, benefits and perquisites programs
- relocation support
- other:
 - obligations to own TMX Group equity (see page 57) and post-employment ownership requirements (CEO only)
 - 12-month non-competition and non-solicitation requirements (also applies to John McKenzie)
 - what they are entitled to if their employment is terminated without cause (see below).

We do not have change of control agreements with our named executives. A change of control on its own would not trigger any specific compensation. If the executive's employment is terminated after a change of control, the information in this section will apply.

Termination without cause

	Severance period	Entitlements
Lou Eccleston	The period equal to the number of days between the termination date and December 31, 2020	Severance: salary, short-term incentive at target and long-term incentive participation for the severance period. Pension: continues for the severance period. Benefits: continue for the severance period. Short-term incentive: pro-rated to the date of termination with a performance factor of 100%. Long-term incentive: unvested PSUs, RSUs and options continue to vest according to the vesting schedule. Also qualifies for relocation support.
Jay Rajarathinam	Depends on the timing of termination: • between 24 and 60 months, severance period is 14 months • between 60 and 96 months, severance period is 18 months • after 96 months, severance period is calculated on a sliding scale to a maximum of 24 months (after reaching 18 years of service)	Severance: salary and short-term incentive at target for the severance period. Pension and benefits: continue for the severance period. Short-term incentive: pro-rated to the date of termination with a performance factor of 100%. Long-term incentive: sign-on RSUs vest immediately (no longer applicable as have vested and been paid). Also qualifies for relocation support. If he secures equivalent alternate full-time employment after a termination without cause: • severance payments, pension and benefits stop on the effective date of the acceptance of new employment • he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period.
Luc Fortin	Depends on the timing of termination: • between 24 and 60 months, severance period is 14 months • between 60 and 96 months, severance period is 16 months • after 96 months, severance is per applicable laws	Severance: salary and short-term incentive at target for the severance period. Pension and benefits: continue for the severance period. Short-term incentive: pro-rated to the date of termination with a performance factor of 100%. Long-term incentive: sign-on RSUs vest immediately (no longer applicable as have vested and been paid). If he secures equivalent alternate full-time employment after a termination without cause: • severance payments, pension and benefits stop on the effective date of the acceptance of new employment • he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period.

	Severance period	Entitlements
Peter Conroy	severance period is 18 months	Severance: salary and short-term incentive at target for the severance period. Pension and benefits: continue for the severance period. Short-term incentive: pro-rated to the date of termination with a performance factor of 100%, (including his additional cash incentive plan if it has not paid out at time of termination) Long-term incentive: in accordance with termination provisions of applicable plan documents If he secures equivalent alternate full-time employment after a termination without cause: - severance payments, pension and benefits stop on the effective date of the acceptance of new employment - he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period.

What we would pay the named executives if they stopped working with TMX Group on December 31, 2019

The table below includes the amounts triggered by each termination event – it does not include the value of options and DSUs that were considered vested at December 31.

We calculated the value of PSUs, RSUs and options using \$109.76, the weighted average trading price of a common share for the 30 trading days immediately preceding December 31, 2019 (or the actual amounts of awards that vested shortly after year-end in January 2020).

These amounts are estimates. What we would actually pay depends on several things, including our share price at the time the executive stopped working, and the executive's age and years of service.

		What the executive would have received If he or she had			If his or her employment had been terminated	
		resigned voluntarily	retired	Died ¹	without cause ³	with cause
Lou Eccleston²	Cash	-	-	-	3,990,000	-
	Long-term incentive	-	-	-	2,722,500	-
	PSUs, RSUs and options	-	17,298,074	21,381,864	21,381,864	-
	Pension	-	-	-	148,500	-
	Benefits	-	-	-	65,820	-
	Total	-	17,298,074	21,381,864	28,308,684	-
John McKenzie	Cash	-	not eligible	-	as required by law	-
	PSUs, RSUs and options	-	-	2,780,592	929,635	-
	Pension	-	-	-	-	-
	Benefits	-	-	-	-	-
	Total	-	-	2,780,592	929,635	-
Jay Rajarathinam	Cash	-	not eligible	-	1,691,450	-
	PSUs, RSUs and options	-	-	2,592,378	900,902	-
	Pension	-	-	-	75,250	-
	Benefits	-	-	-	75,154	-
	Total	-	-	2,592,378	2,742,756	-
Luc Fortin	Cash	-	not eligible	-	1,358,533	-
	PSUs, RSUs and options	-	-	2,430,480	865,045	-
	Pension	-	-	-	70,000	-
	Benefits	-	-	-	10,068	-
	Total	-	-	2,430,480	2,303,647	-

		What the executive would have received If he or she had			If his or her employment had been terminated	
		resigned voluntarily	retired	Died ¹	without cause ³	with cause
Peter Conroy	Cash	-	not eligible	-	1,155,500	-
	PSUs, RSUs and options	-		1,066,527	309,249	-
	Pension	-	-	-	52,500	-
	Benefits	-	-	-	66,150	-
	Total	-	-	1,066,527	1,583,399	-

1 Standard acceleration of vesting under long-term incentive plans if an employee dies.

2 Amounts for Lou Eccleston's are illustrative as at December 31, 2019. Actual treatment of his compensation upon his retirement on January 10, 2020 is outlined on page 45.

3 There is no acceleration of long-term incentive in a 'without cause' scenario for the named executives and our standard plan provisions would apply (with the exception of 2017 performance options for Lou Eccleston – see note 2).

Other information

Insurance and indemnification

We have liability insurance and indemnification agreements to protect directors, officers and some employees and others who act on our behalf:

- The indemnification agreements indemnify them from and against liability and costs if there is an action or suit against them related to the carrying out of their duties, with certain limitations.
- Our liability insurance policy includes \$60 million for any loss (including defence costs), subject to a deductible of \$500,000 for each loss. We paid a premium of \$182,500 in 2019. The policy is renewable on May 1, 2020.

Loans to directors and officers

We had no loans outstanding to any directors or officers at any time in 2019, or on December 31, 2019.

TMX Group Limited (the “Corporation”) Board Charter

1. General

The primary responsibility of the Board of Directors of the Corporation (the “Board”) is to provide governance and stewardship to the Corporation.

All terms used herein and not otherwise defined shall have the meaning given in the Ontario Securities Commission’s amended and restated recognition order recognizing each of the Corporation, TSX Inc., and Alpha Exchange Inc. as an exchange dated February 8, 2019, as amended from time to time and Decision of the Autorité des marchés financiers recognizing each of the Corporation, TMX Group Inc. and Bourse de Montréal Inc. as an exchange, and the Bourse de Montréal Inc. as a self-regulatory organization, dated May 2, 2012 as amended from time to time.

The Board will appoint a competent executive management team to run the day-to-day operations of the Corporation and will oversee and supervise the management of the business of the Corporation by that team, including overseeing the management of the regulatory and public interest responsibilities of the Corporation. The Board will oversee the Corporation’s systems of (i) corporate governance; and (ii) internal controls over financial reporting, to ensure that the Corporation reports adequate and fair financial information to shareholders and engages in ethical and legal corporate conduct.

The Board will carry out its mandate directly and through the following committees of the Board (and such other committees as it appoints from time to time): the Finance and Audit Committee, the Human Resources Committee, the Governance and Regulatory Oversight Committee, the Public Venture Market Committee and the Derivatives Committee.

2. Appointment and Supervision of Management

The Board will:

- Appoint the Chief Executive Officer (“CEO”) and other senior officers comprising the executive officers, and provide them with advice and counsel.
- Monitor the performance of the CEO against a set of mutually agreed corporate objectives directed at maximizing shareholder value and approve CEO compensation.
- Establish a process to adequately provide for management succession.
- Establish boundaries between the Board and management responsibilities and establish limits of authority delegated to management.
- Satisfy itself, to the extent feasible, as to the integrity of the CEO and other senior officers and that the CEO and other senior officers create a culture of integrity throughout the Corporation.
- Review and consider for approval all material amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy.

3. Strategic Planning

The Board will:

- Maintain a strategic planning process and review and approve annually a corporate strategic plan and vision which takes into account, among other things, the opportunities and risks of the business on a long-term and short-term basis.
- Ensure the strategic and operational plans are consistent with the corporate vision.
- Supervise the implementation and effectiveness of the Corporation's strategic and operational plans taking into consideration its risk appetite statement.
- Monitor the Corporation's performance against both short-term and long-term strategic plans, operational plans and annual performance objectives.

4. Risk Management

The Board will:

- Confirm that the Corporation has adequate risk management policies, processes and systems in place to identify and manage its key enterprise risks.
- Confirm that management processes are in place to address and comply with applicable regulatory, corporate, securities and other compliance matters.
- Review and approve annually the Corporation's enterprise risk management policy and its risk appetite statement.
- Confirm that processes are in place to comply with the Corporation's by-laws, Codes of Conduct, all recognition orders and exemption orders issued in respect of the Corporation by applicable securities regulatory authorities, and all other significant policies and procedures.

5. Financial Reporting and Management

The Board will:

- Approve the Corporation's financial statements, and all related management's discussion and analysis and press releases, and review and oversee the Corporation's compliance with applicable audit, accounting and financial reporting requirements.
- Approve annual operating and capital budgets.
- Confirm the integrity of the Corporation's system of internal controls, which include internal control over financial reporting and disclosure controls and procedures (as such terms are defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*).
- Review operating and financial performance results relative to established strategy, budgets and objectives.
- Review and assess the adequacy of the Finance and Audit Committee Charter on an annual basis.

6. Public Interest Responsibilities

The Board will confirm that management has a system in place to conduct the business and operations of the Corporation in a manner that is consistent with the public interest.

7. Shareholder Communication

The Board will:

- Confirm that management has established a system for effective corporate communications including processes for consistent, transparent, regular and timely public disclosure.
- Approve the adoption of a disclosure policy relating to, among other matters, the confidentiality of the Corporation's business information.
- Report annually to shareholders on the Board's stewardship for the previous year.
- Determine appropriate criteria against which to evaluate corporate performance against shareholder expectations and confirm that the Corporation has a system in place to receive feedback from shareholders.

8. Corporate Governance

The Board will:

- Establish an appropriate system of corporate governance including practices to permit the Board to function independently of management, non-independent directors and, for so long as any Maple nomination agreement is in effect, directors related to original Maple shareholders.
- Establish committees and approve their respective charters and the limits of authority delegated to each committee.
- As required, establish a CEO Search Committee, or instruct the Governance and Regulatory Oversight Committee or the Human Resources Committee, to recommend to the Board for approval a candidate for appointment as CEO.
- Determine Board member qualifications and reflect them in the Director Qualification Policy.
- Establish appropriate processes for the regular evaluation of the effectiveness of the Board, its chair, all the committees of the Board and their respective chairs, and all the members of the Board and its committees.
- Review on an annual basis whether any two or more Board members sit on the board of another corporation (other than any of the Corporation's subsidiaries) and whether the composition of the Board needs to be changed to eliminate these interlocks.
- Approve the nomination of directors.
- Review the adequacy and form of directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director.
- Ensure that each director attends a minimum of 75% of Board and committee meetings (unless there are exceptional circumstances), keeping in mind the principle that the Board believes that all directors should attend all meetings of the Board and each committee on which he or she sits, and review in advance all the applicable materials for such meetings.

9. Codes of Conduct

The Board will:

- Adopt a Board Code of Conduct and an Employee Code of Conduct (collectively, the "Codes of Conduct") and monitor compliance with those codes.
- Approve any waivers and ensure disclosure of any waivers of the Codes of Conduct in the Corporation's annual report or management information circular.

10. The Chair of the Board

The Chair of the Board is selected by the Board on an annual basis from the Directors elected by the shareholders. He/she provides leadership to the Board in matters relating to the effective execution of all Board responsibilities and works with the CEO to ensure that the organization fulfills its responsibilities to stakeholders including shareholders, employees, customers, governments and the public. The Chair of the Board will be a director other than the CEO, must be independent and, for so long as any Maple nomination agreement is in effect, must be unrelated to original Maple shareholders.

The Chair of the Board will:

- Provide effective leadership so that the Board can function independently of management by ensuring that the Board meets regularly without management and non-independent directors and, for so long as a Maple nomination agreement is in effect, directors related to original Maple shareholders, and that the Board may engage outside advisors as required subject to any approvals determined by the Board.
- Establish procedures to govern the Board's work including:
 - together with the corporate secretary, scheduling meetings of the Board and its committees;
 - chairing all meetings of the Board;
 - encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
 - developing the agenda for Board meetings with input from other Board members and management;
 - together with the corporate secretary, ensuring proper and timely information is delivered to the Board;
 - ensuring that the Board has appropriate administrative support; and
 - addressing complaints, questions and concerns regarding Board matters.
- Ensure the Board fully exercises its responsibilities and duties and complies with applicable governance and other policies.

- Meet or communicate regularly with the CEO regarding corporate governance matters, corporate performance and feedback from Board members.
- Act as a liaison between the Board and management.
- Serve as advisor to the CEO and other senior officers.
- Together with the Board's Governance and Regulatory Oversight Committee, establish appropriate committee structures, including the assignment of Board members and the appointment of committee chairs.
- Ensure that adequate orientation and ongoing training programs are in place for Board members.
- Together with the Board's Governance and Regulatory Oversight Committee, establish performance criteria for the Board and for individual Board members and co-ordinate the evaluation of performance and reporting against these criteria.
- Work with the Board or appropriate Board committee to establish performance criteria for the CEO and to facilitate the evaluation of the CEO's performance.
- Work with the Board's Human Resources Committee to establish and manage a succession program for the CEO's position.
- Oversee matters relating to shareholder relations and chair meetings of the shareholders.
- Work with the CEO to represent the Corporation to external stakeholders including shareholders, the investment community, governments and communities.
- The Chair of the Board's performance will be measured against the following key metrics:
- The effectiveness with which the Board functions, including satisfaction of Board members regarding the functioning of the Board.
- The extent to which the Corporation carries out its responsibilities to shareholders, employees, customers, governments, and the public.
- The quality of communications between the Board and management, including satisfaction of members of management and Board members regarding this communication.

11. The Chief Executive Officer

The CEO is accountable to the Board for achieving corporate goals and objectives within specified limitations and in accordance with the CEO's performance objectives determined annually by the Board.

The CEO will:

- Provide worldwide vision and leadership for the Corporation.
- Develop and recommend corporate strategies, and business and financial plans for the approval of the Board.
- Execute the corporate strategy to achieve profitable growth and maximize shareholder value for the Corporation's shareholders.
- Manage the business operations in accordance with the strategic direction approved by the Board and within operational policies as determined by the Board.
- Challenge management to set and achieve viable annual and long-term strategic and financial goals.
- Recommend appropriate rewards and incentives for management.
- Monitor the performance of management against a set of agreed corporate objectives directed at maximizing shareholder value within reasonable risk parameters.
- Develop and execute effective succession plans that help to minimize succession risk for the Corporation.
- Work with external stakeholders to enhance the competitiveness of Canadian capital markets.
- Report information from management to the Board in a manner and time so that the Board may effectively monitor and evaluate corporate (operational and financial) performance against stated objectives and within executive limitations.
- Report to the Board on relevant trends, anticipated media and analyst coverage, material external or internal changes, and any changes in the assumptions upon which any Board decision or approval has previously been made.
- Advise the Board if, in the CEO's opinion, the Board is not in compliance with its own policies, or legal and/or regulatory requirements.
- Provide the Board with all information and access that the Board may require in order to make fully-informed decisions.
- Report in a timely manner any actual or anticipated non-compliance with any Board approved policy or decision.

How to vote

How to vote at our 2020 annual and special meeting

Tuesday, May 12, 2020

2:00 p.m. (Eastern time)

You can vote your TMX Group common shares if you owned them at the close of business on March 16, 2020.

TMX Group

Virtual only meeting via live webcast online at
<http://web.lumiagm.com/282197727>

Two ways to vote

- 1 at our virtual meeting
- 2 by proxy, using your proxy or voting instruction form

Who can vote

You can vote your TMX Group common shares if you owned them at the close of business on March 16, 2020. There are some restrictions – see the note on the next page.

How many votes you have

You have one vote for every share you held on March 16, 2020. On March 16, 2020, there were 56,388,287 shares outstanding and eligible to vote.

What you're voting on

We need a simple majority of votes (50% plus one vote) cast for each item to be approved.

**The board recommends
you vote FOR these items**

	Where to read about it
appointing our auditor	page 7
electing our directors	page 8
voting on amendments to our share option plan	page 8
voting on our approach to executive compensation	page 10

Voting restrictions

No person or company, or combination of people or companies acting together, can beneficially own (directly or indirectly) or exercise control or direction over more than 10% of our common shares (except if approved in advance by the Ontario Securities Commission and Québec's Autorité des marchés financiers). No person or company can exercise the right to vote more than 10% of the votes attached to our common shares.

As of March 16, 2020, our directors and officers were not aware of any person or company, or combination of people or companies acting together, who beneficially owned (directly or indirectly) or exercised control or direction over more than 10% of our common shares.

Counting the votes

Our transfer agent, TSX Trust Company, counts and tabulates the proxies.

Your vote is private

Your vote is kept confidential unless it's clear that you want your position to be communicated to management, or as necessary to meet legal requirements.

Questions?

Contact our transfer agent, TSX Trust Company:

tel (416) 361-0930 (Toronto area)
tel 1-866-393-4891 (North America)
fax (416) 595-9593
email TMXInvestorservices@tmx.com

How to vote if you're a registered shareholder

You're a registered shareholder if you hold your shares directly with TMX Group.

How to vote at our virtual meeting

1. Log in at <http://web.lumiagm.com/282197727> at least 15 minutes before the meeting starts
2. Click on "I have a control number"
3. Enter your 12-digit control number (on your proxy form)
4. Enter the password: tmx
5. Vote!

You have to be connected to the internet at all times to be able to vote – it's your responsibility to make sure you stay connected for the entire meeting.

How to vote by proxy

Voting by proxy means appointing someone (your proxyholder) to attend the meeting and vote according to instructions you've provided.

Two ways to vote

- 1 at our virtual meeting
- 2 by proxy, using the proxy form we sent you

1. Appoint someone to be your proxyholder

Charles Winograd, chair of the board, and John McKenzie, Interim CEO, will be your proxyholders unless you appoint someone else.

If you want to appoint someone else to be your proxyholder, cross out the chair and CEO's names, and write in the name of the person you're appointing. Your proxyholder doesn't have to be a TMX Group shareholder, but he or she does need to understand that your vote won't be counted unless he or she goes to the meeting and votes your shares for you.

The person you appoint will need to contact TSX Trust Company at TMXInvestorServices@tmx.com to request a control number to be represented or voted at the meeting. It is the responsibility of the TMX Group shareholder to advise their proxy (the person they appoint) to contact TSX Trust to request a control number. Without the control number, proxyholders will not be able to participate at the meeting.

2. Provide your voting instructions

Use the form to specify how you want to vote on each item. Your proxyholder has to follow these instructions.

If you don't specify how you want your shares to be voted, your proxyholder can vote your shares as he or she sees fit. In this situation, Charles Winograd and John McKenzie will vote your shares:

- *for each director*
- *for our auditor*
- *for amendments to our share option plan*
- *for our approach to executive compensation.*

If there are amendments to the items or other items are properly brought before the meeting, your proxyholder can vote as he or she sees fit. As of the date of this circular, management was not aware of any proposed amendments or other matters to be presented at the meeting.

3. Send in your proxy form

Sign and date the form, and mail it to our transfer agent **by 10:00 a.m. (Eastern time) on May 11, 2020**. You can send it to TSX Trust Company by mail, voting online or fax.

TSX Trust Company

100 Adelaide Street
West, Suite 301
Toronto, Ontario
M5H 1S3
Fax (416) 595-9593

How to revoke your proxy

You can revoke your proxy by:

- delivering a letter to the Senior Vice President, Group Head of Legal and Business Affairs, Enterprise Risk Management and Government Relations and Corporate Secretary by 10:00 a.m. (Eastern time) on May 11, 2020 (or, the last business day before the meeting, if it is postponed), stating that you want to revoke your proxy
- any other way allowed by law.

How to change your vote

You can also change your vote by sending in another properly completed and signed proxy form with a later date, as long as it is received by 10:00 a.m. (Eastern time) on May 11, 2020 or the last business day prior to the date the meeting is reconvened if it is adjourned.

How to vote if you're a beneficial shareholder

You're a beneficial shareholder if you hold your shares through an intermediary (a bank, securities broker, trust company, clearing agency or other financial institution).

Your intermediary will vote your shares, but you have the right to tell it how to vote.

How to vote at our virtual meeting

1. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or voting instruction form. Do not fill out your voting instructions
2. Sign and send it to your intermediary, following the voting deadline and submission instructions on the voting instruction form
3. Get a control number by contacting TSX Trust Company at TMXInvestorServices@tmx.com by 10:00 a.m. (Eastern) on May 11, 2020
4. Log in at <http://web.lumiagm.com/282197727> at least 15 minutes before the meeting starts
5. Click on "I have a control number"
6. Enter your 12-digit control number
7. Enter the password: tmx
8. Vote!

You have to be connected to the internet at all times to be able to vote – it's your responsibility to make sure you stay connected for the entire meeting.

How to vote by proxy

1. Complete the proxy or voting instruction form, indicating your voting instructions on each item
2. Sign the form and follow instructions provided on the voting information form with respect to the voting deadline and submission of your voting instruction form.
3. If you change your mind and want to vote at the meeting, follow the instructions on your voting information form to see if this is possible and what steps you need to take.

How to change your vote

If you have provided voting instructions to your intermediary and change your mind about how you want to vote, or you decide to attend the meeting and vote in person, contact your intermediary to find out what to do.

About your voting materials

Your intermediary sent you this circular and a proxy or voting instruction form unless you told them not to send you voting information. If we sent you these materials directly, your intermediary gave us your name, address and information about your shareholdings in accordance with securities regulatory requirements. By choosing to send these materials to you directly, we have assumed responsibility for delivering them to you and for following your voting instructions.

Two ways to vote

- 1 at our virtual meeting
- 2 by proxy, using the proxy or voting instruction form your intermediary sent you

For more information

Please contact TMX Group if you have any additional questions or require further clarification.

General Enquiries

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