

# TMX Group Limited

## MANAGEMENT'S DISCUSSION AND ANALYSIS

February 5, 2026

This Management's Discussion and Analysis (MD&A) of TMX Group Limited's (TMX Group or TMX) financial condition and financial performance is provided to enable a reader to assess our financial condition, material changes in our financial condition and our financial performance, including our liquidity and capital resources, for the year ended December 31, 2025 (2025), compared with the year ended December 31, 2024 (2024) and as at December 31, 2025 and December 31, 2024. This MD&A should be read together with our audited annual consolidated financial statements as at December 31, 2025 and December 31, 2024, and for the years ended December 31, 2025 and 2024 (the financial statements).

Our financial statements and this MD&A for 2025 are filed with Canadian securities regulators and can be accessed at [www.tmx.com](http://www.tmx.com) and [www.sedarplus.ca](http://www.sedarplus.ca). The financial measures included in this MD&A are based on financial statements prepared in accordance with IFRS Accounting Standards and IFRS Interpretations Committee ("IFRIC"), as issued by the International Accounting Standards Board (IASB), unless otherwise specified. All amounts are in Canadian dollars unless otherwise indicated.

Certain comparative figures have been reclassified in order to conform with the financial presentation adopted in the current year. In 2025, we revised our adjusted net income and adjusted earnings per share to exclude dispute and litigation costs and costs for deal related activities. As a result, adjusted net income and adjusted earnings per share for 2024 were revised. Management uses these measures, and excludes certain items, because it believes doing so provides investors a more effective analysis of underlying operating and financial performance. For more information, please refer to "Results of Operations - Non-GAAP Measures" which outlines TMX Group's use of Non-GAAP measures.

Additional information about TMX Group, including the Annual Information Form, is available at [www.tmx.com](http://www.tmx.com) and [www.sedarplus.ca](http://www.sedarplus.ca). We are not incorporating information contained on our website in this MD&A.

### MD&A Structure

Our MD&A is organized into the following key sections:

- Our Purpose, Mission, Vision, Strategy and Objectives
- Initiatives and Accomplishments - 2025 initiatives and accomplishments;
- Market Conditions - a discussion of our current business environment;
- Our Business - a detailed description of our operations and our products and services;
- Results of Operations - a year-over-year comparison of results;
- Liquidity and Capital Resources - a discussion of changes in our cash flow, our outstanding debt and the resources available to finance existing and future commitments;
- Managing Capital - an outline of objectives for managing our cash and cash equivalents, marketable securities, share capital, Commercial Paper, Debentures, and credit and liquidity facilities;
- Financial Instruments;

- Critical Accounting Estimates - a review of our goodwill and intangible assets - valuation and impairment testing;
- Select Annual and Quarterly Financial Information - a discussion of select annual information from 2023-2025, the fourth quarter of 2025 compared with the corresponding period in 2024 and the results over the previous eight quarters;
- Enterprise Risk Management - a discussion of the risks to our business as identified through our risk management process as well as Financial Risk Management;
- Accounting and Control Matters - a discussion of changes in accounting policies adopted in 2025 and future changes in accounting policies, an evaluation of our disclosure controls and procedures and internal control over financial reporting and changes to internal control over financial reporting; and
- Caution Regarding Forward-Looking Information.

## OUR PURPOSE, MISSION, VISION, STRATEGY AND OBJECTIVES

### Purpose

We make markets better & empower bold ideas.

### Mission

We power capital and commodity markets with client-centric, technology-driven global solutions.

### Vision

To be an indispensable solution for companies around the world to raise capital and the preferred destination for traders and investors to prosper.

### Enterprise Strategy

Our enterprise strategy framework is centered around four pillars:

- **Accelerate Long-Term Growth:**
  - **Excel:** Deliver excellence at our core through operational efficiency and partnering with clients to optimize the value of our existing business to drive growth.
  - **Expand:** Lead on the world stage by taking our success in markets and solutions to new international audiences and building the capabilities to win globally.
  - **Evolve:** Build TMX's digital future by harnessing data, artificial intelligence (AI), and technology to create next-generation solutions and transform our business.
- **Talent and Culture:** Invest in our people to both fulfill our employee purpose and to foster long-term sustainable growth. Identify and acquire the talent and skills we require to execute on our growth strategy.

- **Advocacy:** Support and advance the business strategy by furthering TMX interests and building reputation through a coordinated corporate communications, government, regulatory and stakeholder relations approach.
- **Sustainability:** Drive long-term sustainable growth with a focus on Prosperity (resilient markets, attracting capital through sustainable products), Planet (sustainability performance for healthy ecosystems) and People (stakeholder and community benefits).

## Financial Objectives<sup>1</sup>

We are well positioned to accelerate our long term revenue growth, driven by our business strategy and recent acquisitions. Our long term objectives for total revenue compound annual growth rate (CAGR)<sup>2</sup>, adjusted earnings per share (EPS) CAGR<sup>3</sup>, dividend payout ratio<sup>4</sup>, and debt to adjusted EBITDA ratio<sup>5</sup> are presented below.

### TMX Group Long Term Objectives

Double-digit adjusted EPS CAGR		
Strong Growth* revenue CAGR		
<b>High Growth*</b> <ul style="list-style-type: none"> <li>• TMX Corporate Solutions**</li> <li>• Derivatives Trading &amp; Clearing</li> <li>• Global Insights: TMX Trayport</li> <li>• Global Insights: TMX VettaFi</li> </ul>	<b>Strong Growth*</b> <ul style="list-style-type: none"> <li>• Capital Formation (excl. TMX Corporate Solutions)</li> <li>• Global Insights: TMX Datalinx</li> </ul>	<b>Market Growth*</b> <ul style="list-style-type: none"> <li>• Equity &amp; Fixed Income Trading and Clearing</li> </ul>
40-50% Target dividend payout ratio	1.5 - 2.5 x Target debt / adjusted EBITDA	

\*High Growth is defined as high-single to double-digit revenue CAGR, Strong Growth is defined as 5% plus revenue CAGR, and Market Growth is defined as revenue CAGR in line with the overall market.

\*\* TMX Corporate Solutions consists primarily of TSX Trust and Newsfile.

While we believe that these long term financial objectives are reasonable, we may not be able to achieve these objectives, as our assumptions may prove to be inaccurate and therefore our actual results could differ materially from our long term objectives. For example, ongoing geopolitical events, changes in trade tariffs, threat of a global recession, and fluctuations in foreign exchange rates are all impacting the global economy and markets. At this point, it is difficult to predict the impact that this will have in the short term on our business, and the longer term impact on our aspirational goals.

Our long term objectives do not constitute guidance. Our current profitability in a given period may differ from these objectives, and our ability to attain these objectives must be weighed against our need to invest in our business in order to execute on our strategy. Some examples of these assumptions underlying these objectives include successful execution of our strategic growth initiatives and business objectives; continued investment in growth businesses; and continued re-prioritization of investment towards enterprise solutions. Long term revenue growth objectives by businesses (as outlined above), are revenue CAGRs based on certain assumptions and projected performance over the long term.

<sup>1</sup> The "Financial Objectives" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

<sup>2</sup> Compound annual growth rate (CAGR), see discussion under "Caution Regarding Forward-Looking Information".

<sup>3</sup> Adjusted EPS and adjusted EPS CAGR are non-GAAP ratios, see discussion under "Non-GAAP Measures" for more information.

<sup>4</sup> Dividend payout ratio is a non-GAAP ratio, see discussion under "Non-GAAP Measures" for more information.

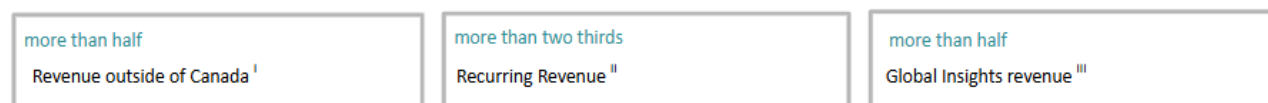
<sup>5</sup> Debt/Adjusted EBITDA is a non-GAAP ratio, see discussion under "Non-GAAP Measures" for more information.

In 2024, we announced our TM2X goal of doubling our revenue from \$1.0 billion to \$2.0 billion at 2x the speed.<sup>6</sup> We plan to accelerate the growth of our strong core to move TMX Group faster into new spaces including private markets, post-trade services, ETF and benchmark services, and new geographies.

## Transformational Objectives<sup>7</sup>

Our sustainable growth strategy and long term financial objectives support our continued desire to increase our global footprint and recurring revenue as we continue our evolution as an information business. Our Transformational Objectives<sup>8</sup> beyond ten years are outlined below.

### Transformational Objectives



<sup>i</sup> Revenue based on the country to which customer invoices are addressed.

<sup>ii</sup> Recurring revenue streams include substantially all of Global Insights, as well as sustaining fees, custody fees, transfer agency fees, and other access/subscription based revenues.

<sup>iii</sup> Global Insights segment revenue as a percentage of total TMX revenue.

Our business is organized into the following areas:

**Capital formation:** Our exchanges are integral to the efficient operation of the capital markets. We continually support the capital markets community by providing companies of all types and at all stages of development with access to equity capital, while also providing market oversight to ensure market integrity. TMX Corporate Solutions is focused on providing services that support the evolving needs of public and private companies.

*Lines of business include Toronto Stock Exchange (TSX) and TSX Venture Exchange (TSXV) listing and issuer services, and within TMX Corporate Solutions are TSX Trust Company (TSX Trust), TMX Group's transfer agency and corporate trust services business, and Newsfile Corp. (acquired August 7, 2024) which provides news dissemination and regulatory filing services.*

**Equities and fixed income trading and clearing:** Operate fair and transparent markets, with innovative, efficient and reliable platforms for equities and fixed income trading and clearing.

*Lines of business include TSX, TSXV and TSX Alpha Exchange (Alpha), Alpha-X, Alpha-DRK, equities trading operations, Shorcan Brokers Limited (Shorcan) fixed income trading and The Canadian Depository for Securities Limited and its subsidiaries including CDS Clearing and Depository Services Inc. (CDS Clearing) and CDS Innovations Inc. (collectively, CDS).*

**Derivatives trading and clearing:** Provide global access to liquid and secure marketplaces for equity and interest rate derivatives trading and clearing.

*Lines of business include Montréal Exchange (MX), Canadian Derivatives Clearing Corporation (CDCC), and BOX Options Market LLC (BOX).*

<sup>6</sup> 14 years to double revenue from 2008 - 2022 from \$0.5 billion to \$1.0 billion in revenue, targeting 5 - 7 years to grow from \$1.0 billion to \$2.0 billion. Please refer to "Caution Regarding Forward-Looking Information".

<sup>7</sup> The "Transformational Objectives" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

<sup>8</sup> Will be delivered by a combination of organic and inorganic activity.

**Global Insights:** Deliver equities data, index data, derivatives data as well as integrated data sets to fuel high-value proprietary and third party analytics which help clients make better trading and investment decisions. We also provide solutions to European and global wholesale energy markets for price discovery, trade execution, post-trade transparency and straight through processing. With the addition of TMX VettaFi (acquired January 2, 2024) we also provide additional leading products and services in indexing, digital distribution, data analytics and thought leadership.

*Lines of business include TMX Datalinx which includes U.S.-based Verity (acquired October 1, 2025), and Wall Street Horizon (WSH); Co-location; TMX Trayport which includes Vienna-based VisoTech (Trayport Austria G.m.b.H.) and Germany-based Tradesignal (Trayport Germany G.m.b.H.); and U.S.-based TMX VettaFi (acquired January 2, 2024) which includes iNDEX Research (acquired October 15, 2024).*

## INITIATIVES AND ACCOMPLISHMENTS

### Equities and Fixed Income Trading and Clearing

#### **AlphaX US**

On January 22, 2025, we successfully launched AlphaX US, a new U.S. equities alternative trading system (ATS) offering broker-dealers a venue focused on execution performance, customization opportunities, and transparency in executing trading strategies. AlphaX US traded average daily volumes of over 3.5 million shares in 2025.

### Derivatives Trading and Clearing<sup>9</sup>

#### **CGZ**

MX revitalized the Two-Year Government of Canada Bond Futures (CGZ) in 2020. Since the re-launch the CGZ contract has reached average daily volumes of approximately 82,000 in 2025, with open interest reaching 308,000 contracts as of December 31, 2025. On November 30, 2025, we terminated the agreement with the CGZ market makers and final incentives were incurred in Q4/25. As a result, we expect an increase in the rate per contract in 2026.

#### **CORRA**

The Three-Month CORRA Futures (CRA) product reached average daily volumes of over 170,000 in 2025, with open interest of approximately 1.4 million contracts as of December 31, 2025. In December 2024, we initiated the termination of the CRA market making agreement. The final incentives for the program were incurred in the first half of 2025, as a result there was a positive contribution to the rate per contract over the first half of 2025, and we reached run rate in Q3/25.

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<sup>9</sup> The "Derivatives Trading and Clearing" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainty related to such statements.

## **Global Insights<sup>10</sup>**

### ***Verity***

On October 1, 2025, TMX Group completed the acquisition of Verity, a U.S.-based provider of buy-side investment research management system, data, and analytics provider for US\$ 97.8 million (\$136.2 million) in cash. Verity's two core product offerings are VerityRMS, a research management system, and VerityData, featuring enhanced datasets and insights primarily focused on public equity filings. The acquisition enhances TMX Datalinx's client offering, strengthening its position in delivering global investment-grade data, insights, and investment workflow tools across equities, fixed income, and private assets.

## **Modernization of the Canadian Depository for Securities (CDS) Clearing Platform<sup>11</sup>**

The CDS modernization project involved the replacement of certain legacy systems at CDS including those related to clearing and settlement, as well as entitlement payment systems. Since the commencement of the modernization project, we have capitalized a total of \$149.9 million, including \$16.7 million in 2024, and \$5.8 million in 2025. These project costs are included in *Additions to premises and equipment and intangible assets* on the Consolidated Statements of Cash Flows in the periods from 2019 to 2025.

On April 28, 2025, we successfully launched our Post Trade Modernization (PTM) project. The launch of the modernized systems enables faster, more cost-effective updates to adapt to evolving market needs, and provides new opportunities and capabilities in TMX's post-trade businesses. Following the launch of the PTM project, we project annual amortization and depreciation expenses of approximately \$10.0 million, which will be mostly offset by the PTM related portion of the annual savings described in the *Strategic Re-alignment* initiative section. In 2025, we incurred approximately \$6.7 million of amortization and depreciation expenses related to the PTM project.

## **Corporate**

### ***Reconciliation Action Plan***

On September 25, 2025, TMX Group announced the release of its first Reconciliation Action Plan (RAP), detailing the company's long-term commitments to further Indigenous reconciliation in Canada. The RAP, developed through extensive engagement with Indigenous organizations, leaders, and experts, focuses on four key pillars including Capital Realignment; Relationships; Truth, Learning and Action; and First Nations, Inuit and Métis Talent. View the full RAP at [tmx.com](https://tmx.com) under Sustainability.

### ***Update on TMX Group Credit Rating***

On March 3, 2025, Morningstar DBRS revised all credit rating trends on TMX Group to Stable from Negative and confirmed the Long-Term Issuer Rating and the Senior Unsecured Debt rating of TMX Group as AA (low), as well as our Commercial Paper (CP) rating at R-1 (middle). On September 30, 2025, Morningstar DBRS re-confirmed all of the above ratings and trends.

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<sup>10</sup> Formerly "Global Solutions, Insights and Analytics".

<sup>11</sup> The "Modernization of the Canadian Depository for Securities (CDS) Clearing Platform" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

## Organizational Changes

On March 31, 2025, TMX Group announced organizational changes designed to advance the evolution of the enterprise, create stronger alignment across corporate functions, and enable TMX Group to scale efficiently as it executes a client-centric strategy to diversify, innovate, and globalize.

Effective April 1, 2025, Judy Dinn was appointed Chief Information Officer (CIO), TMX Group. Ms. Dinn is responsible for the strategic leadership of all aspects of technology at TMX, and will play an important role in the evolution and execution of the corporate strategy and global growth agenda over the coming years. Ms. Dinn brings over 20 years of experience as a technology executive in the financial services industry to her new role and is a member of the senior management team reporting to John McKenzie, TMX Group CEO.

Effective June 30, 2025, Jay Rajarathinam, Chief Operating Officer, has left TMX Group. With the announcement of Mr. Rajarathinam's departure, TMX Group announced new strategic and expanded responsibilities for Peter Conroy and David Arnold, effective March 31, 2025.

Peter Conroy was appointed CEO, Global Insights, TMX Group. Mr. Conroy's mandate expanded to include all of the business units formerly known as Global Solutions, Insights and Analytics: TMX Trayport, TMX VettaFi, and TMX Datalinx. David Arnold, Chief Financial Officer, TMX Group, has taken on an expanded mandate to include full oversight of Strategy and Corporate Development, as well as enterprise innovation and integration.

## Strategic Re-alignment<sup>12</sup>

Earlier this year we announced the completion and successful launch of the PTM project, and organizational changes designed to advance the evolution of the enterprise, creating stronger alignment across corporate functions, and enabling TMX Group to scale efficiently as it executes a client-centric strategy to excel, expand, and evolve.

In 2025, we incurred strategic re-alignment expenses of approximately \$12.0 million, reflected in our *Compensation and benefits* and *information and trading systems* expenses. We expect annual net cash savings of approximately \$12.0 million, which began in Q3/25 reaching full run-rate in 2026.

## Pricing Changes and Fee Impacts<sup>13</sup>

The following table presents a summary of the pricing changes and fee impacts that will take effect in 2026:

Segment	2025 Revenue	% Change from 2025	Description
Capital Formation (excl. TMX Corporate Solutions)	\$178.8	3 - 4%	Sustaining listing fees uplift from 28% growth in market capitalization
TMX Trayport	\$277.4	3 - 4%	CPI annual update
TMX Datalinx	\$253.0	1 - 2%	Multiple TMX Datalinx products
<b>TMX Group</b>	<b>\$1,717.2</b>	<b>1%</b>	<b>Includes all TMX price changes including other changes below 1% not listed above</b>

<sup>12</sup> The "Strategic Re-alignment" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

<sup>13</sup> The "Pricing Changes" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

### Capital Formation

While we do not plan to make changes to TSX and TSXV listing fees in 2026, we expect a positive impact from the 28% growth in market capitalization of our listed issuers at December 31, 2025 compared with December 31, 2024. The expected aggregate positive impact is approximately 8% to 9% from 2025 revenue in *Sustaining listings fees* on an annualized basis. Actual revenue for future periods will also depend on activity in those quarters.

### TMX Trayport

In the fourth quarter of 2025, we notified clients of our annual price changes, effective January 1, 2026, across TMX Trayport products in-line with the CPI of the contracting country, with an expected aggregate positive impact of approximately 3% to 4% of *TMX Trayport's* 2025 revenue on a constant currency annualized basis.

### TMX Datalinx

As of December 2025, we received regulatory approval for pricing changes on the following TMX Datalinx products: select real time equities and derivatives data, select historical and reference data, select benchmarks and indices data, and co-location. TMX Datalinx has also informed clients of revisions to 2026 prices for unregulated data products effective Q1/26, in-line with our ongoing investments in these areas and associated market value. The aggregate positive impact of these pricing changes is expected to be approximately 1% to 2% from 2025 TMX Datalinx revenue on a constant currency annualized basis.

## **MARKET CONDITIONS AND OUTLOOK<sup>14</sup>**

2025 was characterized by a complex and evolving global macroeconomic environment led by uncertainties related to tariffs, threat of global trade wars, and ongoing geopolitical conflicts. The average CBOE Volatility Index (VIX) was 19.0 in 2025, compared with 15.6 in 2024. Overall, Canadian equities trading volumes were up 31% in 2025 compared with 2024.<sup>15</sup> Across all of our Canadian equities markets, overall trading volumes were up 27% in 2025 compared with 2024 with trading volumes on TSX, TSXV and Alpha (including Alpha-X and Alpha-DRK) increasing 19%, 45% and 30%, respectively. In Canadian derivatives trading, the volume of contracts traded on MX was up 19% in 2025 compared to 2024.

Market uncertainty led to mixed results for capital raising in the first half of 2025, with signs of recovery in the second half of the year leading to positive overall results for 2025. On TSX, the total number of financings increased by 40% from 2024 to 2025, and the total amount of financing dollars raised increased by 44% over the same period. On TSXV (including NEX) there was a 15% increase in the total number of financings, and the total amount of financing dollars raised increased by 115% in 2025 over 2024.

On January 28, 2026, the Bank of Canada (the Bank) announced that it held its target for the overnight rate at 2.25%, with the Bank Rate at 2.5% and the deposit rate at 2.2%. The Bank stated that the current policy rate remains appropriate, conditional on the economy evolving in-line with its outlook, though it noted that the outlook is vulnerable to unpredictable US trade policies and geopolitical risks. Global financial conditions remain accommodative, and the Bank noted that recent weakness in the US dollar has pushed the Canadian dollar above 72 cents.<sup>16</sup>

The Bank forecasts economic growth will be modest in the near term as population growth slows and Canada adjusts to US protectionism. While consumer spending is expected to hold up and business investment strengthens gradually, US trade restrictions continue to disrupt growth. The Bank projects GDP will grow by 1.1% in 2026 and 1.5% in 2027,

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<sup>14</sup> The "Markets Conditions and Outlook" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainty related to such statements.

<sup>15</sup> Source: CIRO (excluding intentional crosses, includes all Canadian equities).

<sup>16</sup> Source: Extracted from the Bank of Canada press release, January 28, 2026.



broadly in line with its October projection, but notes the Canada-US-Mexico Agreement as a key source of uncertainty.<sup>17</sup>

CPI inflation picked up to 2.4% in December, boosted by base-year effects linked to the previous year's GST/HST holiday. However, excluding the effect of tax changes, inflation has been slowing since September, and the Bank's preferred measures of core inflation have eased to around 2.5%. The Bank expects inflation to stay close to the 2% target over the projection period, with trade-related cost pressures being offset by excess supply.<sup>18</sup>

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<sup>17</sup> Source: Extracted from the Bank of Canada press release, January 28, 2026.

<sup>18</sup> Source: Extracted from the Bank of Canada press release, January 28, 2026.

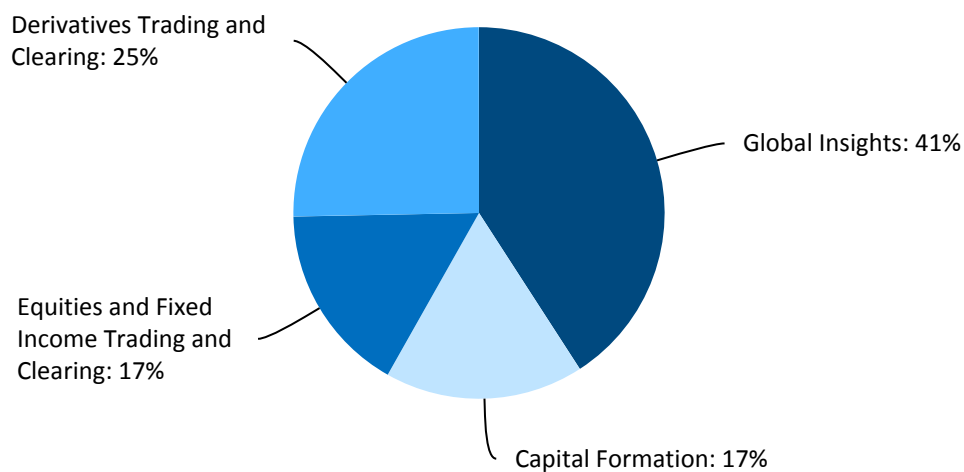
## OUR BUSINESS

On the following pages, we provide an overview and description of products and services, strategy and revenue description for each of our segments as outlined below:

1. Capital Formation
2. Equities and Fixed Income Trading and Clearing
3. Derivatives Trading and Clearing
4. Global Insights

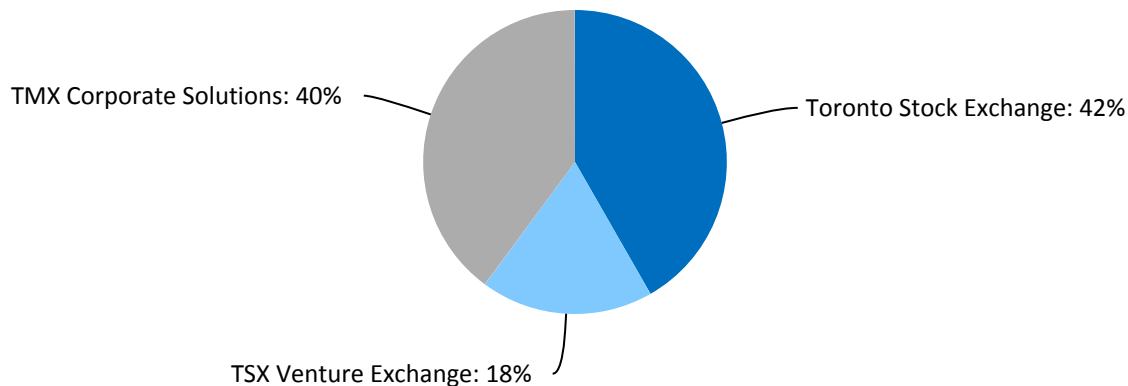
For key statistics related to each business above, please see **Results of Operations**.

### TMX 2025 Revenue: \$1,717.2 million



## Capital Formation

Year Ended December 31, 2025  
Capital Formation revenue of \$297.4 million



### Overview and Description of Products and Services

*Our goals are to provide solutions for corporate clients in need of growth capital and liquidity, and to provide services that support the evolving needs of public and private companies.*

TMX Group operates a unique two-tiered ecosystem, comprised of TSX and TSXV, to help companies access the public markets, raise capital and provide liquidity to shareholders. TSX is a leading listings venue for established domestic and international issuers. TSXV is the pre-eminent global platform for facilitating venture stage capital formation.

In general, established issuers initially list on TSX through an Initial Public Offering (IPO), by graduating from TSXV, or by seeking a secondary listing (to complement an existing listing on another listing venue). Venture stage companies generally list on TSXV either in connection with an IPO, or through alternative methods such as TSXV's Capital Pool Company program or a reverse takeover. We also operate NEX, a market for issuers that have fallen below the listing standards of TSXV.

Issuers list a number of different types of securities including conventional securities such as common shares, preferred shares, rights and warrants; and a variety of alternative types of structures such as exchangeable shares, debt or convertible debt instruments, limited partnership units, Exchange Traded Funds (ETFs), Canadian Depositary Receipts (CDRs), and structured products such as investment funds.

We are a global leader in listing small and medium-sized businesses with a concentration in resource sector listings and a growing number of innovation companies, including those in the technology, clean technology, renewable energy and life science sectors. In 2025, we welcomed 449 new listings, of which 14 were innovation companies and 14 were international (non-Canadian) companies. Issuers listed on TSX and TSXV raised a combined \$33.4 billion in 2025 (\$23.3 billion on TSX and \$10.1 billion on TSXV).

In addition to our listing facilities, we offer other services focused on supporting the funding, growth, and success of our listed companies as well as the evolving needs of public and private companies. Within Capital Formation is TMX Corporate Solutions which includes TSX Trust and Newsfile. TSX Trust supports over 2,000 equity and debt issuers and private companies with corporate trust, transfer agent, registrar, registered and non-registered plan services, and

employee plan services, of which some subscribe to multiple services. Newsfile was acquired in August 2024 and services over 2,500 public and private clients globally by providing news release distribution and SEDAR+, EDGAR, and XBRL filing solutions.

## **Strategy**

Our strategic objectives in the Capital Formation business (excluding TMX Corporate Solutions) to deliver long term Strong Growth<sup>19</sup> as laid out under *Our Purpose, Mission, Vision, and Financial Objectives - Financial Objectives* focus on:

- **Global expansion:** leverage our global presence and channel partners to attract international listings across all sectors
- **Sector development:** accelerate growth and deploy development strategies in targeted sectors to support the growth of new and emerging sectors
- **Market modernization:** accelerate our policy development, regulatory advocacy and thought leadership efforts, such as TMX LINX (a centralized portal for issuers listed on TSX and TSXV to interact with the Exchange), to stimulate investment in the public markets, ease regulatory burdens, transform user experience and deliver operational excellence

For TMX Corporate Solutions, our objective to deliver long term High Growth<sup>20</sup> encompasses the following:

- **Growth from the core:** accelerated growth of our transfer agent, corporate trust, news distribution and regulatory filing services
- **Sales and strategic partnerships:** unlock scale and accelerate growth and contribution to the total portfolio through our dedicated sales force, technological capabilities and execution of strategic partnerships
- **Private markets:** continue to expand the service offering to meet the unique needs of private companies.
- **Product expansion:** build product and services offerings to increase share-of-wallet

## **Revenue Description**

We generate Capital Formation revenue from several fees and services, including:

### Initial Listing Fees

TSX and TSXV issuers pay initial listing fees based on the value of the securities to be listed or reserved, subject to minimum and maximum fees. Initial listing fees fluctuate with the value of securities being listed or reserved at the time of listing. Revenues from initial listing fees are deferred over a 12-month period from the date of listing.

### Additional Listing Fees

Issuers already listed on one of our equity exchanges pay fees in connection with subsequent capital market transactions, such as the raising of new capital through the sale of additional securities and reserving additional shares to be issued under stock option plans. Additional listing fees are based on the value of the securities to be listed or reserved, subject to minimum and maximum fees and are recognized in the period the transaction occurred.

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<sup>19</sup> Strong Growth is defined as 5% plus revenue CAGR

<sup>20</sup> High Growth is defined as high-single to double-digit revenue CAGR

### Sustaining Listing Fees<sup>21</sup>

Issuers listed on one of our equity exchanges pay annual fees to maintain their listing, based on their market capitalization at the end of the prior calendar year, subject to minimum and maximum fees. Sustaining listing fees for existing issuers are billed during the first quarter of the year, recorded as deferred revenue and amortized over the year on a straight-line basis. Sustaining listing fees for new issuers are billed in the quarter after the new listing takes place, based on their market capitalization on the date of listing, and are amortized over the remainder of the year on a straight-line basis.

Fees charged to issuers vary based on the type of issuer (corporate, structured product or ETF).

The aggregate market capitalization of issuers listed on TSX increased from \$4.9 trillion at the end of 2024 to \$6.3 trillion at the end of 2025. The market capitalization of issuers listed on TSXV, including NEX, increased from \$88.8 billion at the end of 2024 to \$142.0 billion at the end of 2025. The revenue impact on sustaining listing fees will depend on the proportion of market capitalization change for TSX and TSXV issuers who are at the maximum fee, the proportion of issuers below the maximum fee, and the mix of issuers (for more information see discussion under *Initiatives and Accomplishments - Pricing Changes*).

### TMX Corporate Solutions

TMX Corporate Solutions includes TSX Trust and Newsfile. TSX Trust has over 1,700 transfer agent clients, and revenue is primarily derived from recurring monthly fees, related products, and net interest income on cash balances. Corporate trust fees relate to services for approximately 700 clients that include acting as trustee for debt instruments, depositary for takeover bid offers, warrant agent, subscription receipt agent, and agent for voluntary escrow arrangements. TSX Trust benefits from periodic, large cash balances that are held in its trust account, which results in net interest income. Based on CAD and USD year end balances at December 31, 2025, a 25 basis points movement in the interest rate corresponds to approximately \$2.0 million of revenue in TSX Trust. Actual revenue for future periods will also depend on activity in those quarters.

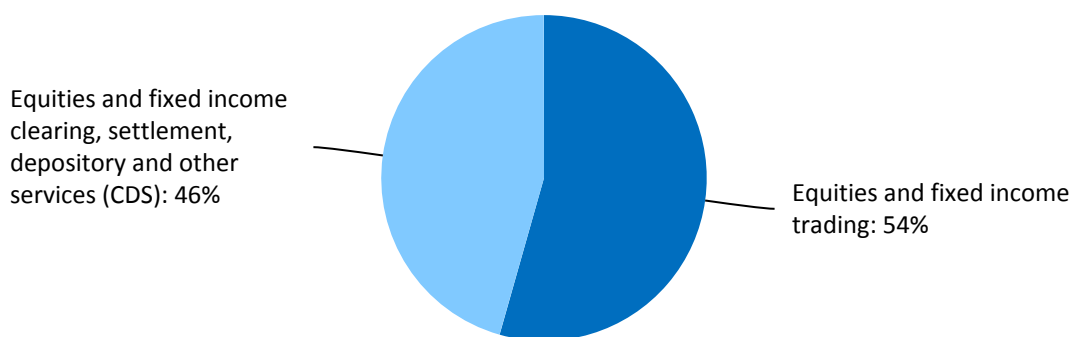
Newsfile services over 2,500 public and private clients globally by providing news release distribution and SEDAR+, EDGAR, and XBRL filing solutions. Revenue is derived in a number of ways, including from contracts (for services provided to clients over the term of the contracts) and pay-as-you-go arrangements (where clients pay for services as they are provided).

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<sup>21</sup> The "Sustaining Listing" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

## Equities and Fixed Income Trading & Clearing

Year ended December 31, 2025  
Equities and Fixed Income Trading and Clearing revenue of \$283.4 million



## Equities and Fixed Income Trading – TSX, TSXV, Alpha, TSX Alpha U.S., and Shorcan

### *Overview and Description of Products and Services*

We operate innovative, efficient, reliable, high performance platforms for trading and clearing.

#### Equities Trading

TSX, TSXV and Alpha operate fully electronic exchanges that facilitate secondary trading in TSX and TSXV-listed securities on a continuous auction basis throughout the trading day.

Retail, institutional and other proprietary investors and traders place orders to buy or sell securities through Participating Organizations (POs)/Members of the exchanges. In addition to continuous trading throughout the day, TSX and TSXV also operate opening and closing auctions, which are central sources of liquidity for trading in Canada during those times. The closing auctions also establish the industry benchmark closing price for our listed securities. A post-closing trading session on TSX and TSXV allows for further opportunity to trade at the closing price. Additional trading features and functionalities are offered to accommodate a range of trading strategies and provide flexibility and optionality to clients. Each of TSX, TSXV and Alpha also allow POs to report their internally matched orders, by printing them as crosses on the exchanges at no cost.

In 2023, Alpha launched a "lit order book" (Alpha-X) and a "dark order book" (Alpha DRK). The introduction of the new order books provides platforms on which TMX Group can introduce innovative trading solutions, such as Smart Limit and Smart Peg orders, that help clients optimize their trading. In 2025, approximately 392.6 million shares were traded on Alpha-X and Alpha DRK.

On January 22, 2025, we launched AlphaX US, a U.S. equities ATS offering broker-dealers a venue focused on execution performance, customization opportunities, and transparency in executing trading strategies. In 2025, AlphaX US traded average daily volumes of over 3.5 million shares.

### Fixed Income Trading

Shorcan acts as an Inter-Dealer Bond Broker (IDBB) that specializes in the Canadian fixed income market, brokering products that include Government of Canada, Provincial, Corporate and Canadian Mortgage Bonds along with Repurchase Agreements (repos) and Swaps. Shorcan's core clients are broker-dealers, all of whom are registered with the Canadian Investment Regulatory Organization (CIRO), and many that are also CDCC members. Shorcan operates a hybrid trading platform allowing clients access to trade via voice lines or electronically; the buy-side does not participate.

### **Strategy**

Our strong competitive position in the Canadian equities and fixed income trading businesses complements our portfolio as we look to deliver and maintain long term Market Growth<sup>22</sup> in these businesses. Our strategic focus is on:

### Equities Trading

- Building innovative and premium market solutions focused on solving client needs in Canada and around the world
- Continuing to maintain leading market share in Canadian trading

### Fixed income Trading

- Maintaining market leading position in Canada trading of fixed income products

### **Revenue Description**

#### Equities Trading

Most of the fees on TSX, TSXV and Alpha are volume-based. These fees are applied to traded shares, and in most cases, involve one side of the trade being charged a per share fee and the other side being provided with a per share rebate. The excess of the fee over the rebate represents the exchanges' net fee per share traded. These types of models are intended to incent different types of customers and behaviors. The primary fee structure on TSX, TSXV, and Alpha-X is a maker-taker model that pays a rebate to the liquidity providing side of the trade so that market participants have an incentive to enter passive orders into the central limit order book, while the liquidity taking side of the trade pays a fee. Alpha supports an inverted pricing model which is intended to provide incentives to take liquidity by providing a rebate, with the liquidity providing side of the trade paying the fee. Alpha DRK has a take-take pricing model that charges both the buyer and seller a fee per transaction. Regardless of the fee structure applied, trading revenue is recognized in the month in which the trade is executed.

#### Fixed Income Trading

Shorcan charges broker commissions on both sides of the trade upon execution. Shorcan broker commission varies by instrument, duration, size and execution method (voice or electronic).

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<sup>22</sup> Market Growth is defined as revenue CAGR in line with GDP

## Equities and Fixed Income Clearing, Settlement, Depository and Other Services - CDS

### ***Overview and Description of Products and Services***

CDS is Canada's national securities depository, clearing and settlement hub for domestic and cross-border depository-eligible securities. CDS supports Canada's equities, fixed income and money markets and is accountable for the safe custody and movement of securities, the processing of post-trade transactions, and the collection and distribution of entitlements relating to securities deposited by participants.

CDS's domestic clearing and settlement services enable participants to report, confirm or match, reconcile, net and settle exchange and OTC traded equity, debt and money market transactions, as well as derivative transactions in depository-eligible securities (e.g., the processing of rights and warrants and the settlement of exercised options). CDS also offers related services such as buy-ins, risk controls and reporting, and facilitates trading in CDSX (CDS's multilateral clearing and settlement system) eligible securities before they are publicly distributed (trades in these securities settle after public distribution). CDSX is designated by the Bank of Canada as being systemically important, under the *Payment Clearing and Settlement Act* (Canada).

CDS Depository is accountable for the safe custody and movement of depository-eligible domestic and international securities, accurate record-keeping, processing post-trade transactions, and collecting and distributing entitlements arising from securities deposited by participants.

Other CDS services include, the issuance of International Security Identification Numbers (ISINs), depository eligibility, securities registration as well as entitlement and corporate action (E&CA) event management.

### ***Strategy***

In April 2025, we successfully launched our PTM project. The launch of the modernized systems enables faster, more cost-effective updates to adapt to evolving market needs, and provides new opportunities and capabilities in TMX's post-trade businesses. TMX Group will continue to invest in modernizing core technology and developing growth opportunities for the business to deliver long term Market Growth<sup>23</sup> under these main focuses:

- **Clearing and depository:** Leverage our new advanced clearing, settlement, and risk management platform, to deliver enhanced client experiences at higher efficiency (see **INITIATIVES AND ACCOMPLISHMENTS - Update on Modernization of CDS Clearing Platform**).
- **Global connectivity solutions:** Support access gateways that connect global clients within an increasingly global marketplace such as the CDS-DTCC (The Depository Trust & Clearing Corporation) link and collateral optimization opportunities in conjunction with the CDS participant base and their clients.
- **Collateral and funding:** Support our clients to do more business by making more efficient use of their capital with new collateral management services.

### ***Revenue Description***

For reported trades, both exchange traded and OTC trades, CDS charges clearing fees to participants on a per trade basis. Clearing fees are recognized as follows:

- Reporting fees are recognized when the trades are delivered to CDS.
- Netting/novation fees are recognized when the trades are netted and novated.

Other clearing-related fees are recognized when services are performed.

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<sup>23</sup> Market Growth is defined as revenue CAGR in line with GDP.



For those trades that are netted in Continuous Net Settlement (CNS), settlement fees are charged on the basis of the number of netted trades settled. Settlement fees for those trades that are not netted (i.e., trades that are settled individually on a trade-for-trade (TFT) basis) are charged on a per transaction basis. Settlement-related fees are recognized when the trades are settled.

Depository fees are charged per transaction and custody fees are charged based on a daily average of volume (i.e., number of shares held for equity securities and nominal value held for fixed income securities) and positions held. Depository fees are charged for custody of securities, depository related activities, and processing of entitlement and corporate actions, and are recognized when the services are performed.

International revenue consists of revenue generated through offering links as channels to participants to effect cross-border transactions and custodial relationships with other international organizations. The related fees are recognized as follows:

- Fees are charged to participants based on participant usage of National Securities Clearing Corporation (NSCC) and Depository Trust Company (DTC) services. Participants are sponsored into NSCC and DTC services via the New York Link service and the DTC Direct Link service respectively.
- Custodial fees and other international services related revenues are recognized when the services are performed.

Issuer services fees are fees levied to issuers and/or their agents for ISIN, and entitlements and corporate actions management services for which they benefit.

#### 50:50 Rebates on Core CDS Services

CDS shares with participants, on a 50:50 basis, any annual increases in revenue on clearing and other core CDS Clearing services, as compared with revenues in fiscal year 2012 (the 12-month period ending October 31, 2012). Rebates are paid on a pro rata basis to participants in accordance with the fees paid by such participants for these services.

#### Additional Rebates

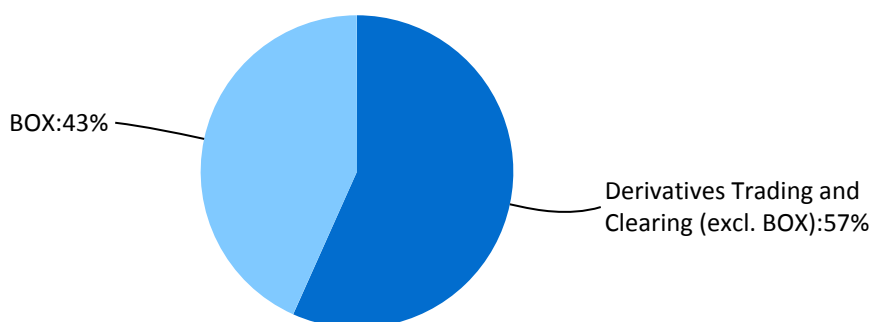
In addition, CDS must rebate an additional \$4.0 million annually to participants in respect of exchange clearing services for trades conducted on an exchange or ATS.

In September 2025, CDS published its proposal to update CDS rebates for public comment. Along with the proposal, CDS also published proposed decreases in certain clearing and settlement fees which were approximately \$4.0 million in 2025. While the public comment period concluded in Q4/25, this proposal is still under regulatory review.

For the five-year period from 2020 to 2024 inclusive, CDS rebated an average of approximately \$17.5 million annually. In 2025, CDS rebated \$23.9 million reflecting increased volumes on core CDS services.

## Derivatives Trading and Clearing

Year ended December 31, 2025  
Derivatives Trading and Clearing revenue of \$434.5 million



### Derivatives Trading and Clearing – MX, CDCC and BOX

#### *Overview and Description of Products and Services*

Our domestic financial derivatives trading is conducted through MX, Canada's standardized financial derivatives exchange. Headquartered in Montréal, MX offers trading in interest rate, index, equity and currency derivatives. BOX is an equity options market located in the U.S and as at December 31, 2025, MX held approximately 47.9% economic interest and 51.4% voting interest in BOX. Non-controlling interests ("NCI") related to BOX (52.1%), including net income and equity attributable to NCI are reported in our financial statements.

#### Derivatives - Trading

##### **MX**

MX offers interest rate, index, equity and currency derivatives to Canadian and international market participants. MX connects participants to its derivatives markets, builds business relationships with them and works with them to ensure that the derivatives offerings meet investor needs. In 2025, approximately 55% of MX's volume was represented by four futures contracts – the Three-Months CORRA Futures contract (CRA), the 10-Year Government of Canada Bond Futures contract (CGB), the 5-Year Government of Canada Bond Futures contract (CGF) and the 2-Year Government of Canada Bond Futures contract (CGZ) – with the balance largely represented by our equity and ETF options market, as well as the S&P/TSX 60 Standard Futures contract (SXF).

##### **BOX**

BOX (BOX Options Market LLC, and when the context requires, BOX includes its parent BOX Holdings Group LLC) is an equity options market and is one of a number of equity options markets in the U.S. All options traded on BOX are cleared through The Options Clearing Corporation.

### Derivatives – Clearing

CDCC acts as the central clearing counterparty for exchange-traded derivative products in Canada and for a growing range of customized financial instruments. CDCC's role is to ensure the integrity and stability of the markets that it supports. CDCC provides central clearing counterparty (CCP) clearing and settlement services for all MX transactions and certain over-the-counter (OTC) derivatives, including fixed income repurchase and reverse repurchase agreement (REPO) transactions. In addition, CDCC is the issuer of options traded on MX markets.

CDCC is an integrated central clearing counterparty in North America that clears and settles futures, options and options on futures. The Canadian Derivatives Clearing Service (CDCS) operated by CDCC has been designated by the Bank of Canada as being a systemically important financial market infrastructure under the *Payment Clearing and Settlement Act* (Canada).

CDCC generates revenue from clearing and settlement activities (see **Revenue Description** section below).

### Derivatives – Regulatory Division

MX is recognized by the Autorité des marchés financiers (AMF) as a Self-Regulatory Organization (SRO) that has responsibility for maintaining the transparency, credibility and integrity of its exchange-traded derivatives market. MX's Regulatory Division oversees the regulatory functions. It is responsible for the regulation of MX's markets and trading participants.

The Regulatory Division operates as a separate and independent unit of MX. It is subject to the oversight of the MX Self-Regulatory Oversight Committee of MX's board of directors (SROC). The SROC, which is appointed by the Board of Directors of MX, must be composed of at least two-thirds independent members. The Regulatory Division operations are self-funded and are carried out on a not-for-profit basis.

The Regulatory Division generates revenue from regulatory fees principally comprised of market surveillance fees collected by MX on behalf of its Regulatory Division. Market regulation fees are recognized in the month in which the services are provided.

Any surplus in the budget of the Regulatory Division after allowing for an appropriate operating reserve must be redistributed to MX's approved participants and any shortfall must be made up by a special assessment imposed on MX's participants or by MX, in both cases upon recommendation of the SROC to the MX board. Regulatory fines are accounted for separately from regulatory fees revenue. The regulatory fines can be used only for specifically approved purposes, as described in the recognition order, such as educational initiatives.

### **Strategy**

Growth drivers in our Derivatives Trading and Clearing segment contributing to the business unit's long term High Growth<sup>24</sup> revenue objective are as follows:

#### MX

- Continuation of global expansion through trading hours and access expansion
- Introduction of new client-focused products and services with new offerings to unlock the yield curve and further build out the equities derivatives complex

#### CDCC

CDCC strengthens and supports Derivatives markets growth with trusted, deep post-trade capabilities. Enhancements of CDCC's products and services will focus on:

- Supporting a vertically-integrated introduction of new derivatives products and services

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<sup>24</sup> High Growth is defined as high-single to double-digit revenue CAGR

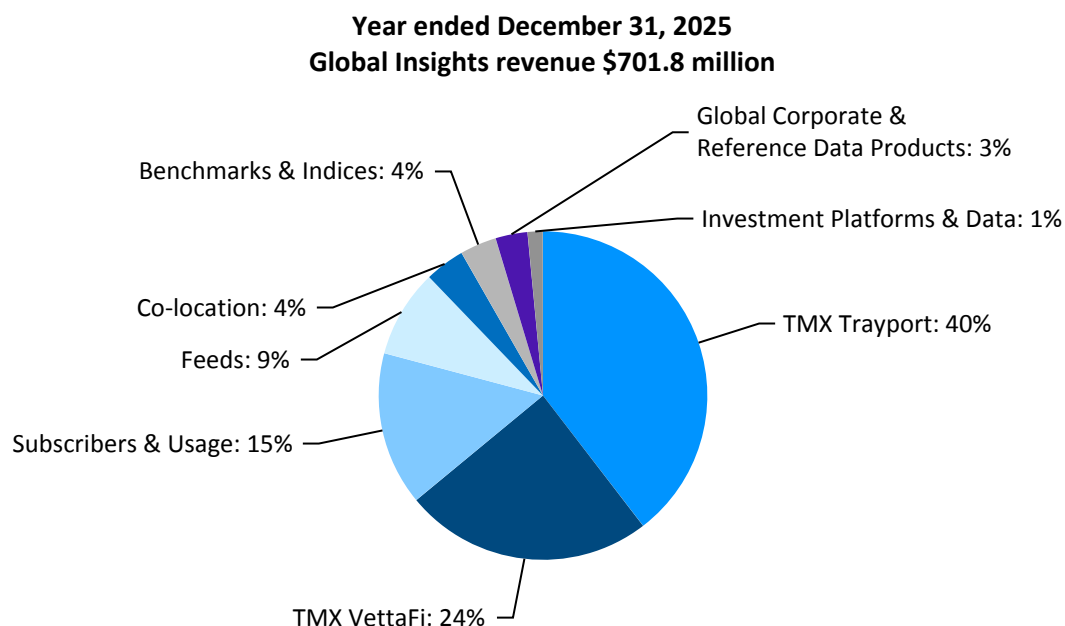
- Providing efficient international access to bulge bracket clearing brokers while accessing new distribution networks and reaching new clients
- Upgrading operational, risk and regulatory compliance capabilities
- Complementing the Derivatives ecosystem with an expanded REPO facility

### ***Revenue Description***

Those who trade on MX and BOX are charged fees for buying and selling derivatives products on a per transaction basis, determined by factors that include contract type and volume of contracts traded. Since trading fee rates are charged on each transaction based on the number of contracts included in each transaction, MX and BOX trading revenue is largely correlated to the volume of contracts traded on the derivatives market, but may be impacted by variations in client mix and product mix. Derivatives trading revenue is recognized in the month in which the trade is executed.

CDCC clearing members (Clearing Members) pay fees for clearing and settlement, including OTC fixed income and REPO transactions, on a per transaction basis. Fees for fixed income transactions are based on the size and term of the original agreement. A number of Clearing Members are also eligible for a revenue sharing arrangement based on annual cleared volumes of REPO transactions. Clearing and settlement revenues other than for REPO transactions are correlated to the trading volume of such products and therefore fluctuate based on the same factors that affect our derivatives trading volume. Revenue is recognized as performance obligations are satisfied; this occurs within a short period of time. Clearing revenue for fixed income REPO agreements is recognized on the novation date of the related transaction.

### **Global Insights**



## Overview and Description of Products and Services

TMX Trayport provides solutions to European wholesale energy markets for price discovery, trade execution, post-trade transparency, and post-trade straight through processing. TMX VettaFi is a provider of indexing, data analytics, industry leading conferences, and digital distribution services to ETF issuers and fund managers. TMX Datalinx delivers data to fuel high-value proprietary and third party analytics to help clients make better trading and investment decisions, and through Verity (acquired October 1, 2025), we provide buy-side investment research management system, data, and analytics.

### ***TMX Trayport***

TMX Trayport is the primary connectivity network and data and analytics platform for the European wholesale energy markets. TMX Trayport's solutions provide price discovery, trade execution, post-trade transparency, and post-trade straight through processing.

### ***TMX VettaFi***

TMX VettaFi (acquired January 2, 2024) is a leading US-based, differentiated index provider. Through its websites and analytics platform it engages millions of investors annually - empowering and educating the modern financial advisor and retail investor. TMX VettaFi added new global index products to its offerings, including in Energy Master Limited Partnerships (MLPs), thematic, factor-based indices, notably Robotics, nuclear and AI. The broadened product scope increases our outreach in both asset-based revenue and data subscription revenue. On October 15, 2024, we acquired iINDEX Research, an end-to-end index provider that designs, calculates, and manages indexes across global equities and fixed income markets. In February 2025, TMX VettaFi acquired the Credit Suisse Bond Indices, in June we acquired London-based ETF Stream, and in October we acquired a thematic suite of indices including the Range Nuclear Renaissance Index. Collectively, these acquisitions enhance TMX VettaFi's differentiated product suite, and accelerate expansion across EMEA, and solidify its position as a leader in modern indexation and investor engagement.

### ***TMX Datalinx***

#### ***Subscribers & Usage and Feeds***

Trading activity on TSX, TSXV and Alpha produces a stream of real-time data reflecting orders and executed transactions. This stream of data is supplemented with value-added content (e.g. dividends, earnings) and packaged by TMX Datalinx into real-time market data products and delivered to end users directly or via Canadian and global redistributors that sell data as feeds and for desktop product use, commonly referred to as subscribers. Our market data is available globally through a large number of network carriers and extranets.

We offer our subscribers Level 1, and Level 2 real-time services for TSX, TSXV and Alpha. Level 1 provides trades, quotes, corporate actions and index level information. Level 2 provides a more in-depth look at the order book and allows distributors to obtain Market Book for TSX, TSXV and Alpha. Market Book is an end-user display service that includes Market-by-Price, Market-by-Order and Market Depth by Broker for all committed orders and trades. We also provide our level 1 data on a delayed basis to meet the needs of our clients.

TMX Datalinx offers an enterprise non-professional (non-pro) fee program. Under this program we introduced tiered discounts for clients based on the total amount spent on all non-pro products and a fee cap after a specific spend limit has been reached. As of December 31, 2025, we have 12 clients in the program including the six largest Canadian banks.

We also provide market participants with low-latency access to real-time Level 1 and Level 2 market data consolidated to include all domestic equities marketplaces, by way of our TMX Information Processor Consolidated Data Feed (CDF), Canadian Best Bid and Offer (CBBO), Consolidated Last Sale (CLS), and Consolidated Depth of Book (CDB) services.

We also derive data revenue from MX. Similarly to equities markets, we distribute MX real-time Level 1, and Level 2 trading data to market participants on a global basis directly and through data distributors.

### Co-location Services

We provide co-location services to a broad range of domestic and international market participants. Our co-location services clients benefit from stable, low-latency access to TSX, TSXV, Alpha, and MX trading engines and market data feeds, as well as access to other capital market clients, financial content providers, and technology providers.

To meet client demand, TMX Datalinx is increasing capacity at its co-location facility by approximately 10% with target completion in Q1/26. In addition, subject to regulatory approval, TMX Datalinx is proposing the launch of TMX Elastic Market Access (EMA), a virtual co-location solution that leverages cloud technology from directly within our data center in the first half of 2026.

### Benchmarks and Indices

#### Equities and Derivatives Index Products

We have an arrangement with S&P Dow Jones Indices (S&P DJI) under which we share license fees received from organizations that create products, such as mutual funds and ETFs, based on the S&P/TSX indices<sup>25</sup>. In general, these license fees are based on a percentage of funds under management in respect of these proprietary products. The multi-year Index Operation and License Agreement between TSX Inc. and S&P DJI covers the creation and publication of all S&P/TSX indices, while also providing MX with the rights to list futures and options on the S&P/TSX indices. We fully own data subscription revenue. In 2025, we saw 12% growth in this segment through new product development, sales and repricing.

#### Term CORRA

Term CORRA, a forward looking term rate, replaced CDOR in loans and associated derivative hedges and is derived from transactions and executable bids and offers from CORRA interest rate futures traded on MX. Term CORRA is produced and managed by CanDeal Benchmark Administration Services Inc. as the benchmark administrator and with TMX Datalinx providing the licensing and distribution capabilities. Since the launch, we have onboarded over 190 global clients including major Canadian banks, global financial institutions and corporate clients.

### Global Corporate & Reference Data Products

TMX Datalinx's fastest growing area includes our proprietary historical market data products (tick data, official market statistics, close prices, corporate information such as dividends, corporate actions and security master) across TMX Group trading, listing and clearing venues. It also includes our global forward looking corporate event data (Wall Street Horizon, Inc.) used by global traders, portfolio managers, hedge funds and asset managers to generate alpha and manage risk.

Our latest addition to this portfolio is VerityData which provides US market financial data and proprietary analytics, including insider activity, buybacks, executive compensation, institutional holdings, and other data sets used by over 300 hedge funds, asset managers and other investment clients.

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<sup>25</sup> The S&P/TSX indices are a product of S&P Dow Jones Indices LLC ("SPDJI") and TSX Inc. ("TSX"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC and TSX® is a registered trademark of TSX. Dow Jones, S&P, their respective affiliates and TSX do not sponsor, endorse, sell or promote any products based on the Index and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions or interruptions of the Index or any data related thereto

## Investment Platforms & Data

Investment Platforms and Data includes our public market investment analytics and data science capabilities and other insights including ESG and private asset data.

Our latest addition to this portfolio is VerityRMS, a leading buy-side investment research management system, data, and analytics provider. VerityRMS delivers global investment-grade data, insights, and investment workflow tools across equities, fixed income, and private assets. VerityRMS helps leading global investment firms optimize and enrich their workflows with best practices and continuous innovation.

## **Strategy**

### ***TMX Datalinx***

Continued execution of our strategy positions TMX Datalinx for Strong Growth<sup>26</sup> in our long term revenue objectives.

Our core strategy consists of:

- Go to market with innovations in product pricing and packaging and secure multiple-year pricing agreements
- Expanding our suite of multi-asset class, real time and historical data and analytics products
- Capturing the global addressable market for TMX Group content and products
- Providing new distribution platforms for TMX Group proprietary content

The acceleration of our strategy consists of the following:

- **Protect and grow our core business:** continuously invest in client driven new content and product innovation to protect and grow our core data offering and enhance our pricing model
- **Extend and transform our product offering:**
  - Expand our asset class and geographic coverage in benchmarks and indices
  - Expand our current corporate and reference data products through organic builds, partnerships and acquisitions
  - Continue to add complementary, unique and enhanced content

### ***TMX Trayport***

TMX Trayport continues to focus on capitalizing on macro themes in the global energy markets that present growth opportunities in both new markets and in new services to existing clients, and accelerating revenue generation potential to target High Growth<sup>27</sup> in our long term revenue objectives.

- **Expand product offering**
  - Enhance our core market offering through continuous innovation and investment, with a focus on performance, reliability and security
  - Bolster data driven trading to add value through data, advanced visualization and artificial intelligence

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<sup>26</sup> Strong Growth is defined as 5% plus revenue CAGR

<sup>27</sup> High Growth is defined as high-single to double-digit revenue CAGR

- **Expand into new asset classes and geographies through:**
  - Digitalization of voice brokered markets
  - Capturing opportunities driven by the deregulation and changing dynamics of global energy markets along with increased demand for new trading products driven by the energy transition

### ***TMX VettaFi***

TMX VettaFi continues to deepen and broaden relationships with issuers of ETFs, mutual funds, and other financial products by offering innovative services that map to issuers' product life cycles. Our core products comprise indexing solutions, utilizing our nimble and scalable 'index factory', as well as behavioral analytics, leveraging our strong connectivity with the investor community. We deploy digital marketing capabilities and events services to accelerate growth in core products.

Key strategic growth drivers include:

- **Expand product offering**
  - Expand asset class coverage of our indexing platform to holistically service the exposure needs of our clients, such as the acquisition of Credit Suisse Bond Indices in February 2025
  - Capture high growth flows by integration megatrend exposure, such as the Range Nuclear Renaissance Index, positioning our platform as a provider for investors seeking targeted access to the global energy transition and AI infrastructure
- **Expand into new markets**
  - Deepening its global footprint by leveraging existing relationships to provide a comprehensive multi-asset suite across both North American and EMEA markets, and launching fixed income products in Canada
  - Strengthen our global service ecosystem through the acquisition of London-based ETF Stream, integrating its digital reach and client servicing capabilities to accelerate the adoption of our indexing solutions within the high-demand EMEA region

## **Revenue Description**

In 2025, approximately 60% of our TMX Datalinx revenue was billed in U.S. dollars, approximately 90% of our TMX Trayport revenue was billed in British Pound Sterling, and approximately 90% of our TMX VettaFi revenue was billed in U.S. dollars. For more information regarding foreign currency risk, see **Financial Risk Management - Market Risk - Foreign Currency Risk**.

### ***TMX Datalinx***

Subscribers generally pay fixed monthly rates for access to real-time streaming data, which differ depending on the depth of information accessed. In addition to streaming data, many individual investors consume real-time quote data, for which we charge on a per quote basis. We charge market data vendors and direct feed clients a fixed monthly fee for access to data feeds.

Real-time market data revenue is recognized based on usage as reported by customers and vendors, less a provision for sales allowances from the same customers. Other Global Insights revenue is recognized when the services are provided.



Generally, we sell historical data products for a fixed amount per product accessed. Fees vary depending on the type of end use.

### ***Co-location Services***

Subscribers to TMX Group's co-location services pay a fixed monthly fee depending on the number of cabinets and other related services they receive. Co-location services are normally contracted for a period of one to five years.

### ***TMX Trayport***

TMX Trayport subscribers pay a monthly rate for access to the platform. While some customers are on multi-year contracts, the median term is about one year.

### ***TMX VettaFi***

Index licensing revenue is generally based on a percentage of assets under management within the products (exchange traded funds (ETFs), exchange traded notes (ETNs), mutual funds, separately managed accounts) linked to TMX VettaFi indices. Other indexing clients pay a fixed monthly subscription fee to access index data (index levels and constituent data).

Digital distribution and analytics revenue is primarily subscription-based and customers are billed on a monthly basis, with the terms of the contracts varying from customer to customer. Event revenue is recognized as the service is provided.

## RESULTS OF OPERATIONS

### Non-GAAP Measures

Adjusted net income is a non-GAAP measure<sup>28</sup>, and adjusted earnings per share, adjusted diluted earnings per share, and adjusted earnings per share compound annual growth rate (CAGR) are non-GAAP ratios<sup>29</sup>, and do not have standardized meanings prescribed by GAAP and are, therefore, unlikely to be comparable to similar measures presented by other companies.

Management uses these measures, and excludes certain items, because it believes doing so provides investors a more effective analysis of underlying operating and financial performance, including, in some cases, our ability to generate cash. Management also uses these measures to more effectively measure performance over time, and excluding these items increases comparability across periods. The exclusion of certain items does not imply that they are non-recurring or not useful to investors.

We present adjusted earnings per share, adjusted diluted earnings per share, and adjusted net income to indicate ongoing financial performance from period to period, exclusive of a number of adjustments as outlined under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for 2025 and 2024".

We have also presented long term adjusted EPS CAGR as a financial objective which is the growth rate in adjusted diluted earnings per share over time, exclusive of adjustments that impact the comparability of adjusted EPS from period to period, including those outlined under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for 2025 and 2024". The adjusted EPS CAGR is based on the assumptions outlined under the heading "Caution Regarding Forward Looking Information - Assumptions related to long term financial objectives".

Similarly, we present the dividend payout ratio based on dividends paid divided by adjusted earnings per share as a measure of TMX Group's ability to make dividend payments, exclusive of a number of adjustments as outlined under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for 2025 and 2024".

Debt to adjusted EBITDA ratio is a non-GAAP measure defined as total long term debt and debt maturing within one year divided by adjusted EBITDA. Adjusted EBITDA is calculated as net income excluding interest expense, income tax expense, depreciation and amortization, transaction related costs, integration costs, one-time income (loss), and other significant items that are not reflective of TMX Group's underlying business operations.

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<sup>28</sup> As defined in National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure.

<sup>29</sup> As defined in National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure.

## Year ended December 31, 2025 (2025) Compared with Year ended December 31, 2024 (2024)

The information below is derived from the financial statements of TMX Group for 2025 compared with 2024.

(in millions of dollars, except per share amounts)	2025	2024	\$ increase / (decrease)	% increase / (decrease)
Revenue	<b>\$1,717.2</b>	\$1,460.1	\$257.1	18%
Operating expenses	<b>946.2</b>	817.8	128.4	16%
Income from operations	<b>771.0</b>	642.3	128.7	20%
Net income attributable to equity holders of TMX Group	<b>415.7</b>	481.5	(65.8)	(14)%
Adjusted net income attributable to equity holders of TMX Group <sup>30</sup>	<b>595.8</b>	475.0	120.8	25%
Earnings per share attributable to equity holders of TMX Group				
Basic	<b>1.49</b>	1.74	(0.25)	(14)%
Diluted	<b>1.49</b>	1.73	(0.24)	(14)%
Adjusted Earnings per share attributable to equity holders of TMX Group <sup>31</sup>				
Basic	<b>2.14</b>	1.71	0.43	25%
Diluted	<b>2.13</b>	1.70	0.43	25%
Cash flows from operating activities	<b>764.8</b>	623.4	141.4	23%

### Net Income attributable to equity holders of TMX Group and Earnings per Share

Net income attributable to equity holders of TMX Group in 2025 was \$415.7 million, or \$1.49 per common share on a basic and \$1.49 per share on a diluted basis, compared with \$481.5 million, or \$1.74 per common share on a basic and \$1.73 on a diluted basis for 2024. The decrease in net income attributable to equity holders of TMX Group reflects a \$98.2 million increase in net finance costs largely driven by net foreign exchange loss on the translation of monetary assets and liabilities in 2025 compared with net foreign exchange gains in 2024, a non-cash gain of \$57.1 million recognized in 2024 resulting from the fair value remeasurement of our previously held minority interest in VettaFi (equity-accounted from January 9, 2023 prior to acquisition of control on January 2, 2024), and higher income tax expense. These decreases were somewhat offset by an increase in income from operations of \$128.7 million from 2024 to 2025 driven by higher revenue of \$257.1 million, partially offset by higher operating expenses of \$128.4 million.

The 18% increase in revenue was largely attributable to a 32% increase in revenue from *Derivatives Trading and Clearing*, an 18% increase in TMX Trayport, a 24% increase in TMX VettaFi, a 20% revenue increase in *Equities and Fixed Income Trading*, a 9% increase in *Capital Formation*, and a 9% increase in TMX Datalinx. Revenue increase from 2024 to 2025 included \$32.8 million higher revenue related to the acquisitions of Newsfile (acquired August 7, 2024), iNDEX Research (acquired October 15, 2024), Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025),

<sup>30</sup> Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures". Revised to conform with current period composition.

<sup>31</sup> Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures". Revised to conform with current period composition.

Verity (acquired October 1, 2025), and the addition of nuclear sector indices in October 2025. Revenue excluding these acquisitions and additions was up 15% in 2025 compared with 2024.

There was an increase in operating expenses of \$128.4 million, which included approximately \$19.6 million of operating expenses related to Newsfile (acquired August 7, 2024), INDEX Research (acquired October 15, 2024), Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025) and Verity (acquired October 1, 2025), \$15.3 million of BOX CAT-related expenses<sup>32</sup> in 2025, \$13.6 million of higher dispute and litigation costs<sup>33</sup>, and \$12.0 million related to strategic re-alignment expenses in 2025. There were also increases of \$10.7 million in contingent payments accrual related to Newsfile and INDEX Research, as well as \$3.0 million related to amortization of recently acquired intangibles (Newsfile, INDEX Research, Bond Indices, ETF Stream, and Verity). There were also merit increases, higher short-term employee performance incentive plan costs, increased headcount and related costs, increased software and licensing fees, higher depreciation and amortization driven by our PTM project which went live on April 28, 2025, and higher costs related to AlphaX US. Somewhat offsetting these increases was a \$6.4 million decrease in acquisition and related costs, a \$2.0 million decrease in integration costs from 2024 to 2025, and \$1.3 million relating to an onerous contract provision true-up in 2024.

### **Adjusted Net Income<sup>34</sup> attributable to equity holders of TMX Group and Adjusted Earnings per Share<sup>35</sup> Reconciliation for 2025 and 2024**

The following tables present reconciliations of net income attributable to equity holders of TMX Group to adjusted net income attributable to equity holders of TMX Group and earnings per share to adjusted earnings per share. The financial results have been adjusted for the following:

1. The amortization expenses of intangible assets in 2024 and 2025 related to the 2012 Maple transaction (TSX, TSXV, MX, Alpha, Shorcan), TSX Trust, TMX Trayport (including VisoTech and Tradesignal), AST Canada, BOX, and Wall Street Horizon (WSH), TMX VettaFi, Newsfile (acquired August 7, 2024), and INDEX Research (acquired October 15, 2024). 2025 also includes amortization expenses of intangible assets related to Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025), and Verity (acquired October 1, 2025). These costs are a component of *Depreciation and amortization*.
2. Acquisition and related costs in 2024 includes VettaFi (equity-accounted from January 9, 2023 prior to acquisition of control on January 2, 2024), and potential merger, acquisition, and similar activities. Acquisition and related costs in 2024 and 2025 also include Newsfile (acquired August 7, 2024), and INDEX Research (acquired October 15, 2024). Lastly, 2025 includes acquisition and related costs for Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025), Verity (acquired October 1, 2025), and potential merger, acquisition, and similar activities. These costs are included in *Selling, general and administration, Information and trading systems* (Bond Indices), and *Net Finance Income (Costs)* (VettaFi).
3. Integration costs related to the VettaFi and Newsfile acquisitions in 2024 and 2025. There are also integration costs related to INDEX Research, Bond Indices, ETF Stream, and Verity in 2025. These costs are included in *Compensation and benefits, Selling, general and administration, Information and trading systems* (VettaFi and Newsfile), and *Net Finance Income (Costs)* (VettaFi).
4. Dispute and litigation costs in 2024 and 2025 includes settlement provision, and external legal and other advisory services related to matters which are outside of the ordinary course of business. These costs are included in *Selling, general and administration*.

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<sup>32</sup> See item 10 under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings per Share Reconciliation for 2025 and 2024".

<sup>33</sup> See item 4 under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings per Share Reconciliation for 2025 and 2024".

<sup>34</sup> Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

<sup>35</sup> Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

5. Loss related to the impairment of an equity-accounted investment in 2025, and the gain resulting from the remeasurement of our previously held minority interest in VettaFi (fully acquired January 2, 2024) in 2024, are included in *Other Income*.
6. 2024 includes a true-up of an onerous contract provision for our AST facilities, which is included in *Selling, general and administration*.
7. Change in fair value related to contingent payments accrual, 2024 reflects a net increase assumed as part of previous acquisitions, namely WSH (acquired November 2022), and VettaFi's legacy acquisition of ROBO Global (acquired April 2023, prior to TMX acquisition of control). 2025 also reflects a net increase assumed as part of the acquisitions of Newsfile, iINDEX Research, and VettaFi's legacy acquisition of ROBO Global. These changes are included in *Compensation and benefits* (Newsfile and iINDEX Research), and *Net Finance Income (Costs)* (WSH, VettaFi, and iINDEX Research).
8. Net gain on foreign exchange (FX) forwards in 2024, and net gain on translation of monetary assets and liabilities denominated in foreign currencies in 2024 and net loss in 2025. These changes are included in *Net Finance Costs* in 2024 and 2025.
9. 2025 strategic re-alignment expenses are primarily included in *Compensation and benefits* and *Information and trading systems*.
10. Net amount of the regulatory charge passed through to BOX by its Self Regulatory Organization (SRO) in 2025 as a result of SRO impairment of the asset related to the Consolidated Audit Trail (CAT), a system mandated by the SEC to track U.S. equity and options trading. The gross amount, including NCI, is included in *Selling, general and administration*.

The table below summarizes the presentation of the pre-tax adjustments related to 2024 and 2025:

(in millions of dollars) pre-tax adjustments	2025	2024
<b>Compensation and benefits</b>	28.8	9.2
<b>Information and trading systems</b>	2.4	1.0
<b>Selling, general, and administration</b>	27.4	14.4
<b>Depreciation and amortization</b>	114.4	107.9
<b>Total adjustments to operating expenses</b>	<b>173.0</b>	<b>132.5</b>
<b>Net Finance Costs</b>	50.0	(53.9)
<b>Other Income</b>	0.9	(57.1)

	Pre-tax		Tax		After-tax			
(in millions of dollars) (unaudited)	2025	2024	2025	2024	2025	2024	\$ increase / (decrease)	% increase / (decrease)
Net income attributable to equity holders of TMX Group					<b>\$415.7</b>	\$481.5	\$(65.8)	(14)%
Adjustments related to:								
Amortization of intangibles related to acquisitions <sup>36</sup>	<b>114.4</b>	107.8	<b>28.3</b>	30.0	<b>86.1</b>	77.8	8.3	11%
Acquisition and related costs <sup>37</sup>	<b>3.9</b>	11.6	—	2.2	<b>3.9</b>	9.4	(5.5)	(59%)
Integration costs	<b>6.2</b>	8.6	<b>1.6</b>	2.3	<b>4.6</b>	6.3	(1.7)	(27%)
Dispute and litigation costs <sup>38</sup>	<b>14.1</b>	0.6	<b>3.1</b>	0.1	<b>11.0</b>	0.5	10.5	2,100%
Loss from impairment or (Gain) from fair value revaluation of equity investments	<b>0.9</b>	(57.1)	—	—	<b>0.9</b>	(57.1)	58.0	(102%)
True-up of onerous contract provision	—	1.3	—	0.4	—	1.0	(1.0)	(100)%
Contingent payments accrual and fair value adjustment <sup>39</sup>	<b>26.5</b>	(0.5)	<b>0.4</b>	—	<b>26.1</b>	(0.5)	26.6	(5,320)%
Net loss (gain) from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	<b>38.5</b>	(50.8)	<b>5.2</b>	(6.9)	<b>33.3</b>	(43.9)	77.2	176%
Strategic re-alignment expenses <sup>40</sup>	<b>12.0</b>	—	<b>3.2</b>	—	<b>8.8</b>	—	8.8	n/a
BOX Consolidated Audit Trail (CAT) related expenses	<b>7.3</b>	—	<b>1.9</b>	—	<b>5.4</b>	—	5.4	n/a
Adjusted net income attributable to equity holders of TMX Group <sup>41</sup>					<b>\$595.8</b>	\$475.0	120.8	25%

Adjusted net income attributable to equity holders of TMX Group increased by 25% from \$475.0 million in 2024 to \$595.8 million in 2025 driven by an increase in income from operations, partially offset by higher income tax expense.

<sup>36</sup> Includes amortization expense of acquired intangibles including Newsfile, iINDEX Research, Bond Indices, ETF Stream and Verity in 2025.

<sup>37</sup> For additional information, see discussion under the heading "Initiatives and Accomplishments". Revised to conform with current period composition.

<sup>38</sup> Revised to conform with current period composition.

<sup>39</sup> Includes amounts related to WSH, ROBO Global, Newsfile, and iINDEX Research.

<sup>40</sup> For additional information, see discussion under the heading "Initiatives and Accomplishments".

<sup>41</sup> Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures". The reconciliation for Adjusted Net Income in 2025 is presented without rounding adjustments for better accuracy. Revised to conform with current period composition.

	2025		2024	
(unaudited)	Basic	Diluted	Basic	Diluted
Earnings per share attributable to equity holders of TMX Group	<b>\$1.49</b>	<b>\$1.49</b>	\$1.74	\$1.73
Adjustments related to:				
Amortization of intangibles related to acquisitions <sup>42</sup>	<b>0.31</b>	<b>0.31</b>	0.28	0.28
Acquisition and related costs <sup>43</sup>	<b>0.01</b>	<b>0.01</b>	0.03	0.03
Integration costs	<b>0.02</b>	<b>0.02</b>	0.02	0.02
Dispute and litigation costs	<b>0.04</b>	<b>0.04</b>	—	—
Loss from impairment or (Gain) from fair value revaluation of equity investments	—	—	(0.21)	(0.20)
Contingent payments accrual and fair value adjustment <sup>44</sup>	<b>0.09</b>	<b>0.09</b>	—	—
Net loss (gain) from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	<b>0.12</b>	<b>0.12</b>	(0.16)	(0.16)
Strategic re-alignment expenses <sup>45</sup>	<b>0.03</b>	<b>0.03</b>	—	—
BOX Consolidated Audit Trail (CAT) related expenses	<b>0.02</b>	<b>0.02</b>	—	—
Adjusted earnings per share attributable to equity holders of TMX Group <sup>46</sup>	<b>2.14</b>	<b>2.13</b>	\$1.71	\$1.70
Weighted average number of common shares outstanding	<b>278,084,031</b>	<b>279,597,612</b>	277,417,579	278,717,460

Adjusted diluted earnings per share increased by 25% or 43 cents from \$1.70 in 2024 to \$2.13 in 2025 primarily reflecting an increase in income from operations from 2024 to 2025, partially offset by higher income tax expense and higher share count.

<sup>42</sup> Includes amortization expense of acquired intangibles including Newsfile, iINDEX Research, Bond Indices, ETF Stream, and Verity in 2025.

<sup>43</sup> For additional information, see discussion under the heading "Initiatives and Accomplishments". Revised to conform with current period composition.

<sup>44</sup> Includes amounts related to Newsfile and iINDEX Research.

<sup>45</sup> For additional information, see discussion under the heading "Initiatives and Accomplishments".

<sup>46</sup> Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures". "True-up of onerous contract provision" is not presented in the reconciliation in 2025, and "Dispute and litigation costs" and "Contingent payments accrual and fair value adjustment" is not presented in 2024, due to the size of the adjustment being less than a penny. The reconciliation for Adjusted earnings per share in 2025 is presented without rounding adjustments for better accuracy. Revised to conform with current period composition.

## Revenue

(in millions of dollars)	2025	2024	\$ increase	% increase
Capital Formation	\$297.4	\$272.8	\$24.6	9%
Equities and Fixed Income Trading and Clearing	283.4	253.8	29.6	12%
Derivatives Trading and Clearing	434.5	329.0	105.5	32%
Global Insights	701.8	604.5	97.3	16%
Other	0.1	—	0.1	n/a
	<b>1,717.2</b>	<b>\$1,460.1</b>	<b>\$257.1</b>	<b>18%</b>

Revenue was \$1,717.2 million in 2025, up \$257.1 million or 18% compared with \$1,460.1 million in 2024 largely attributable to a 32% increase in revenue from *Derivatives Trading and Clearing*, an 18% increase in TMX Trayport, a 24% increase in TMX VettaFi, a 20% revenue increase in Equities and Fixed Income Trading, a 9% increase in *Capital Formation*, and a 9% increase in TMX Datalinx. There was also increased revenue attributable to a favorable FX impact driven by a stronger USD and GBP relative to the CAD in 2025 compared with 2024.

2025 revenue included \$32.8 million higher revenue related to the acquisitions of Newsfile (acquired August 7, 2024), iINDEX Research (acquired October 15, 2024), Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025), Verity (acquired October 1, 2025), and the addition of nuclear sector indices in October 2025. Revenue excluding Newsfile, iINDEX Research, Bond Indices, ETF Stream, Verity, and the addition of nuclear sector indices was up 15% in 2025 compared with 2024.

## Capital Formation

(in millions of dollars)	2025	2024	\$ increase	% increase
Initial listing fees	\$9.1	\$7.9	\$1.2	15%
Additional listing fees	88.5	69.8	18.7	27%
Sustaining listing fees	81.2	79.3	1.9	2%
TMX Corporate Solutions	118.6	115.8	2.8	2%
	<b>\$297.4</b>	<b>\$272.8</b>	<b>\$24.6</b>	<b>9%</b>

- *Initial listing fees* in 2025 were up 15% from 2024, largely attributable to increases in ETFs. We also recognized *initial listing fees* received in 2024 and 2025 of \$6.7 million in 2025 compared with *initial listing fees* received in 2023 and 2024 of \$6.8 million in 2024.
- Based on *initial listing fees* billed in 2025, the following amounts have been deferred to be recognized in Q1/26, Q2/26, Q3/26 and Q4/26: \$1.7 million, \$1.3 million, \$0.9 million and \$0.2 million respectively. Total *initial listing fees* revenue for future quarters will also depend on listing activity in those quarters.
- *Additional listing fees* in 2025 increased by 27% compared to 2024. On TSX, additional listing fee rose 23%, reflecting a 44% increase in the number of transactions billed at the maximum listing fee of \$250,000, and a 16%



higher average fee for transactions billed below the maximum fee. On TSXV, additional listing fees increased by 33%, driven by higher volume of transactions billed at both the maximum listing fee and non-max rates, and a 15% increase in average fee for transactions billed below the maximum fee. Additional listings revenue for 2025 included \$52.8 million for TSX and \$35.7 million for TSXV, compared with \$42.9 million for TSX and \$26.9 million for TSXV in 2024.

- Issuers listed on TSX and TSXV pay annual *sustaining listing fees* primarily based on their market capitalization at the end of the prior calendar year, subject to minimum and maximum fees. *Sustaining listing fees* on both TSX and TSXV increased from 2024 to 2025 reflecting higher market capitalization.
- *TMX Corporate Solutions* (previously *Other Issuer Services*) revenue which includes TSX Trust and Newsfile, increased 2% in 2025 compared to 2024, reflecting higher revenue from Newsfile (acquired August 7, 2024) of \$9.8 million, as well as higher transfer agency fees. These increases were somewhat offset by lower net interest income revenue primarily due to lower yields and lower average cash balance.

## Equities and Fixed Income Trading and Clearing

<u>(in millions of dollars)</u>	<b>2025</b>	2024	<b>\$ increase</b>	<b>% increase</b>
Equities and fixed income trading	<b>\$154.2</b>	\$128.0	\$26.2	20%
Equities and fixed Income clearing, settlement, depository and other services (CDS)	<b>129.2</b>	125.8	3.4	3%
	<b>\$283.4</b>	\$253.8	\$29.6	12%

- *Equities Trading* revenue increased in 2025 compared with 2024 reflecting higher volumes, and higher yields primarily related to market on close facility and continuous trading. The overall volume of securities traded on our equities marketplaces increased by 27% (167.6 billion securities in 2025 versus 132.5 billion securities in 2024). There were volume increases of 19% on TSX, 45% on TSXV, and 30% on Alpha in 2025 compared with 2024.
- *Fixed income trading* declined in 2025, primarily due to lower activity in the credit and swap markets. This was partially offset by increased activity in Government of Canada bonds, driven by increased volatility around tariffs.
- CDS revenue increased from 2024 to 2025 mainly due to higher depository and clearing revenue, driven by an increase in exchange traded volumes, partially offset by higher rebates and lower interest on clearing funds.
- Excluding intentional crosses, for TSX and TSXV listed issues, our combined domestic equities trading market share was approximately 61% in 2025, down 2% from approximately 63% in 2024.<sup>47</sup> We only trade securities that are listed on TSX or TSXV.
- Excluding intentional crosses, in all listed issues in Canada, our combined domestic equities trading market share was approximately 56% in 2025, down 1% from approximately 57% in 2024<sup>48</sup>.

<sup>47</sup> Source: CIRO.

<sup>48</sup> Source: CIRO.

## Derivatives Trading and Clearing

(in millions of dollars)	2025	2024	\$ increase	% increase
Derivatives Trading and Clearing (excl. BOX)	<b>\$246.4</b>	\$188.6	\$57.8	31%
BOX	<b>188.1</b>	140.4	47.7	34%
	<b>\$434.5</b>	\$329.0	\$105.5	32%

### ***Derivatives Trading and Clearing (excl. BOX)***

The increase in revenue in *Derivatives Trading and Clearing (excl. BOX)* was driven by a 35% and 22% increase in MX and CDCC revenue respectively. The MX revenue increase was primarily driven by higher volumes and an increase in rate per contract, primarily reflecting the sunset of the CRA market making program in 2025, as well as the sunset of the CGF market making program in 2024. Overall volumes increased 19% from 2024 to 2025 (234.4 million contracts traded in 2025 versus 196.5 million contracts traded in 2024). The increase in CDCC revenue primarily reflected positive impact from higher clearing volumes, as well as higher REPO driven by price changes and higher volumes.

### ***BOX***

BOX revenue increased by \$47.7 million or 34% in 2025 compared to 2024, reflecting higher volumes and a higher rate per contract driven by a favourable product mix. Volumes on BOX were up approximately 27% (969.0 million contracts traded in 2025 versus 763.2 million contracts traded in 2024), and BOX market share in equity options was approximately 7% in 2025, unchanged from 2024.

The following table summarizes the BOX volume and the equity option market over the last eight quarters:

	Q4/25	Q3/25	Q2/25	Q1/25	Q4/24	Q3/24	Q2/24	Q1/24
Volume (million contracts)	247	236	241	245	212	186	186	179
Market Share (equity options)	6%	7%	7%	8%	7%	7%	7%	7%
Revenue (in millions of CAD)	\$48.7	\$44.9	\$45.4	\$49.1	\$42.1	\$35.3	\$32.8	\$30.2
Average USD-CAD FX rate	1.40	1.38	1.38	1.44	1.40	1.36	1.37	1.35
Revenue (in millions of USD)	\$34.9	\$32.6	\$32.8	\$34.2	\$30.1	\$25.9	\$24.0	\$22.4

## Global Insights

<u>(in millions of dollars)</u>	<b>2025</b>	2024	<b>\$ increase</b>	<b>% increase</b>
TMX Trayport	<b>\$277.4</b>	\$235.0	\$42.4	18%
TMX Datalinx	<b>253.0</b>	231.1	21.9	9%
TMX VettaFi	<b>171.4</b>	138.4	33.0	24%
	<b>\$701.8</b>	\$604.5	\$97.3	16%

The increase in *Global Insights* revenue in 2025 compared with 2024 reflects a 18% increase from TMX Trayport, a 24% increase in revenue for TMX VettaFi, as well as a 9% increase from TMX Datalinx. There were also favourable FX impacts from a stronger USD relative to the Canadian dollar on TMX Datalinx revenue and TMX VettaFi revenue, and a stronger GBP on TMX Trayport revenue.

### TMX Trayport

The following table summarizes the average number of TMX Trayport licensees, connections, Annual Recurring Revenue (ARR), and average Net Revenue Retention (NRR) over the last eight quarters<sup>49</sup>:

	<b>Q4/25</b>	<b>Q3/25</b>	<b>Q2/25</b>	<b>Q1/25</b>	<b>Q4/24</b>	<b>Q3/24</b>	<b>Q2/24</b>	<b>Q1/24</b>
Total Licensees	10,419	10,174	10,201	10,080	9,786	9,541	9,239	9,107
Total Connections	29,413	29,089	28,827	28,538	27,507	26,383	26,362	26,431
ARR (in millions of CAD)	\$275.8	\$275.7	\$272.7	\$263.5	\$235.4	\$234.5	\$220.1	\$215.1
ARR (in millions of GBP)	£149.6	£148.6	£146.5	£144.3	£131.1	£131.0	£127.2	£125.8
Average Net Revenue Retention	100%	101%	102%	107%	103%	103%	101%	110%
Revenue (in millions of CAD)	\$70.1	\$69.5	\$71.3	\$66.4	\$63.4	\$60.0	\$56.4	\$55.2
Revenue (in millions of GBP)	£38.0	£37.5	£38.3	£36.4	£35.3	£33.5	£32.6	£32.2
Average GBP-CAD FX rate	1.84	1.85	1.86	1.82	1.80	1.79	1.73	1.71

Revenue from TMX Trayport increased by 18% from 2024 to 2025. In GBP, revenue from TMX Trayport was £150.2 million in 2025, up 12% compared to 2024. The increase in TMX Trayport revenue from 2024 to 2025 was primarily driven by a 8% increase in total licensees, annual price adjustments, higher revenue from data analytics and other trader products. There was also an increase of £1.8 million in non-recurring consulting revenue from £1.1 million in 2024 to £2.9 million in 2025. FX had a favourable impact of \$13.4 million due to a stronger GBP compared to Canadian dollar.

Total Licensees represent the count of unique chargeable licenses of core TMX Trayport products across customer segments including Traders, Brokers and Exchanges. Total Connections represents the number of connections to the Trayport network. While not every individual connection is tied to revenue, it demonstrates the power of the overall Trayport network.

ARR is calculated as the average recurring revenue for the quarter multiplied by four. Average NRR represents the percentage of recurring revenue generated from existing clients from one quarter to the next on a sequential basis. Revenue from new clients is excluded in the calculation. A NRR of 100% reflects the same spend by existing clients from one quarter to the next.

<sup>49</sup> Prior quarters have been updated to be consistent with current quarter methodology.

### **TMX Datalinx**

Revenue from TMX Datalinx increased by 9% from 2024 to 2025, reflecting the inclusion of \$7.9 million from Verity (acquired October 1, 2025), higher revenues related to increases in data feeds, benchmark and indices, co-location, analytics, and the positive impact of annual price adjustments. These increases were partially offset by lower subscriber and usage based revenue due to a client-specific reduction in enterprise agreement renewals. There was a favourable FX impact of approximately \$2.5 million from a stronger U.S. dollar relative to the Canadian dollar in 2025 compared with 2024.

- The average number of professional market data subscriptions for TSX and TSXV products was down 1% in 2025 compared to 2024 (96,064 professional market data subscriptions in 2025 compared with 97,063 in 2024)<sup>50</sup>.
- The average number of MX professional market data subscriptions was slightly increased from 2024 to 2025 (21,265 MX professional market data subscriptions in 2025 compared with 21,144 in 2024).

### **TMX VettaFi**

Revenue from TMX VettaFi increased by 24% from 2024 to 2025. In USD, TMX VettaFi revenue was \$122.8 million in 2025, up 21% compared to 2024. The revenue increase was primarily driven by higher indexing revenue reflecting organic growth in assets under management (AUM), and \$15.2 million related to iNDEX Research (acquired October 15, 2024), Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025), and the addition of nuclear sector indices in October 2025. There were also higher analytics revenue, partially offset by lower revenue from digital distribution.

The following table summarizes the revenue for the last eight quarters<sup>51</sup>:

	Q4/25	Q3/25	Q2/25	Q1/25	Q4/24	Q3/24	Q2/24	Q1/24
AUM (average, in billions of USD)	75.7	70.0	57.9	54.9	51.7	36.6	35.5	34.2
AUM (end of period, in billions of USD)	77.5	71.1	65.2	56.0	51.9	37.8	35.9	35.7
Revenue (in millions of CAD)	\$46.0	\$42.1	\$37.4	\$45.9	\$37.4	\$31.1	\$32.0	\$37.9
Average USD-CAD FX rate	1.38	1.39	1.37	1.44	1.40	1.36	1.37	1.35
Revenue (in millions of USD)	\$33.3	\$30.3	\$27.3	\$31.9	\$26.6	\$23.0	\$23.3	\$28.2

<sup>50</sup> Prior year has been updated to be consistent with current year methodology.

<sup>51</sup> Prior quarters have been updated to be consistent with current quarter methodology.

## Operating expenses

(in millions of dollars)	2025	2024	\$ increase	% increase
Compensation and benefits	464.6	\$389.1	\$75.5	19%
Information and trading systems	127.4	112.2	15.2	14%
Selling, general and administration	173.5	150.9	22.6	15%
Depreciation and amortization	180.7	165.6	15.1	9%
	<b>\$946.2</b>	<b>\$817.8</b>	<b>\$128.4</b>	<b>16%</b>

Operating expenses in 2025 were \$946.2 million, up \$128.4 million or 16%, from \$817.8 million in 2024. The increase from 2024 to 2025 reflected approximately \$19.6 million of operating expenses related to Newsfile (acquired August 7, 2024), iINDEX Research (acquired October 15, 2024), Bond Indices (acquired February 20, 2025), ETF Stream (acquired June 16, 2025) and Verity (acquired October 1, 2025), \$15.3 million of BOX CAT-related expenses in 2025, \$13.6 million of higher dispute and litigation costs, and \$12.0 million related to strategic re-alignment expenses in 2025. There were also increases of \$10.7 million in contingent payments accrual related to Newsfile and iINDEX Research, as well as \$3.0 million related to amortization of recently acquired intangibles (Newsfile, iINDEX Research, Bond Indices, ETF Stream, and Verity). Somewhat offsetting these increases was a \$6.4 million decrease in acquisition and related costs, a \$2.0 million decrease in integration costs from 2024 to 2025, and \$1.3 million relating to an onerous contract provision true-up in 2024.

Excluding the above mentioned expenses, operating expenses increased by approximately 8% in 2025 compared with 2024.

The operating expense increase of approximately 8%, reflects merit increases, higher short-term employee performance incentive plan costs, higher headcount and related costs, increased IT software and licensing fees, higher depreciation and amortization driven by our PTM project which went live on April 28, 2025, and higher costs related to AlphaX US. There was also approximately \$11.7 million higher expenses attributable to FX impact driven by a weaker CAD relative to GBP and USD in 2025 compared with 2024.

## Compensation and benefits

(in millions of dollars)	2025	2024	\$ increase	% increase
	<b>\$464.6</b>	<b>\$389.1</b>	<b>\$75.5</b>	<b>19%</b>

- The increase in *Compensation and benefits* expenses from 2024 to 2025 reflected approximately \$12.6 million of operating expenses related to Newsfile, iINDEX Research, Bond Indices and ETF Stream, \$10.7 million of higher contingent payments accrual related to Newsfile and iINDEX Research, and \$10.3 million in strategic re-alignment expenses. These increases were somewhat offset by \$1.4 million lower integration costs, and \$0.2 million of lower acquisition and related costs from 2024 to 2025. Excluding the items mentioned above, *Compensation and benefits* expenses increased by approximately 11% in 2025 compared with 2024.
- The 11% or \$43.5 million increase primarily reflected \$10.4 million of merit increases, \$9.9 million of higher headcount and related costs, higher short-term employee performance incentive plan costs of approximately \$9.0 million, higher severance, and increased benefit costs. In addition, there was also higher costs attributable to AlphaX US from 2024 to 2025.

- There were 2,185 TMX Group full-time equivalent employees<sup>52</sup> at December 31, 2025 compared with 2,014 employees at December 31, 2024 (excluding BOX) reflecting an 8% increase in headcount including approximately 5% or 100 FTEs from Verity (acquired October 1, 2025) and ETF Stream (acquired June 16, 2025), as well as increases in headcount attributable to investing in the various growth areas of our business.

## Information and trading systems

<u>(in millions of dollars)</u>	2025	2024	\$ increase	% increase
	<b>\$127.4</b>	\$112.2	\$15.2	14%

- The increase in *Information and trading systems* expenses from 2024 to 2025 reflected approximately \$3.1 million higher expenses related to Newsfile, iINDEX Research, Bond Indices, ETF Stream and Verity, and \$1.7 million in strategic re-alignment expenses related to the decommissioning of the legacy post-trade system. Partially offsetting these increases was \$0.3 million lower integration expenses from 2024 to 2025. Excluding the items mentioned above, *Information and trading systems* expenses increased approximately 10% from 2024 to 2025.
- The 10% or \$10.7 million increase reflected higher software license subscription costs, increased costs for cloud services, higher costs related to professional services, content, and feeds. There were also higher costs related to AlphaX US from 2024 to 2025. Partially offsetting these increases were lower operating expenses related to CDS mainframe following the decommissioning of the legacy post-trade system.

## Selling, general and administration

<u>(in millions of dollars)</u>	2025	2024	\$ increase	% increase
	<b>\$173.5</b>	\$150.9	\$22.6	15%

- The increase in *Selling, general and administration* expenses from 2024 to 2025 reflected approximately \$15.3 million of BOX CAT-related expenses in 2025, \$13.6 million increased dispute and litigation costs, \$3.8 million of operating expenses related to Newsfile, iINDEX Research, Bond Indices, ETF Stream and Verity. These increases were partially offset by \$6.4 million lower acquisition and related costs, \$1.3 million relating to an onerous contract provision true-up in 2024, and \$0.2 million lower integration costs in 2025 compared to 2024.
- Excluding the items mentioned above, *selling, general and administration* costs decreased by 2% primarily driven by a reversal of a bad debt expense provision in 2025.

## Depreciation and amortization

<u>(in millions of dollars)</u>	2025	2024	\$ increase	% increase
	<b>\$180.7</b>	\$165.6	\$15.1	9%

- Depreciation and amortization* expenses increased in 2025 compared with 2024 primarily reflecting increased amortization related to intangible assets acquired with Newsfile, iINDEX Research, Bond Indices, ETF Stream and Verity of approximately \$3.0 million, and \$6.7 million of amortization related to our PTM project. There was also increased amortization on new intangible assets, and higher amortization attributable to FX impact driven by a weaker CAD relative to USD and GBP in 2025 compared with 2024 .

<sup>52</sup> A measure that normalizes the number of full-time and part-time employees into equivalent full-time units based on actual hours of paid work.

- The *Depreciation and amortization* costs in 2025 of \$180.7 million included \$114.4 million, net of NCI, related to amortization of intangible assets related to acquisitions (31 cents per basic and diluted share).
- The *Depreciation and amortization* costs in 2024 of \$165.6 million included \$107.8 million, net of NCI, related to amortization of intangible assets related to acquisitions (28 cents per basic and diluted share).

## **Additional Information**

### **Share of (loss) from equity-accounted investments**

(in millions of dollars)	2025	2024	\$ increase	% increase
	<b>\$(1.4)</b>	\$(1.1)	\$(0.3)	(27)%

- In 2025, our share of loss from equity-accounted investments was \$1.4 million compared with \$1.1 million in 2024. Our share of loss from equity-accounted investments in 2025 and 2024 includes Ventriks and other equity-accounted investments.

### **Other income / (loss)**

(in millions of dollars)	2025	2024	\$ (decrease)	% (decrease)
	<b>\$(0.9)</b>	\$57.1	\$(58.0)	(102)%

- In 2024, we recognized a non-cash gain of \$57.1 million from the remeasurement of our previously held minority interest in TMX VettaFi (equity-accounted from January 9, 2023 prior to acquisition of control on January 2, 2024).
- In 2025, we recognized a non-cash loss of \$0.9 million from the impairment of an equity-accounted investment.

### **Net finance costs**

(in millions of dollars)	2025	2024	\$ increase	% increase
	<b>\$126.9</b>	\$28.7	\$98.2	342%

- The increase in net finance costs from 2024 to 2025 was primarily driven by a \$38.6 million net foreign exchange loss on the translation of monetary assets and liabilities in 2025 compared with net foreign exchange gain of \$41.2 million in 2024, as well as fair value gains on FX forwards of \$10.8 million in 2024. There was also a net fair value loss on contingent considerations of \$11.6 million in 2025, compared with a \$4.8 million gain in 2024, and lower interest income of in 2025 compared with 2024.
- These increases in net finance costs were partially offset by \$16.1 million lower interest expense on borrowings in 2025 compared with 2024.



## Income tax expense and effective tax rate

Income Tax Expense (in millions of dollars)		Effective Tax Rate (%) <sup>53</sup>	
2025	2024	2025	2024
\$163.8	\$142.7	28%	23%

The effective tax rates reconcile to TMX Group's statutory rates of approximately 27% for 2025 and 2024 as follows:

### 2025

- In 2025, the FX losses on USD-denominated intercompany loans, which are taxable at a 50% inclusion rate, resulted in an increase to the effective tax rate by approximately 1%.
- In 2025, the net fair value loss on contingent considerations, which are not tax deductible, resulted in an increase to the effective tax rate by approximately 1%.

### 2024

- In 2024, the fair value revaluation from the remeasurement of our previously held minority interest in VettaFi (equity-accounted from January 9, 2023 prior to acquisition of control on January 2, 2024) resulted in a non-taxable gain of \$57.1 million which decreased our effective tax rate by approximately 3%.
- In 2024, the adjustment for FX gains on account of capital, which are taxable at a 50% inclusion rate, resulted in a decrease to the effective tax rate by approximately 1%.

## Net income attributable to non-controlling interests

(in millions of dollars)	2025	2024	\$ increase
	\$62.3	\$45.4	\$16.9

- The increase in net income attributable to non-controlling interests for 2025 compared to 2024 is primarily due to higher net income in BOX driven by higher revenue.

## Total equity attributable to equity holders of TMX Group

(in millions of dollars)	As at December 31, 2025	As at December 31, 2024	\$ increase
	\$4,757.8	\$4,577.4	\$180.4

- As at December 31, 2025, there were 278,205,642 common shares issued and outstanding and 3,178,688 options outstanding under the share option plan.
- As at January 27, 2026, there were no changes to the common shares issued and outstanding, and the options outstanding under the share option plan from December 31, 2025.

<sup>53</sup> Effective Tax Rate is based on *Income tax expense* divided by *Income before income tax expense excluding Non-controlling interests*. Effective tax rate, including NCI, calculated from total *Income before Income Tax Expense* was 26% in 2025 and 21% in 2024.

- The increase in *Total equity attributable to equity holders of TMX Group* is primarily due to the inclusion of net income attributable to equity holders of TMX Group of \$415.7 million, proceeds received on the exercise of options of \$8.6 million, less dividend payments to shareholders of TMX Group of \$233.6 million and an unrealized loss on translating financial statements of foreign operations of \$22.2 million.

## **Segments**

The following information reflects TMX Group's segment results for 2025 compared with 2024.

### **2025**

(in millions of dollars)	Capital Formation	Equities and Fixed Income Trading & Clearing	Derivatives Trading & Clearing	Global Insights	Other	Total
Revenue from external customers	\$ 297.4	\$ 283.4	\$ 434.5	\$ 701.8	\$ 0.1	\$ 1,717.2
Inter-segment revenue	0.3	2.7	—	0.4	(3.4)	—
Total revenue	297.7	286.1	434.5	702.2	(3.3)	1,717.2
Income (loss) from operations	119.0	112.8	278.0	432.6	(171.4)	771.0

### **2024**

(in millions of dollars)	Capital Formation	Equities and Fixed Income Trading & Clearing	Derivatives Trading & Clearing	Global Insights	Other	Total
Revenue from external customers	\$ 272.8	\$ 253.8	\$ 329.0	\$ 604.5	\$ —	\$ 1,460.1
Inter-segment revenue	0.2	2.2	—	0.4	(2.8)	—
Total revenue	273.0	256.0	329.0	604.9	(2.8)	1,460.1
Income (loss) from operations	106.3	105.7	195.5	367.3	(132.5)	642.3

### ***Income (loss) from operations***

The increase in *Income from operations* from *Capital Formation* reflected higher revenue in 2025 compared with 2024, partially offset by higher operating expenses which included expenses related to Newsfile (acquired August 7, 2024). The higher revenue was primarily due to the inclusion of revenue from Newsfile, growth in *additional listing fees*, an increase in *sustaining listing fees* on TSX, an increase in *initial listings fees* driven by ETF growth, and higher transfer agency fees. This revenue growth was partially offset by lower *net interest income* from TSX Trust.

The increase in *Income from operations* from *Equities and Fixed Income Trading and Clearing* in 2025 compared with 2024 was driven by higher revenue primarily reflecting higher equity trading volumes, partially offset by higher operating expenses related to AlphaX-US and higher amortization related to our PTM project.

The increase in *Income from operations* from *Derivatives Trading and Clearing* in 2025 compared to 2024 was driven by higher revenue from BOX, reflecting a 27% rise in volumes and a higher rate per contract driven by a favourable product mix, as well as increased revenue from MX and CDCC driven by increased volumes and higher yield reflecting the sunset of market making programs. The higher revenue was partially offset by higher operating expenses in 2025 compared with 2024, which included \$15.3 million for BOX CAT-related expenses.

The increase in *Income from operations* from *Global Insights* reflected higher revenue in TMX Trayport, TMX VettaFi, and TMX Datalinx. The increase in TMX Trayport revenue was primarily driven by growth in total licensees, annual price adjustments, as well as favourable FX impact from stronger GBP relative to the Canadian dollar. The increase in TMX VettaFi revenue reflected higher indexing revenue from organic growth in assets under management (AUM), higher analytics revenue, and the inclusion of recent acquisitions (iINDEX Research, Bond Indices, ETF Stream and nuclear sector indices), partially offset by lower revenue from digital distribution. The increase in TMX Datalinx revenue included the inclusion of Verity (acquired October 1, 2025), higher revenues related to data feeds, benchmark and indices, co-location, increased analytics revenue, the positive impact of annual price adjustments, and a favourable FX impact from Canadian dollar relative to a stronger USD. These increases were partially offset by lower subscriber and usage based revenue due to a client-specific reduction in enterprise agreement renewals. The increases were partially offset by higher operating expenses in 2025 compared with 2024, which primarily reflected expenses related to iINDEX Research, Bond Indices, ETF Stream, and Verity.

*Other* includes *inter-segment* revenue as well as corporate and other costs related to initiatives, not allocated to the operating segments. Costs and expenses related to the amortization of purchased intangibles, along with certain consolidation and elimination adjustments, are also presented in *Other*. The *loss from operations* in the *Other* segment was higher in 2025 compared to 2024 primarily reflecting an increase in unallocated costs, including amortization of acquired intangibles related to iINDEX Research, Newsfile, Bond Indices, ETF Stream and Verity, as well as strategic re-alignment expenses and higher dispute and litigation costs incurred in 2025. These increases were partially offset by lower acquisition related expenses and integration costs in 2025 compared to 2024.

## LIQUIDITY AND CAPITAL RESOURCES

### Summary of Cash Flows

#### 2025 compared with 2024

(in millions of dollars)	2025	2024	\$ increase / (decrease) in cash
Cash flows from operating activities	<b>\$764.8</b>	\$623.4	\$141.4
Cash flows from (used in) financing activities	<b>(477.6)</b>	562.6	(1,040.2)
Cash flows from (used in) investing activities	<b>(246.3)</b>	(1,170.6)	924.3

- In 2025, *Cash flows from operating activities* increased compared with 2024 reflecting higher income from operations (excluding depreciation and amortization, net finance costs and other income). There were also higher cash from other assets and liabilities, increased trade and other payables, and increased cash related to net movement in restricted cash. These increases in cash were partially offset by higher income taxes paid.
- In 2025, there were decreases in *Cash flows used in financing activities* of \$477.6 million compared with increases in *Cash flows from financing activities* in 2024. In 2024, we received an increase in cash flows from the issuance of our Series G, H, I, and J Debentures of \$1,400.0 million in aggregate, which was somewhat offset by a \$300.0 million repayment of Series D debentures, and a repayment of acquired long-term loans (related to VettaFi) of \$122.5 million in the same year. In 2025, there was a \$58.3 million repayment of notes, higher dividends paid to non-controlling interests (up \$43.2 million) and equity holders (up \$25.5 million), as well as lower proceeds from exercised options and higher interest paid. The decrease in cash flows was partially offset by net inflows of commercial paper (\$15.2 million repaid in 2025 compared to \$76.2 million in 2024), and higher net credit and liquidity facilities drawn.
- In 2025, *Cash flows used in investing activities* was \$246.3 million compared with \$1,170.6 million in 2024. The decrease was primarily due to lower cash used in acquisition of subsidiaries, net of cash acquired in 2025 compared to 2024, which included a \$1,126.5 million outflow (net of cash acquired) for the purchase of remaining common units of VettaFi, Newsfile, and iINDEX Research. This decrease in cash flows was partially offset by increased net movement in marketable securities and higher additions to premises and equipment and intangible assets which includes Bond Indices and nuclear sector indices in 2025.

## Summary of Cash Position and Other Matters<sup>54</sup>

### Cash, Cash Equivalents and Marketable Securities

(in millions of dollars)	As at December 31, 2025	As at December 31, 2024	\$ increase
Cash and cash equivalents <sup>55</sup>	\$348.3	\$325.0	\$23.3
Marketable securities	\$164.6	\$108.4	\$56.2
Cash, cash equivalents and marketable securities	\$512.9	\$433.4	\$79.5

We had \$512.9 million of cash, cash equivalents and marketable securities as at December 31, 2025 compared to \$433.4 million at December 31, 2024. The increase in cash and cash equivalents primarily reflects cash flows from operating activities of \$764.8 million. Partially offsetting this increase in cash and cash equivalents were cash outflows relating to dividends paid to our shareholders of \$233.6 million, dividends paid to non-controlling interests of \$81.7 million, interest paid, net of interest received of \$77.0 million, and additions to premises, equipment, and intangible assets of \$121.2 million.

Based on our current business operations and model, we believe that we have sufficient cash resources and access to financing to operate our business, make interest payments, as well as meet our covenants under the trust indentures governing our Debentures and the financial covenants of the TMX Group revolving credit facility (the "Credit Agreement"), and commercial paper program (Commercial Paper Program) (see **LIQUIDITY AND CAPITAL RESOURCES - Commercial Paper, Debentures, Credit and Liquidity Facilities**), and satisfy the capital maintenance requirements imposed by regulators.

Our ability to obtain funding in the future will depend on the liquidity and condition of the financial markets, including the credit market, and our financial condition at the time, the covenants in the Credit Agreement, and the trust indentures governing the Debentures, and by capital maintenance requirements imposed by regulators. At December 31, 2025, there was \$209.5 million in Commercial Paper outstanding.

### Total Assets

(in millions of dollars)	As at December 31, 2025	As at December 31, 2024	\$ increase
	\$50,721.2	\$40,175.3	\$10,545.9

- Our consolidated balance sheet as at December 31, 2025 includes *Balances of Participants and Clearing Members* related to our clearing operations. These balances have equal amounts included within *Total Liabilities*. The increase in *Total Assets* of \$10,545.9 million from December 31, 2024 largely reflected higher amounts received on REPO and higher collateral balances in both CDCC and CDS of \$10,311.6 million at December 31, 2025.

### Defined Benefits Pension Plan

Based on the most recent actuarial valuations (as at December 31, 2024 or January 1, 2025, depending on the plan), we estimate a net deficit of approximately \$0.3 million for the MX SERP that is funded by a letter of credit. All other plans are in a surplus position. We contributed \$0.5 million in 2025 representing the benefit payments paid from the MX SERP and the current service cost contributions for the TMX registered pension plan (TMX RPP). The next required tri-annual valuation for the TMX RPP will be as at December 31, 2027.

<sup>54</sup> The "Summary of Cash Position and Other Matters" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

<sup>55</sup> Cash and cash equivalents is presented exclusive of restricted cash.

## **Commercial Paper, Debentures, Credit and Liquidity Facilities**

### **Commercial Paper**

<u>(in millions of dollars)</u>	<b>As at December 31, 2025</b>	As at December 31, 2024	<b>\$ (decrease)</b>
	\$209.5	\$224.7	\$(15.2)

There was \$209.5 in Commercial Paper outstanding, including accrued interest at the interest rate of 2.26% under the program at December 31, 2025, reflecting a net decrease of \$15.2 million from December 31, 2024. The Commercial Paper Program is fully backstopped by the TMX Group Credit Agreement governing the revolving credit facility (see **LIQUIDITY AND CAPITAL RESOURCES - TMX Group Limited Revolving Credit Facility**).

### **Debentures**

As of December 31, 2025, TMX Group had the following Debentures outstanding:

<b>Debenture</b>	<b>Principal Amount (\$ millions)</b>	<b>Coupon</b>	<b>Maturity Date</b>
Series E	200.0	3.779% per annum, payable in arrears in equal semi-annual installments	June 5, 2028
Series F	250.0	2.016% per annum, payable in arrears in equal semi-annual installments	February 12, 2031
Series G	350.0	4.678% per annum, payable in arrears in equal semi-annual installments	August 16, 2029
Series H	300.0	4.836% per annum, payable in arrears in equal semi-annual installments	February 18, 2032
Series I	450.0	4.970% per annum, payable in arrears in equal semi-annual installments	February 16, 2034
Series J	300.0	4.747% per annum, payable in arrears in equal semi-annual installments	May 26, 2026

TMX Group has the right, at its option, to redeem, in whole or in part, each of the Series E and Series F Debentures at any time prior to their respective maturities. The redemption price is equal to the greater of the applicable Canada Yield Price (as defined in the relevant Indenture) and 100% of the principal amount of the debentures being redeemed, together with accrued and unpaid interest to the date fixed for redemption. If redeemed on or after the date that is three months prior to the maturity date for the Series E and Series F, the redemption price is equal to 100% of the aggregate principal amount outstanding on the series being redeemed, together with accrued and unpaid interest to the date fixed for redemption.

The Series G, Series H, Series I and Series J Debentures may be redeemed, in whole or in part, at any time prior to their respective maturities, at the option of TMX Group, at the redemption price together with accrued and unpaid interest to the date fixed for redemption. The redemption price is equal to the greater of the Canada Yield Price (as defined in the relevant indenture) and 100% of the principal amount of the Series G, Series H, Series I and Series J Debentures being redeemed plus accrued and unpaid interest to the date of the redemption. If redeemed on or after the date that is one month (for Series G) and three months (for Series H and Series I) prior to the maturity date, the redemption price will be equal to 100% of the aggregate principal amount outstanding on the debentures, together with accrued and unpaid interest to the date of such redemption.

On March 3, 2025, Morningstar DBRS revised all credit rating trends on TMX Group to Stable from Negative and confirmed the Long-Term Issuer Rating and the Senior Unsecured Debt rating of TMX Group as AA (low), as well as our Commercial Paper (CP) rating at R-1 (middle). On September 30, 2025, Morningstar DBRS re-confirmed all of the above ratings and trends.

<u>(in millions of dollars)</u>	<b>As at December 31, 2025</b>	As at December 31, 2024	<b>\$ increase</b>
Series E - Non-Current Debentures	<b>\$199.7</b>	\$199.6	\$0.1
Series F - Non-Current Debentures	<b>\$249.3</b>	\$249.2	\$0.1
Series G - Non-Current Debentures	<b>\$349.0</b>	\$348.7	\$0.3
Series H - Non-Current Debentures	<b>\$298.9</b>	\$298.7	\$0.2
Series I - Non-Current Debentures	<b>\$448.2</b>	\$448.0	\$0.2
Series J - Current Debentures	<b>\$299.8</b>	\$299.3	\$0.5
	<b>\$1,844.9</b>	\$1,843.5	\$1.4

As at December 31, 2025, total debt including debentures and commercial paper was \$2,054.4 million, with a weighted average cost of debt of 4.12%.

As at December 31, 2025, all covenants were met under the agreement governing the base and supplemental indentures.

### **TMX Group Limited Revolving Credit Facility**

TMX Group has entered the Credit Agreement with a syndicate of lenders to provide 100% backstop to the commercial paper program as well as for general corporate purposes. The Credit Agreement is to mitigate TMX Group's exposure to specific liquidity risk should it be unable to borrow under a new Commercial Paper issuance in order to pay for Commercial Paper that is coming due because of a lack of liquidity or demand for TMX Group's Commercial Paper in the market.

The amount available to be drawn under this revolving credit facility is limited to \$500.0 million (increased from \$400.0 million on May 8, 2025) less the aggregate amount of Commercial Paper outstanding (December 31, 2025 – \$209.5 million). The facility matures on May 8, 2029.

As at December 31, 2025, all covenants were met under the Credit Agreement governing the TMX Group revolving credit facility.

## **Other Credit and Liquidity Facilities**

### ***CDCC Facilities***

CDCC maintains daylight liquidity facilities for a total of \$1.2 billion to provide liquidity on the basis of collateral in the form of securities that have been received by, or pledged to, CDCC. The daylight liquidity facilities must be cleared to zero at the end of each day.

CDCC maintains a \$33.3 billion REPO uncommitted facility that is in place to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. On February 21, 2025, CDCC extended this facility to February 20, 2026.

CDCC maintains a \$100.0 million syndicated revolving standby liquidity facility to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. Advances under the facility are secured by collateral in the form of securities that have been received by, or pledged to, CDCC. The borrowing rate on this facility is prime rate less 1.75%. On February 21, 2025, CDCC extended this facility to February 20, 2026.

CDCC maintains a \$60.0 million uncommitted Master Call Loan facility to provide overnight liquidity in Canadian dollars or US dollars equivalent to support the settlement. Advances under the facility are secured by collateral in the form of securities that have been received by, or pledged to, CDCC. As at December 31, 2025, CDCC had drawn \$2.8 million to facilitate a failed REPO settlement. The amount is fully offset by liquid securities included in cash and cash equivalents and was fully repaid subsequent to the reporting date.

CDCC maintains a \$100.0 million foreign currency liquidity facility to provide access to US dollars or Canadian dollars in the event of a Clearing Member default and CDCC is unable to readily settle transactions in US dollars or Canadian dollars while in possession of certain foreign currency equivalents, namely British Pound Sterling, Euros, Hong Kong dollars, or US dollars. The facility renews automatically, and is successively extended on a daily basis until the date on which either party to the agreement provides six months' advance notice to the termination date.

In addition, CDCC has signed an agreement that would allow the Bank of Canada to provide emergency last-resort liquidity to CDCC at the discretion of the Bank of Canada. This liquidity facility is intended to provide end of day liquidity only in the event that CDCC is unable to access liquidity from the revolving standby liquidity facility and the syndicated REPO facility or in the event that the liquidity under such facilities is insufficient. Use of this facility would be on a fully collateralized basis.

### ***CDS Facilities***

On April 10, 2025, CDS Clearing established a \$100.0 million uncommitted master call loan facility to provide overnight liquidity in Canadian dollars or United States (US) dollars equivalent to support settlement in certain circumstances. Advances under the facility are secured by collateral in the form of securities that have been received by CDS Clearing.

CDS Clearing maintains a \$5.0 million unsecured overdraft facility to support short term operating requirements, including processing and settlement activities of Participants. The borrowing rates for these facilities, if drawn, are the Canadian prime or the US base rate, depending on the currency drawn.

CDS Clearing maintains a secured standby liquidity facility of US\$1.5 billion, or Canadian dollar equivalent, that can be drawn in either US or Canadian currency. On March 18, 2025, CDS Clearing extended the maturity date to March 17, 2026.

CDS Clearing also has a secured standby liquidity facility of \$2.0 billion or US equivalent that can be drawn in either Canadian or US currency. On March 18, 2025, CDS Clearing extended the maturity date to March 17, 2026.

In addition, CDS Clearing maintains an agreement that would allow the Bank of New York Mellon to provide last-resort liquidity in the event that CDS Clearing is unable to cover the collateral payment obligation to the participants with the



standby liquidity facility and cash on hand. This loan facility would provide liquidity in exchange for securities that have been pledged to CDS Clearing via the Tri-party Reverse Repo program.

CDS has also signed agreements that would allow the Bank of Canada to provide emergency last-resort liquidity to CDS at the discretion of the Bank of Canada. This liquidity facility is intended to provide end of day liquidity for payment obligations arising from CDSX, and only in the event that CDS Clearing is unable to access liquidity from its standby liquidity facility or in the event that the liquidity under such facilities is insufficient. Use of this facility would be on a fully collateralized basis.

For additional information on the other credit and liquidity facilities refer to **Note 11(B) - OTHER CREDIT AND LIQUIDITY FACILITIES** in the financial statements for the year ended December 31, 2025.

## MANAGING CAPITAL

TMX Group's primary objectives in managing capital, which it defines as including its cash and cash equivalents, marketable securities, share capital, debentures, commercial paper, and various credit facilities, include:

- Maintaining sufficient capital for operations to ensure market confidence, access to capital markets, and to meet regulatory requirements and various credit and liquidity facility requirements;
- Maintaining debt levels that support strong investment grade credit ratings from Morningstar DBRS;
- Using excess cash to invest in and continue to grow the business;
- Returning capital to shareholders through methods such as dividends paid to shareholders and purchasing shares for cancellation pursuant to normal course issuer bids.

TMX Group aims to achieve the above objectives while managing its capital subject to capital maintenance requirements imposed on TMX Group and certain subsidiaries as follows:

- a. In respect of the TMX Group Limited revolving credit facility that requires TMX Group to maintain a total leverage ratio of not more than 4.0:1 (and up to 4.5:1 if certain conditions are met).
- b. In respect of each of TSX and Alpha, to maintain the following requirements, on both a consolidated and non-consolidated basis, as set out in the amended and restated recognition order issued by the Ontario Securities Commission ("OSC"):
  - i. maintain sufficient financial resources for the proper performance of its functions and to meet its responsibilities; and
  - ii. calculate on a monthly basis:
    - a current ratio;
    - a debt to cash flow ratio; and
    - a financial leverage ratio.
- c. In respect of TSXV, as required by certain provincial securities commissions, to maintain sufficient financial resources to perform its functions.
- d. In respect of MX, to maintain the following financial ratios as set out in the recognition order issued by the AMF:

- i. a working capital ratio of more than 1.5:1;
  - ii. a cash flow to total debt outstanding ratio of more than 20%; and
  - iii. a financial leverage ratio of less than 4.0.
- e. In respect of CDCC, to maintain certain amounts, as set out in the recognition order issued by the OSC and/or the recognition decision issued by the AMF, as the case may be:
  - i. dedicate its own resources to cover the potential loss incurred due to Clearing Member defaults. CDCC holds \$15.0 million of its cash and cash equivalents and marketable securities which would be accessed should a Clearing Member default result in losses exceeding their margin and clearing fund deposits;
  - ii. sufficient cash, cash equivalents and marketable securities to cover 12 months of operating expenses, excluding amortization and depreciation; and
  - iii. \$30.0 million total shareholder's equity.
- f. In respect of CDS and CDS Clearing, as required by the AMF, must maintain certain financial ratios as defined in the recognition order, as follows:
  - i. a debt to cash flow ratio of less than or equal to 4:1; and
  - ii. a financial leverage ratio of less than or equal to 4:1.

In addition, the OSC requires CDS and CDS Clearing to maintain working capital to cover 6 months of operating expenses (excluding, in the case of CDS, the amount of shared services fees charged to CDS Clearing).

CDS is required to dedicate a portion of its own resources in the CNS default waterfall for the CNS function. CDS maintains \$1.0 million in cash and cash equivalents or marketable securities to cover potential losses incurred as a result of a Participant default.

g. In respect of Shorcan:

- i. by CIRO which requires Shorcan to maintain a minimum level of shareholders' equity of \$0.5 million;
- ii. by the National Futures Association which requires Shorcan to maintain a minimum level of net capital; and
- iii. by applicable Canadian securities commissions, which require Shorcan to maintain a minimum level of excess working capital.

h. In respect of TSX Trust:

- i. as required by the Office of the Superintendent of Financial Institutions, to maintain the following minimum capital ratios:
    - 1. common equity tier 1 capital ratio of 7%;
    - 2. tier 1 capital ratio of 8.5%; and
    - 3. total capital ratio of 10.5%.
  - ii. as required by CIRO, to maintain in excess of \$100.0 million of paid up capital and surplus on the last audited balance sheet for the acceptable institution designation.
- i. In respect of AlphaX US, as a broker-dealer, is subject to the U.S. Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934, and is required to maintain a minimum net capital of the greater of five thousand U.S.dollar or 12% of aggregate indebtedness.

As at December 31, 2025 and 2024, TMX Group complied with each of the externally imposed capital requirements in effect at the applicable year-end.

## **FINANCIAL INSTRUMENTS**

### **Cash, Cash Equivalents and Marketable Securities**

Our financial instruments include cash, cash equivalents and investments in marketable securities which are held to earn investment income. Marketable securities consist of Federal and Provincial treasury bills and Deposit Notes.

We have designated our marketable securities as fair value through profit and loss. Fair values have been determined by reference to quoted market prices.

The primary risks related to cash, cash equivalents and marketable securities are credit risk, market risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

### **Participants' Tax Withholdings**

Participants' tax withholdings contains tax withheld by CDS Clearing on entitlement payments made by CDS Clearing on behalf of CDS Clearing participants. The cash and treasury bills held are ultimately under the control of CDS Clearing; however, the amount is payable to various taxation authorities within a relatively short period of time and so is restricted from use in normal operations. An equivalent and offsetting amount is included in the consolidated balance sheet as a current liability under the caption Participants' tax withholdings. At December 31, 2025, Participants' tax withholdings comprised of \$12.7 million in restricted cash and \$232.0 million in treasury bills.

The primary risks related to restricted cash and cash equivalents are credit risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

### **Trade Receivables**

Our financial instruments include accounts receivable, which represents amounts that our customers owe us. The carrying value is based on the actual amounts owed by the customers, net of loss allowances for trade receivables measured at an amount equal to lifetime expected credit losses, calculated using historical credit loss experience taking into account current observable data at the reporting date to reflect the effects of any relevant current market conditions and forecasts of future economic conditions.

The primary risks related to trade receivables are credit risk and market risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

### **CDS – Participant cash collateral and entitlements and other funds**

As part of CDS's clearing operations, CDS Participant Rules require participants to pledge collateral to CDS in the form of cash or securities in amounts calculated in relation to their activities. Cash pledged and deposited with CDS is recognized as an asset and an equivalent and offsetting liability is recognized as these amounts are ultimately owed to the participants. There is no impact on the consolidated income statement. Securities pledged do not result in an economic inflow to CDS, and therefore, are not recognized.

The primary risks associated with these financial instruments are credit risk, market risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

## **CDCC – Daily Settlements due to and due from Clearing Members**

As part of CDCC's clearing operations, amounts due from and to Clearing Members as a result of marking to market open futures positions and settling options transactions each day are required to be collected from or paid to Clearing Members prior to the commencement of trading the next day. The amounts due from and due to Clearing Members are recognized in the consolidated assets and liabilities as Balances with Participants and Clearing Members. There is no impact on the consolidated statements of income.

## **CDCC – Clearing Members' cash margin deposits and clearing fund cash deposits**

These balances represent the cash deposits of Clearing Members held in the name of CDCC as margins against open positions and as part of the clearing fund. The cash held is recognized as an asset and an equivalent and offsetting liability is recognized as these amounts are ultimately owed to the Clearing Members. There is no impact on the consolidated income statement.

## **CDCC – Net amounts receivable/payable on open REPO agreements**

CDCC clears fixed income REPO agreements. OTC REPO agreements between buying and selling Clearing Members are novated to CDCC whereby the rights and obligations of the Clearing Members under the REPO agreements are cancelled and replaced by new agreements with CDCC. Once novation occurs, CDCC becomes the counterparty to both the buying and selling Clearing Member. As a result, the contractual right to receive and return the principal amount of the REPO as well as the contractual right to receive and pay interest on the REPO is thus transferred to CDCC. These balances represent outstanding balances on open REPO agreements. Receivable and payable balances outstanding with the same Clearing Member are offset when they are in the same currency and are to be settled on the same day, as CDCC has a legally enforceable right to offset and the intention to net settle. The balances include both the original principal amount of the REPO and the accrued interest, both of which are carried at amortized cost. As CDCC is the central counterparty, an equivalent amount is recognized in both TMX Group's assets and liabilities.

The primary risks associated with these financial instruments are credit risk, market risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

## **Commercial Paper**

TMX Group maintains a Commercial Paper Program to offer potential investors up to \$500.0 million (increased from \$400.0 million on May 8, 2025), or the U.S. dollar equivalent of Commercial Paper to be issued in various maturities of no more than one year and bearing interest rates based on the prevailing market conditions at the time of issuance. The Commercial Paper Program is supported by the Credit Agreement. The Commercial Paper issued are unsecured obligations of TMX Group and rank equally with all other senior unsecured obligations. The Commercial Paper has been assigned a rating of R-1 (middle) with a Stable trend by Morningstar DBRS.

The Commercial Paper is subject to market risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

## **Debentures**

TMX Group has the following Debentures outstanding: a \$200.0 million Series E Debentures with a 3.779% coupon maturing on June 5, 2028, a \$250.0 million Series F Debentures with a 2.016% coupon maturing on February 12, 2031, a \$350.0 million Series G Debentures with a 4.678% coupon maturing on August 16, 2029, a \$300.0 million Series H Debentures with a 4.836% coupon maturing on February 18, 2032, a \$450.0 million Series I Debentures with a 4.970% coupon maturing on February 16, 2034, and a \$300.0 million Series J Debentures with a 4.747% coupon maturing on May 26, 2026. The Debentures received a credit rating of AA (low) with a Stable trend from Morningstar DBRS.

The Debentures are subject to market risk and liquidity risk. For a description of these risks, please refer to **Enterprise Risk Management - Financial Risks**.

### **Total Return Swaps (TRS)**

We have entered into a series of TRSs, which synthetically replicate the economics of purchasing our shares as a partial economic hedge to the share appreciation rights of the RSUs, PSUs, and DSUs.

We have classified our series of TRSs as fair value through profit and loss and mark to market to determine the fair value at the reporting date. Changes in fair value of the TRSs are recorded in the consolidated income statement. TMX Group also simultaneously marks to market the liability to holders of the units, and recognizes the changes in fair value in the income statement. Fair value is based on the share price TMX Group's common shares at the end of the reporting year. The fair value of the TRSs and the obligation to unit holders are reflected on the consolidated balance sheet. The contracts are settled in cash upon maturity.

For the year ended December 31, 2025, unrealized gain of \$0.9 million and realized gains of \$9.7 million related to TRSs, respectively have been reflected in the consolidated income statement (2024 – unrealized loss of \$1.9 million and realized gains of \$25.4 million, respectively).

TRSs are subject to credit risk and market risk. For a description of this risk, please refer to **Enterprise Risk Management - Financial Risks**.

## **CRITICAL ACCOUNTING ESTIMATES**

### ***Goodwill and Intangible Assets – Valuation and Impairment Testing***

We recorded goodwill and intangible assets valued at \$7,320.4 million as at December 31, 2025, down \$43.5 million from \$7,276.9 million at December 31, 2024. The decrease in goodwill and intangible assets was partially offset by the addition of Bond Indices (acquired February 20, 2025), ETF Stream (June 16, 2025), Verity (acquired October 1, 2025), and nuclear section indices (October 2025) in 2025. Management has determined that the testing for impairment of goodwill and intangible assets involves making critical accounting estimates.

Goodwill is recognized at cost on acquisition less any subsequent impairment in value. We measure goodwill arising on a business combination as the fair value of the consideration transferred less the fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Definite life intangible assets are measured at cost less accumulated amortization, where applicable, and any impairment in value. Cost includes any expenditure that is directly attributable to the acquisition of the asset. The cost of internally developed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use.

Assets are considered to have indefinite lives where management believes that there is no foreseeable limit to the period over which the assets are expected to generate net cash flows.

We test for impairment as follows:

The carrying amounts of our non-financial assets, other than deferred income tax assets and employee future benefit assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, are tested for impairment at least annually even if there is no indication of impairment, and the recoverable amount is estimated each year at the same time. The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use,

the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or CGU). For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the CGU, or the group of CGUs, that is expected to benefit from the synergies of the combination and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

The recoverable amounts of each CGU are determined based on value-in-use calculations, using management's discounted cash flow projections over a period of 5 - 8 years, along with a terminal value. The terminal value is the value attributed to the CGUs' operations beyond the projected time period. The terminal value for the CGUs is determined using estimated long-term growth rates of 2.0% for all significant CGUs, except for MX/CDCC and TMX Trayport which used 4.5% and VettaFi which used 2.5%. The estimated long-term growth rate is based on TMX's estimates of expected future operating results, future business plans, economic conditions and a general outlook for the industry in which the CGU operates. In calculating the recoverable amount of these CGUs, a pre-tax discount rate is used. The pre-tax discount rate applied was 15.9% to 24.5%, which was set considering the weighted average cost of capital of TMX Group and certain risk premiums, based on management's past experience.

These assumptions are subjective judgements based on TMX's experience, knowledge of operations and knowledge of the economic environment in which it operates. If future cash flow projections, long-term growth rates or pre-tax discount rates are different to those used, it is possible that the outcome of future impairment tests could result in a different outcome with a CGU's goodwill and/or intangible assets being impaired.

An impairment loss is recognized if the carrying amount of an asset, or its CGU, exceeds its estimated recoverable amount, which is the higher of CGU's fair value less costs of disposal and its value-in-use. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. Impairment losses along with any related deferred income tax effects are recognized in the consolidated income statement.

TMX Group did not recognize any impairment on goodwill and intangible assets in 2024 and 2025.

Considerable judgement is required to predict future operating performance and to estimate cash flows. Economic weakness due to macroeconomic factors moderating activity and heightening risks may impact our business. Such factors include geopolitical conflict, inflationary pressures, labour shortages in some sectors, disruptions to global supply chains, a slowdown on international trade and investment, the impact of economic recovery and timing of recovery, and financial market pressures. These factors could result in future impairment charges related to goodwill and intangible assets. A significant impairment charge in the future could have a significant impact on our reported net income.

### ***Business Combinations***

Fair values of purchase consideration, assets acquired, and liabilities assumed in business combinations – for the acquisitions of subsidiaries, the fair values under the acquisition method are based on management's best estimates using established methodologies of the fair value of the assets and liabilities acquired and disposed.

For acquired customer relationships, trade names, and technology in particular, TMX Group estimates the fair value based on the income approach. The income approach is a valuation technique that calculates the fair value of an intangible asset based on the present value of future cash flows that the asset can be expected to generate over its remaining useful life. This valuation involves significant subjectivity and estimation uncertainty, including assumptions related to the future revenues (including those attributable to acquired customer relationships, trade names, or technology), customer attrition rates, royalty rate, future expenses, and discount rates.

## SELECT ANNUAL INFORMATION

(in millions of dollars except per share amounts)	2025	2024	2023
Revenue	\$ 1,717.2	\$ 1,460.1	\$ 1,194.1
Net income attributable to equity holders of TMX Group	415.7	481.5	356.0
Total Assets (as at December 31)	50,721.2	40,175.3	64,337.4
Non-Current Liabilities (as at December 31)	2,628.4	2,897.1	1,451.0
Earnings per share (attributable to equity holders of TMX Group): <sup>56</sup>			
Basic	1.49	1.74	1.28
Diluted	1.49	1.73	1.28
Cash dividends declared per common share	0.84	0.75	0.71

### 2025 compared with 2024

(See **RESULTS OF OPERATIONS** and **LIQUIDITY AND CAPITAL RESOURCES** - year ended December 31, 2025 (2025) compared with year ended December 31, 2024 (2024)).

### 2024 compared with 2023

#### Revenue

Revenue was \$1,460.1 million in 2024, up \$266.0 million or 22% compared with \$1,194.1 million in 2023 largely attributable to increases in revenue from *Global Insights* (previously *Global Solutions, Insights and Analytics*), of which \$138.4 million reflects the inclusion of revenue from TMX VettaFi (fully acquired January 2, 2024) including iNDEX Research (acquired October 15, 2024), as well as increases from *Derivatives Trading and Clearing, Equities and Fixed Income Trading and Clearing*, and *Capital Formation*. Revenue for 2024 also included \$5.5 million related to Newsfile (acquired August 7, 2024). Excluding revenue from TMX VettaFi, Newsfile, and iNDEX Research, revenue was up 10% in 2024 compared with 2023.

#### Net income attributable to equity holders and Earnings per share

Net income attributable to equity holders of TMX Group in 2024 was \$481.5 million, or \$1.74 per common share on a basic and \$1.73 on a diluted basis, compared with \$356.0 million, or \$1.28 per common share on a basic and diluted basis for 2023. The increase in net income attributable to equity holders of TMX Group reflected an increase in income from operations of \$102.3 million, a non-cash gain of \$57.1 million being recognized in 2024 resulting from the fair value remeasurement of our previously held minority interest in VettaFi (equity-accounted January 9, 2023 prior to the acquisition of control January 2, 2024), and higher net finance costs of \$4.4 million mainly reflecting higher interest expense of \$61.3 million driven by increased debt levels following the VettaFi acquisition, partially offset by a net foreign exchange gain of \$41.2 million on USD-denominated intercompany loans. The increase in income from operations from 2023 to 2024 was driven by an increase in revenue of \$266.0 million, largely attributable to increases in revenue from *Global Insights* (previously *Global Solutions, Insights and Analytics*), of which \$138.4 million reflects the inclusion of revenue from TMX VettaFi (fully acquired January 2, 2024) and iNDEX Research (acquired October 15, 2024), as well as increases from *Derivatives Trading and Clearing, Equities and Fixed Income Trading and Clearing*, and *Capital Formation*. Revenue for 2024 also included \$5.5 million related to Newsfile (acquired August 7, 2024).

<sup>56</sup> Prior years' earnings per share and cash dividends declared have been adjusted to reflect the Stock Split completed on June 13, 2023.

There was also an increase in operating expenses of \$163.7 million, of which approximately \$60.6 million of operating expenses related to TMX VettaFi (equity accounted since January 9, 2023, prior to acquisition of control on January 2, 2024), Newsfile (acquired August 7, 2024) and iNDEX Research (acquired October 15, 2024), \$47.2 million related to amortization of 2024 acquired intangibles (TMX VettaFi, Newsfile, and iNDEX Research), as well as a \$2.3 million increase in acquisition and related expenses. There were also increases of \$7.9 million in integration costs, approximately \$7.0 million related to our U.S. expansion initiative, and \$4.4 million in contingent payments related to Newsfile and iNDEX Research, and \$1.3 million relating to an onerous contract provision true-up. Partially offsetting these increases in operating expenses were lower expenses of \$5.6 million related to strategic re-alignment costs, a one-time write off of receivables of approximately \$2.2 million, and \$1.0 million related to SigmaLogic recorded in 2023.

### ***Total Assets***

Our consolidated balance sheet as at December 31, 2024 includes *Balances of Participants and Clearing Members* related to our clearing operations. These balances have equal amounts included within *Total Liabilities*. The decrease in *Total Assets* of \$24,127.5 million from December 31, 2023 reflected lower amounts received on REPO and lower collateral balances in both CDCC and CDS of \$25,831.9 million at December 31, 2024, partially offset by increased goodwill and intangible assets of \$1,815.7 million.

### ***Non-Current Liabilities***

Non-current liabilities as at December 31, 2024 were \$1,446.1 million higher than as at December 31, 2023, primarily driven by the issuance of Series G, Series H, Series I, and Series J Debentures in 2024.



## QUARTERLY FINANCIAL INFORMATION

<u>(in millions of dollars except per share amounts - unaudited)</u>	<b>Dec 31 2025</b>	<b>Sep 30 2025</b>	<b>Jun 30 2025</b>	<b>Mar 31 2025</b>	<b>Dec 31 2024</b>	<b>Sep 30 2024</b>	<b>Jun 30 2024</b>	<b>Mar 31 2024</b>
Capital Formation	\$81.8	\$71.0	\$77.9	\$66.7	\$72.5	\$61.9	\$77.8	\$60.6
Equities and Fixed Income Trading & Clearing	75.4	68.0	70.1	69.9	67.0	61.8	64.4	60.6
Derivatives Trading & Clearing	114.9	105.7	104.8	109.1	94.4	83.2	78.8	72.6
Global Insights	185.6	173.9	168.9	173.4	159.4	146.9	146.1	152.1
Other	0.1	—	—	—	—	—	—	—
Revenue	457.8	418.6	421.7	419.1	393.3	353.8	367.1	345.9
Operating expenses	252.1	226.8	229.6	237.7	212.1	198.3	203.2	204.2
Income from operations	205.7	191.8	192.1	181.4	181.2	155.5	163.9	141.7
Net income attributable to equity holders of TMX Group	115.2	120.5	74.1	105.9	159.3	82.7	100.0	139.5
Earnings per share								
Basic	0.41	0.43	0.27	0.38	0.58	0.30	0.36	0.50
Diluted	0.41	0.43	0.26	0.38	0.58	0.30	0.36	0.50

### Q4/25 compared with Q3/25

- *Revenue* was \$457.8 million in Q4/25, up \$39.2 million or 9% from \$418.6 million in Q3/25 reflecting increases in revenue from *Global Insights*, driven by growth in TMX Datalinx including Verity (acquired October 1, 2025) and TMX VettaFi, increased *Capital Formation* revenue driven by higher additional listings, as well as increased revenue from both *Equities and Fixed Income Trading & Clearing*, and *Derivatives Trading & Clearing*, driven by higher trading volumes.
- *Operating Expenses* were \$252.1 million in Q4/25, up \$25.3 million or 11% from \$226.8 million in Q3/25 primarily reflecting \$15.3 million of BOX CAT-related expenses in Q4/25, \$5.5 million of operating expenses related to Verity (acquired October 1, 2025), increased severance of \$2.7 million, increased employee performance incentive plan costs of \$0.9 million, and higher software license and subscription costs.
- *Income from operations* was \$205.7 million in Q4/25, up \$13.9 million or 7% from Q3/25 reflecting higher revenue partially offset by higher operating expenses.
- *Net income attributable to equity holders of TMX Group* was \$115.2 million, or \$0.41 per common share on a basic and diluted basis, compared with \$120.5 million, or \$0.43 per common share on a basic and diluted basis for Q3/25. The decrease in *net income attributable to equity holders of TMX Group* and earnings per share largely reflects higher net finance costs in Q4/25 compared with Q3/25 driven by FX losses on USD-denominated intercompany loans in Q4/25.

### **Q3/25 compared with Q2/25**

- *Revenue* was \$418.6 million in Q3/25, down \$3.1 million or 1% from \$421.7 million in Q2/25 reflecting lower *Capital Formation* revenue driven by lower TSX Trust and additional listings fee revenue, and lower *Equities and Fixed Income Trading & Clearing* revenue. These decreases were partially offset by higher *Global Insights* revenue driven by TMX VettaFi, and higher *Derivatives Trading & Clearing* revenue.
- *Operating Expenses* in Q3/25 were \$226.8 million, down \$2.8 million or 1% from \$229.6 million in Q2/25 primarily reflecting lower employee performance incentive plan costs of \$1.6 million, lower recoverable expenses, and lower PTM related costs. These decreases were partially offset by \$1.6 million higher acquisition and related costs, and \$1.3 million of operating expenses related to ETF Stream (acquired June 16, 2025).
- *Income from operations* was \$191.8 million in Q3/25, relatively unchanged from \$192.1 million in Q2/25 reflecting lower revenue offset by lower operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q3/25 was \$120.5 million, or \$0.43 per common share on a basic and diluted basis, compared with \$74.1 million, or \$0.27 per common share on a basic and \$0.26 on a diluted basis for Q2/25. The increase in *net income attributable to equity holders of TMX Group* and earnings per share largely reflects lower net finance costs in Q3/25 compared with Q2/25 driven by FX losses on USD-denominated intercompany loans in Q2/25, partially offset by higher income tax expense.

### **Q2/25 compared with Q1/25**

- *Revenue* was \$421.7 million in Q2/25, up \$2.6 million or 1% from \$419.1 million in Q1/25 reflecting higher *Capital Formation* revenue driven by higher additional listings fee and TSX Trust. This increase was partially offset by lower *Derivatives Trading & Clearing* revenue driven by lower volumes and unfavorable FX impact driven by a stronger CAD relative to the USD, as well as lower *Global Insights* revenue driven by TMX VettaFi's annual conference that occurs in Q1 each year.
- *Operating Expenses* in Q2/25 were \$229.6 million, down \$8.1 million or 3% from \$237.7 million in Q1/25 primarily reflecting \$7.7 million lower costs from TMX VettaFi's annual conference, lower employee performance incentive plan costs of \$3.7 million, and lower payroll taxes. These decreases were partially offset by \$2.8 million higher strategic re-alignment expenses, \$0.5 million higher acquisition and related costs, and \$0.4 million increased contingent payments accrual related to iINDEX Research.
- *Income from operations* was \$192.1 million in Q2/25, up \$10.7 million or 6% from \$181.4 million in Q1/25 reflecting both higher revenue and lower operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q2/25 was \$74.1 million, or \$0.27 per common share on a basic and \$0.26 on a diluted basis, compared with \$105.9 million, or \$0.38 per common share on a basic and diluted basis for Q1/25. The decrease in *net income attributable to equity holders of TMX Group* and earnings per share largely reflects higher net finance costs in Q2/25 compared with Q1/25 driven by FX losses on USD-denominated intercompany loans. Excluding net finance costs, net income attributable to equity holders of TMX Group increased from Q1/25 to Q2/25 driven by higher income from operations.

### **Q1/25 compared with Q4/24**

- *Revenue* was \$419.1 million in Q1/25, up \$25.8 million or 7% from \$393.3 million in Q4/24 reflecting higher *Derivatives Trading & Clearing* and *Equity and Fixed Income Trading & Clearing* revenue driven by increased volumes. There was also higher revenue from *Global Insights* reflecting increases in TMX VettaFi including iINDEX Research, TMX Trayport, and TMX Datalinx. These revenue increases were partially offset by lower *Capital Formation* revenue driven by lower net interest income from TSX Trust.
- *Operating Expenses* in Q1/25 were \$237.7 million, up \$25.6 million or 12% from Q4/24, which includes strategic re-alignment expenses of \$4.6 million. The increase was primarily attributable to increased

headcount and payroll costs, increased employee performance incentive plan costs of approximately \$5.5 million, and \$7.7 million of costs related to TMX VettaFi's annual conference.

- *Income from operations* was relatively unchanged from Q4/24 to Q1/25 reflecting higher revenue, mostly offset by higher operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q1/25 was \$105.9 million, or \$0.38 per common share on a basic and diluted basis, compared with \$159.3 million, or \$0.58 per common share on a basic and diluted basis for Q4/24. The decrease in *net income attributable to equity holders of TMX Group* and earnings per share largely reflects net finance income of \$40.0 million in Q4/24 compared with net finance costs of \$18.2 million in Q1/25. Adjusted net income attributable to equity holders of TMX Group remained relatively unchanged in Q1/25 compared to Q4/24.

#### **Q4/24 compared with Q3/24**

- Revenue was \$393.3 million in Q4/24, up \$39.5 million or 11% from \$353.8 million in Q3/24 reflecting increases in revenue from Capital Formation, Equities and Fixed Income Trading and Clearing, Derivatives Trading and Clearing, and Global Insights driven by TMX VettaFi including iNDEX Research (acquired October 15, 2024).
- Operating Expenses in Q4/24 were \$212.1 million, up \$13.8 million or 7% from Q3/24 reflecting \$3.7 million higher operating expenses related to TMX VettaFi, Newsfile and iNDEX Research, \$2.5 million higher contingent compensation costs related to Newsfile and iNDEX Research, \$0.8 million higher integration expenses, \$1.5 million higher expenses related to the U.S. expansion initiative, and \$1.3 million related to an onerous contract provision true-up in Q4/24. There was also higher IT operating costs and higher project spend. These increases were partially offset by \$1.4 million lower acquisition and related expenses as well as lower employee performance incentive plan costs.
- *Income from operations* increased from Q3/24 to Q4/24 driven by higher revenue, partially offset by higher operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q4/24 was \$159.3 million, or \$0.58 per common share on a basic and diluted basis, compared with \$82.7 million, or \$0.30 per common share on a basic and diluted basis for Q3/24. The increase in *net income attributable to equity holders of TMX Group* and earnings per share was primarily driven by \$40.0 million of net finance income in Q4/24 compared with \$29.1 million of net finance costs in Q3/24, as well as higher income from operations.

#### **Q3/24 compared with Q2/24**

- Revenue was \$353.8 million in Q3/24, down \$13.3 million or 4% from \$367.1 million in Q2/24 reflecting decreases in revenue from Capital Formation, Equities and Fixed Income Trading and Clearing, partially offset by revenue increases from Derivatives Trading and Clearing, and Global Insights driven by TMX Trayport.
- Operating Expenses in Q3/24 were \$198.3 million, down \$4.9 million from Q2/24, primarily driven by lower integration expenses of \$3.0 million, lower operating expenses related to TMX VettaFi, lower project spend and director fees. These decreases were somewhat offset by higher acquisition related costs, and higher employee incentive plan costs.
- *Income from operations* decreased from Q2/24 to Q3/24 due to lower revenue, somewhat offset by lower operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q3/24 was \$82.7 million, or \$0.30 per common share on a basic and diluted basis, compared with \$100.0 million, or \$0.36 per common share on a basic and diluted basis for Q2/24. The decrease in *net income attributable to equity holders of TMX Group* and earnings per share was primarily driven by lower income from operations, higher financing costs, and partially offset by lower income tax expense.

## **Q2/24 compared with Q1/24**

- Revenue was \$367.1 million in Q2/24, up \$21.2 million or 6% from \$345.9 million in Q1/24 reflecting increases in revenue from Capital Formation, Derivatives Trading & Clearing, Equities and Fixed Income Trading and Clearing, partially offset by a decrease in revenue from Global Insights which included revenue from TMX VettaFi's annual Exchange conference in Q1/24.
- Operating expenses in Q2/24 were \$203.2 million, down \$1.0 million from Q1/24. The decrease reflected approximately \$7.2 million lower operating expenses related to TMX VettaFi largely driven by the annual Exchange conference in Q1/24, lower acquisition and related expenses of \$6.0 million, and lower payroll costs. These decreases were somewhat offset by higher BOX related expenses of \$2.5 million, higher integration costs of \$2.1 million, higher employee incentive plan costs, higher IT operating costs, revenue related expenses and director fees.
- *Income from operations* increased from Q1/24 to Q2/24 driven by higher revenue and lower operating expenses.
- *Net income attributable to equity holders of TMX Group* in Q2/24 was \$100.0 million, or \$0.36 per common share on a basic and diluted basis, compared with \$139.5 million, or \$0.50 per common share on a basic and diluted basis for Q1/24. The decrease in *net income attributable to equity holders of TMX Group* and earnings per share largely reflect a non-cash gain of \$57.1 million recognized in Q1/24 resulting from the fair value remeasurement of our previously held minority interest in VettaFi (equity-accounted January 9, 2023 prior to the acquisition of control January 2, 2024).

## **ENTERPRISE RISK MANAGEMENT**

### **Executive Summary**

As TMX continues to evolve to a global information business we face a complex risk landscape. A portion of TMX's financial performance is exposed to the volatility of Canadian and global capital markets, with revenues from trading, listing, and clearing activities impacted by a number of factors including macroeconomic conditions, investor confidence, and the health of Canada's economy.

We face competition from other exchanges, particularly in the U.S., and alternative trading venues that operate under different regulatory frameworks, creating pricing pressure and risks to market share. Strategic execution risk is also prominent, centered on the ability to successfully integrate acquisitions, innovate in areas like private wealth, TMX Corporate Solutions, and data analytics, and adapt to disruptive technologies, including the opportunities and threats presented by artificial intelligence (AI) and tokenization of securities.

Operationally, TMX is critically dependent on the resilience and security of our technology infrastructure against system failures and sophisticated cyber threats. Furthermore, our listing, trading and clearing operations are also constrained by a highly regulated environment, with Recognition Orders imposing significant costs and limitations on fee structures, operational changes, and ownership structure, among other things. This regulatory oversight, combined with financial covenants of our Credit Facility agreement and a desire to maintain investment-grade credit ratings for liquidity, form a critical boundary for our strategic and financial flexibility.

To manage this complex risk landscape, TMX utilizes an "Objective Centric Risk Management (OCRM)" framework and governance model, ensuring risk management is directly integrated with strategic objectives from the business units up to the Board of Directors. OCRM methodology is for assessing and communicating the risks that could impact achievement of TMX's strategic and operational objectives.

## Risk Management Approach

We have identified a number of principles that guide our management of risks, including the following:

- We promote and maintain an enterprise-wide ethical culture that values the importance of effective risk management in day-to-day business activities and decision-making and encourages open communication.
- Our business units and corporate functions own the objectives and the risks assumed in their activities, and are therefore accountable for the effective management of those risks, supported by the risk management and internal audit functions.
- TMX uses Five Lines of Accountability, which enhances the Three Lines model while recognizing the role of senior management and the Board in risk management. We define these roles and responsibilities and associated levels of authority for risk-taking across the enterprise.
- We believe we employ effective and consistent risk management processes across the enterprise to ensure that objectives and risks are transparent, well understood, and remain within an accepted and approved level of risk appetite.
- We believe we employ sufficient resources and effective tools, methods, models, and technology to support our risk management processes.
- Our Enterprise Risk Management (ERM) framework has been designed to reflect industry standards, and legal and regulatory requirements, and is regularly reassessed.

## Risk Governance

Risk governance is structured using a "Five Lines of Accountability" model. This structure defines roles and responsibilities across the enterprise and ensures clear accountability and authority levels for risk-taking. As illustrated in the diagram below, using OCRM requires senior management, under the supervision of the Board, to:

- i. clearly define roles across the businesses;
- ii. explicitly specify risk and assurance requirements; and
- iii. determine the business objectives that warrant more formal and visible risk assessment processes.

This ensures the integration of the enterprise's objectives, risks, risk treatments, and performance.



## Group Risk Appetite

TMX operates within the limits defined in the Risk Appetite Statements (RAS), which define the acceptable nature and amount of uncertainty TMX is willing to accept in pursuit of its objectives. Risk Appetite Statements are an integral part of TMX's overall enterprise risk management framework and are anchored in our core values and strategic priorities. We consider the following when determining the level of acceptable uncertainty in our Risk Appetite Statements:

- alignment with TMX's values and strategic priorities,
- the relative importance of the Objective, and
- the potential of the Objective to increase or erode entity value.

## Risk Factor Summary

The main risks that could materially and adversely affect TMX's business, operating results, long-term financial objectives, cash flows, or financial condition are categorized as follows: Operational Risk, Legal and Regulatory Risk, Strategic and Business Risk, Financial Risk, and Reputational Risk. While TMX employs risk mitigation strategies where deemed appropriate or applicable, there is no assurance that these strategies will successfully lessen the adverse impact on its business, financial performance, financial position, or future prospects should such risks materialize, in whole or in part. The risks and uncertainties described below are not exhaustive. Additional risks and uncertainties not presently known to TMX or currently considered immaterial may also materially and adversely affect TMX.

## Risk Factor Details

### Operational Risks

Operational risk for TMX stems from potential losses from inadequate or failed internal processes, systems, people, or external events. We face a multifaceted and evolving risk landscape across our technology, operations, and personnel.

We are committed to managing these risks through a comprehensive framework, however not all risks can be eliminated.

### ***Process Execution Risk***

Operational failures within our trading, clearing, depository, and transfer agent services could lead to significant financial losses and disrupt market confidence. A major system compromise could interrupt services across our platforms and potentially affect other systemically important financial infrastructures in Canada. Specific risks include the potential loss or theft of physical securities held in safekeeping at CDS and operational challenges at TSX Trust arising from its wide range of services and the complexity of its operating platforms. To mitigate these risks, we have comprehensive incident disaster recovery and business continuity plans, including split operations for our data centers and offices. Certain internal controls within our clearinghouses and TSX Trust are audited by an external party at least annually, and the risk of physical security loss is mitigated through physical security layers and insurance coverage.

### ***Change Management Risk***

Our growth strategy is based on an organic plan that can be accelerated by targeted acquisitions. Over the past few years we have been more acquisitive which has increased the risk and focus on change management. This includes the risk of failing to successfully acquire and integrate acquisitions to achieve their planned economic benefits, or to divest under-performing businesses in a timely manner. Our ability to integrate talent, clients, operations, and technology systems could divert management's attention and strain resources. To mitigate risk, we have developed and codified standardized governance, processes and streamlined tool sets to support both transaction and integration execution. We have optimized resourcing and ensure continuity by involving the same personnel in both due diligence and integration, eliminating knowledge gaps. Change management is embedded across all stakeholder workstreams, with progress monitored by a Senior Management Steering Committee and Board-level oversight.

### ***Technology and Cyber Security Risk***

Our business is extremely dependent on our information technology systems, as trading, clearing, settlement, and data services are conducted electronically. We face Technology Risk that could impede our ability to deliver products and services effectively. This includes the potential for system failures, delays, or interruptions, and the risk that our current technological architecture may not efficiently support changing business requirements.

Closely related to Technology Risk, is our exposure to Information and Cyber Security Risk, as our networks and those of our third-party service providers, participants and clearing members are vulnerable to increasingly sophisticated threats across the supply chain. These threats are continuously evolving and include ransomware, state-sponsored cyber-attacks, and those amplified by the emergence of Generative Artificial Intelligence (GenAI) technologies. A successful cyber attack could compromise our operations and intellectual property, damage the integrity of our markets, and adversely affect our reputation. To manage these combined risks, we employ a "defense in depth" security strategy with multiple layers of preventative, detective, and corrective controls, including firewalls, access controls, and regular security assessments of our internal controls and controls of third party providers. We also have incident disaster recovery and contingency plans that are tested regularly. However, these plans may not be adequate for every possible scenario and our industry-standard security measures may prove insufficient given the rapidly evolving changes of the technology landscape, potentially requiring us to expend significant resources to protect against the problems caused by any breaches. Additionally, a successful cyber security breach could also lead to litigation against us.

### ***New and Evolving Technology Risk***

The increasing use of AI and GenAI technologies by both our own employees and malicious actors presents a new and evolving challenge, escalating the sophistication of cyber threats and creating complex intellectual property risks related to AI-generated content and data use.

As with all technology, GenAI tools pose certain risks. Some of these risks are heightened or unique in the GenAI context due to how GenAI tools are trained and provide output. These include risks related to information security concerns, the disclosure or improper use of TMX confidential information and intellectual property, the violation of third-party rights and the privacy of individuals, as well as accuracy of the output and the potential for creating biased output.

We have implemented, and continue to evolve, our governance model to include a team comprising multiple stakeholders to evaluate employees use cases of AI and GenAI technologies, analyze the risks arising from these use cases and provide recommendations on their mitigation. Furthermore, internal governance documents and guidelines have been established to outline the processes and actions required to implement our Acceptable Use Policy with respect to the use of GenAI.

### ***Business Continuity Risk***

Our Business Continuity Risk involves the potential for our critical functions to be interrupted by geopolitical instability, pandemics, natural disasters, power loss, or sabotage. It also includes the risk of operational failures from system disruptions or insider threats—whether intentional or accidental—which could undermine market confidence and lead to litigation or regulatory sanctions. Our mitigation strategy is a comprehensive Business Resilience program that includes interconnected plans for crisis management, disaster recovery, and business continuity. A key component of this strategy is maintaining split operations for both our data centers and office spaces to provide redundancy in technology, infrastructure, and personnel. Our Crisis Management Team is implemented across all lines of business. We also face risk from our reliance on internal shared services; this is mitigated by ensuring key operations are budgeted, resourced, and supported by fully tested business continuity and disaster recovery plans.

### ***Third-Party Risk***

We depend on a number of external suppliers for essential elements of our business, including cloud services, data processors, and network providers. These third parties may suffer interruptions, may not be able to scale to meet our needs, or prevent us to renew agreements on favorable terms. We manage this through a central procurement function focused on vendor selection and onboarding. Due diligence activities, including cybersecurity, are conducted to assess the risks from third parties and to ensure mitigation strategies are in place. However, if a critical third party stops providing services and we cannot find a suitable alternative, our business could be materially affected.

### ***Talent Risk***

The loss of key talent, the inability to attract employees with required skills and capabilities, or failure to manage the integration of talent from acquired companies could adversely affect the execution of our objectives. We face risks from a shortage of qualified talent in critical areas and from rapidly shifting employee expectations regarding compensation, benefits, and work styles. We mitigate talent risks through proactive recruitment, annual succession reviews, and competitive compensation. Our strategy is informed by data-driven metrics like turnover and internal hire rates. We also develop multi-faceted integration plans to onboard and integrate talent from acquired organizations, measure engagement regularly via surveys, and foster an inclusive culture.

### ***Model Risk***

We are exposed to the risk that the financial models used within our clearing houses, CDS and CDCC, are not designed or operating effectively, which could expose these businesses to systemic failure. These critical models are used to estimate risk exposures and determine the value of margin and collateral required to mitigate those exposures. They are subject to risks such as the use of incorrect inputs, model misspecification, implementation errors, or black swan events beyond the model parameters, any of which could result in a clearing member's failure, or being inadequately collateralized, potentially creating systemic risks. We mitigate these risks through model testing and independent vetting prior to implementation and by maintaining a risk management framework with the necessary governance to regularly assess the adequacy of the models. Furthermore, our clearinghouse risk models are subject to independent



ongoing vetting and monitoring to ensure they remain robust, fit-for-purpose and compliant with regulatory requirements.

### ***Fraud Risk***

Fraudulent activities, particularly from authorized employees who may intentionally take malicious actions that compromise our technology, information, assets, or operations, may result in financial or reputational loss. Insiders may circumvent security measures to wrongfully use information or cause operational malfunctions. Our mitigation strategy is multi-layered, beginning with background checks conducted prior to hiring and throughout an individual's employment, with the frequency based on their level of access. We enforce mandatory awareness training, manage access levels strictly with multi-factor authentication, and continuously monitor our networks and user behavior to identify anomalies or compromised accounts. We also provide a confidential Whistleblower program, administered by a third party, which allows employees to anonymously report suspicious behavior and activates an investigative process.

## **Legal and Regulatory Risk**

We are exposed to significant Legal and Regulatory Risk stemming from the complex and evolving environment in which we operate. This risk is multifaceted, encompassing high compliance costs, extensive regulatory oversight that may constrain our business, the challenge of adapting to new requirements, and the potential for litigation or regulatory enforcement actions.

### ***Regulatory Risk***

We operate in a highly regulated industry and are subject to extensive government regulation, with the potential for increased regulatory requirements in the future. We incur significant costs to comply with the requirements imposed on us, including those pursuant to our Recognition Orders. Our regulators in Canada, the U.S., and other jurisdictions where we do business possess broad powers to audit, investigate, enforce compliance, and impose sanctions for any non-compliance. These powers include the ability to prohibit us from engaging in certain business activities and to suspend or revoke our existing approvals to operate as a marketplace or clearing agency. Any actual or alleged non-compliance could lead to investigations or proceedings that could result in substantial costs and a diversion of resources, and could significantly harm our reputation.

The regulatory framework itself may impose barriers that limit our ability to build an efficient and competitive organization and may also constrain our ability to expand our global operations. We are required to obtain regulatory approval or review for many of our operational and business changes, including our listing rules, trading rules, clearing and settlement rules, fee structures, and changes to our systems, any of which could increase our costs and delay our strategic plans. This environment also creates the potential for a real or perceived conflict of interest between our regulatory responsibilities and our business activities. We have implemented stringent governance measures and have policies and procedures in place to manage such conflicts, as any failure to do so could significantly harm our reputation and prompt regulatory action.

We also face significant uncertainty from new regulatory requirements, as numerous initiatives and changes are being implemented by regulators in Canada, the U.S., and Europe. We cannot be certain what form these changes will take or predict their impact on our business. These new requirements could make it more costly for us (and our clients) to operate, enter new business areas, or expand.

With respect to fees, our Recognition Orders impose restrictions or prohibitions on certain types of discounts or incentives that our equity exchanges may provide, which may limit our ability to introduce new products in a timely manner or inhibit their adoption by customers. The Ontario Securities Commission also has the right to require us to re-submit a previously approved fee or incentive for re-approval, which could lead to its revocation or amendment. Furthermore, we are required to obtain prior regulatory approval for a number of operational changes, including

changes to our internal cost allocation models, any material integration or reorganization of our businesses, non-ordinary course changes to TSXV's operations, and any outsourcing of key services or systems. This requirement to obtain approvals may restrict or delay our ability to make planned changes to our operations, which could have an adverse effect on our business.

### ***Litigation Risk***

Many aspects of our business involve the potential risk of legal proceedings, which could lead to significant liability. Dissatisfied customers or vendors, among others, may make claims regarding the manner in which we operate or may legally challenge our regulatory or other actions or decisions. We could also be exposed to liability from disputes over the terms of a trade, or from claims that a system delay or failure caused a customer to suffer a financial loss. We may benefit from certain contractual indemnities and limitations on liabilities that are in place. However, these rights may not be sufficient to fully protect us from all potential claims.

In addition, TMX is exposed to civil liability for any misrepresentations in our continuous disclosure documents and public oral statements, or for any failure to make timely disclosures of material changes, for which investors have a statutory right of action in most Canadian jurisdictions.

We could incur significant legal expenses in defending any of these claims, even those that are without merit. If a lawsuit or claim is resolved against us, it could materially and adversely affect our reputation, our business, our financial condition, and our operating results.

### ***Intellectual Property Risk***

Our Intellectual Property (IP) risk is twofold. First, we may be unable to adequately protect our own intellectual property—which we rely on to compete effectively—from unauthorized use or misappropriation by others. This includes the potential for claims arising from the rapidly evolving use and legal landscape of AI, which presents new and complex challenges to protecting our IP. This could harm our brand and limit our ability to maintain or increase revenue. Our mitigation involves relying on a combination of legal tools like trademark, copyright, and patent laws, as well as trade secret protection and contractual arrangements. Second, we face the risk that IP infringement claims may be asserted against us or our customers regarding third-party IP that we license, or in relation to our own activities. If a claim is successfully asserted against us, we could be required to spend significant time and money to develop non-infringing alternatives or to license the IP from the owner, which we may not be able to do on commercially acceptable terms, if at all.

To address the emerging risks around AI, we have implemented, and continue to evolve, a governance framework to monitor developments, assess employee use cases involving GenAI and potential risks and impact, and implement measures designed to protect against these risks. However, these efforts to protect our intellectual property may not always be adequate to deter misappropriation and may not fully mitigate the risks, particularly given the rapid pace of change and novel legal questions presented by AI.

## **Strategic and Business Risks**

Strategic Execution Risk is the failure to develop a strategy that identifies potential growth opportunities and threats within our environment and/ or the failure to execute effectively on our strategy.

### ***Strategic Planning***

Our strategic planning process may fail to identify and properly respond to all significant opportunities or threats within our industry. Despite thorough analysis and regular testing of our assumptions, we may not successfully identify or

react to market shifts impacting our industry, which could hinder our ability to innovate for evolving client needs and lead to inefficient capital deployment.

### ***Strategic Execution***

Even when a strategy is defined, we may not execute it effectively. A number of factors could impede our execution, including overall economic conditions, increased global and domestic competition, delays in mobilizing internal resources, challenges in attracting and retaining talent with the right capabilities, difficulties in developing and launching new products, and regulatory restrictions. Failure to execute on our strategy could impact our business, operating results and reputation.

### ***Financing Constraints***

Our ability to obtain financing beyond a certain amount for new business opportunities could be difficult due to financial restrictions under our Commercial Paper Program, Debentures, Credit Agreement, and Recognition Orders.

### ***New Business Ventures & International Expansion***

This risk extends to new business activities and international expansion. We may enter into new business lines that could adversely affect our existing profitability, if new revenue does not exceed the associated costs.

Expanding our operations internationally also presents unique challenges that we may not be able to meet. These include navigating foreign regulatory restrictions, geopolitical unrest, reduced intellectual property protection, staffing and managing foreign operations, adverse tax consequences, and difficulties in enforcing agreements in foreign legal systems. The costs to comply with foreign laws can be substantial and may outweigh the potential benefits. To manage our overall strategic execution risk, we invest significant resources in the development and execution of our corporate strategy and have established processes and tools for effective and rigorous oversight of our key initiatives. Despite these efforts, the various factors impacting our strategy could materially affect its successful execution.

### ***Geopolitical and Economic Risk***

Our business and financial results are linked to and impacted by a wide range of geopolitical and economic conditions, which are largely outside of our control. These factors may challenge our business model and objectives, affecting everything from revenue and client activity to our long-term strategic plans.

Although over 50% of TMX's revenue now originates from outside Canada, we are dependent on the health of the Canadian economy. Our financial results are affected by Canadian commodity prices, interest rates, foreign exchange rates, and overall levels of economic activity. A significant portion of the Canadian economy is based in the natural resources and energy sectors, which exposes us to macroeconomic factors that impact these industries. Any prolonged economic downturn in Canada could have a significant negative impact on our business by materially affecting the number of new and existing issuers, their market capitalization, trading volumes across our markets, clearing and settlement activities, and the demand for our market data and corporate solutions products.

Our operating results and revenue drivers could also be adversely impacted by global economic and geopolitical conditions. We are affected by broad factors like inflation and the global political climate, as well as specific geopolitical events, including increased uncertainty and wars in Europe and the possibility of sovereign debt defaults, which can directly impact our business and that of our subsidiaries such as TMX Trayport. Market volatility presents a complex challenge; while higher volatility can generate increased transaction volume, when coupled with prolonged negative economic conditions, it can conversely affect trading volumes, slow the collection of receivables, and increase counterparty risk. A low-volatility environment can also place downward pressure on our operating results.

Our transaction revenue is highly dependent upon the level of market activity on our exchanges, clearing houses, and TMX Corporate Solutions —variables that depend on factors that we cannot directly control, such as broad trends in

business and corporate finance, the mergers and acquisitions environment, investor confidence, monetary policies, the regulatory environment in Canada and abroad, and changes in tax legislation.

To mitigate exposure to adverse macroeconomic conditions and potential economic downturns, TMX has strategically diversified its business model. We operate across multiple business lines and geographies, maintaining a balanced portfolio of regulated, non-regulated, technology-driven, and service-oriented sectors. This broad reach across diverse client groups serves to minimize systemic risk. However, while we strive to support market activity through efficient and reliable services, such efforts may not fully offset external economic factors beyond our control.

### **Competition Risk**

We face competition from established and new competitors, including disruptive technology providers, which challenge our business model and objectives across all of our segments.

In our Capital Formation business, we compete with other North American and international exchanges for the listings of both Canadian and international companies. Domestically, we compete with two other exchanges and face competition from alternative financing platforms like private equity and venture capital, which may subject issuers to regulatory rules and obligations that are different from those of our markets. As the investment landscape globalizes, U.S.-based competitors are increasingly targeting Canadian-listed issuers and, in some instances, establishing their own marketplaces within Canada.

Finally, TMX Corporate Solutions, which includes our TSX Trust and Newsfile businesses, competes with other North American and international service providers. To manage this risk, we seek to differentiate ourselves by investing in policy development, our service offerings, our products, and our client experience.

In our cash equities trading operations, we face domestic and global competition. We are at a significant competitive disadvantage as some U.S. market participants can pay customers for order flow, a practice that is not permitted in Canada. Domestically, the market is highly fragmented, with 15 different marketplaces trading our listed securities, leading to significant pressure on our market share. Excluding intentional crosses, our combined domestic equities trading market share in all listed issues was 56% in 2025, a decrease from 57% in 2024. This is compounded by intense price competition, where competitors may offer more attractive fees, larger liquidity payments, or other incentives. To manage this, our sales team is focused on attracting more foreign participants and order flow, and we have developed a "pricing mix" to attract greater liquidity, which has included lowering fees in the past and may require future adjustments. Our Canadian derivatives market (MX) faces competition from cross-listed options on other exchanges, particularly in the U.S., and from the Over-the-Counter (OTC) market. OTC trading platforms represent an increasing risk with their lookalike and substitute products, and regulatory reform in Canada could encourage new competition in the clearing space. Our mitigation in this area involves using a "pricing mix" designed to attract greater liquidity to our markets. For our fixed income Inter-Dealer Broker (Shorcan), we face several competitors, and a failure to attract institutional dealer order flow could adversely affect results. Shorcan continues to focus on solidifying its customer relationships by taking customer feedback and using it to enhance its trading application's capabilities.

TMX Datalinx faces intense competition from other trading venues, data aggregators, fintechs, and our customers who may choose to build their own internal data and analytics capabilities. The success of certain data products is linked to maintaining a majority of trading order flow, and new participants offering discounted data products pose a risk to our client base and revenue. Additionally, client use of AI to acquire and build corporate disclosure data products could impact our corporate and reference data offerings. To manage this, our strategy is to protect our intellectual property around the content we generate while maintaining flexibility for our users. Additionally, we will continue investing in AI capabilities to streamline operational processes and develop new proprietary information and analytics products which are unique in the market. Revenues from TMX VettaFi are sensitive to market performance and the introduction of active ETFs that do not require an index presents a challenge. Competitors using low flat-fee models also add pricing pressure. We address this risk by focusing on innovation, differentiation, and providing additional value to justify our pricing framework. Finally, as with most technology companies, TMX Trayport's software business faces competition from other vendors. The success of these competitors could reduce our customer base, limit our ability to sell new products or enter new markets.

## ***Client Concentration Risk***

TMX depends on an adequate number of clients. If we determine that there is not a fair market, the markets will be shut down. There will not be a fair market if too few POs, or approved participants are able to access our cash equity or derivatives exchanges, including market data information generated from these exchanges. If trading on our exchanges is interrupted or ceases, it could materially adversely affect our equity or derivatives operations, our financial condition and our operating results.

Our trading and clearing operations depend primarily on a small number of clients. During 2025, approximately 90% of our trading and related revenue, net of rebates, on TSX and approximately 62% of our trading and related revenue on TSXV were accounted for by the top ten POs on each exchange based on volumes traded.

Approximately 54% of CDS's revenue, net of rebates, in 2025 was accounted for by the top ten customers (excluding securities regulators).

Approximately 79% of MX and CDCC's trading and clearing revenue, net of rebates, in 2025 was accounted for by the top ten participants based on volume of contracts traded.

## **Financial Risk**

### ***Credit Risk***

Our credit risk is the potential for loss if a borrower, counterparty, Clearing Member, or Participant fails to fulfill their financial obligations, or if a client's creditworthiness unexpectedly deteriorates. This risk primarily originates from the clearing operations of our subsidiaries, CDS Clearing and CDCC, but also arises from the brokerage operations of Shorcan, as well as our holdings of cash, marketable securities, trade receivables, and total return swaps.

### ***Clearing House Risk***

#### ***Credit Risk Exposures for CDS***

CDS Clearing is exposed to the risk of loss if a participant in its clearing and settlement services fails to honor its financial obligations. This credit risk is created through the clearing and settlement services we operate. To a lesser extent, we are also exposed to credit risk when we perform services in advance of payment. The two primary forms this risk takes are payment risk within the settlement system and counterparty risk in our central counterparty (CCP) services.

During each business day, transaction settlements can result in a net payment obligation from a participant to CDS Clearing, or from us to a participant. The potential failure of a participant to meet its payment obligation creates payment risk, a specific form of credit risk where a seller might deliver securities without receiving payment, or a buyer might make a payment without receiving the purchased securities. Our mitigation strategy for this risk is multi-layered. First, the payment risk is mitigated by the principle of delivery payment finality within our CDSX multilateral clearing and settlement system, as set out in our Participant Rules. Critically, within our settlement services, the payment risk is transferred entirely from CDS Clearing to the participants themselves, who accept this risk under the contractual rules of the service. This transfer is primarily achieved by having participants act as credit extenders to one another through lines of credit managed within the system, or via risk-sharing arrangements where groups of participants cross-guarantee the payment obligations of other members. Should a participant be unable to meet its payment obligation, these surviving participants are required to make the payment. Although the ultimate risk is transferred, we mitigate it on behalf of the participants by enforcing limits on the magnitude of each participant's payment obligations and by requiring each participant to collateralize that obligation, with both of these measures enforced in real-time within the settlement system.

A different credit risk exposure exists within our central counterparty services offered through Continuous Net Settlement (CNS), where CDS Clearing becomes the legal counterparty to novated transactions. If a participant defaults, we must honor the financial obligations that arise, and adverse changes in market prices would expose us to credit risk losses. The mitigation for this CCP risk is robust and begins with preventative measures. The risk exposure is managed through a daily mark-to-market of each participant's obligations, as well as risk-based collateral requirements that are calculated daily. These measures are designed to cover the vast majority of potential market changes and are regularly tested against actual price changes. This testing is supplemented with an analysis of the effects of extreme market conditions on collateral valuation and market risk measurements, which is then used to determine the need for additional collateral contributions from participants to a default fund that was established in 2015.

In the event of a default, our principal mitigation is a formal default management process. This process enables us to neutralize the market exposures from the defaulter's portfolio through open market operations within prescribed time periods. Any resulting losses from these operations would be set-off against the defaulting participant's collateral contributions to the Participant Fund and the Default Fund, thereby minimizing credit losses. Should the collateral of a defaulter in the CNS service prove insufficient to cover all losses, the surviving participants in the service are required to cover any residual losses.

### Credit Risk Exposures for CDCC

As the clearing house for the Canadian Derivatives Clearing System (CDCS), our subsidiary CDCC is exposed to credit risk, which is the potential for loss if a Clearing Member fails to satisfy its contractual obligations. We manage these risks through a robust and comprehensive framework that is overseen by the Bank of Canada. The first defense in this framework is the adoption of strict membership criteria that include both financial and regulatory requirements. In addition, we perform ongoing monitoring of the financial viability of our Clearing Members to ensure their continued compliance, and we have the right to impose various sanctions on any member that fails to satisfy these criteria.

CDCC is exposed to the credit risk of its Clearing Members because it acts as the central counterparty (CCP) for all transactions on our derivatives markets (MX) and certain OTC markets. This means that in the event of a Clearing Member default, the obligations of that defaulting counterparty would become the direct responsibility of CDCC. This exposure is the fundamental credit risk that our management processes are designed to mitigate.

One of our principal risk management practices to manage counterparty credit risk is the collection of risk-based margin deposits. These deposits are a form of collateral that we collect from Clearing Members in the form of cash, equities, and liquid government securities. Should a Clearing Member fail to meet its settlements, daily margin calls, or other obligations under its open contracts, these margin deposits would be seized. The seized deposits are then available to be applied against any potential losses we might incur while liquidating that Clearing Member's positions, thereby protecting CDCC and the broader market from the financial consequences of the default.

Our margining system is complemented by a Daily Capital Margin Monitoring process, which evaluates the financial strength of a Clearing Member against its specific margin requirements. We monitor a member's margin requirement as a percentage of its capital, which is defined as its net allowable assets. If this ratio of margin-to-capital exceeds 100%, we will make an additional margin call equal to the excess amount. This process is designed to ensure that a Clearing Member's leverage in its clearing activities does not exceed the value of the firm itself.

To manage exposures associated with certain unique or "idiosyncratic" risks, we also have the ability to levy additional margin surcharges. These include:

- Concentration charges for Clearing Members that are overly concentrated in certain positions.
- Wrong-way risk charges for members holding positions that are highly correlated with their own credit risk profile.
- Mismatched settlement surcharges, which are designed to mitigate the risk of a potential defaulter "cherry-picking" which settlements to honor during a period of distress.

### Credit Risk Exposures for Shorcan

Our fixed income brokerage operation, Shorcan, is exposed to credit risk if customers fail to settle on the contracted date. This risk is limited because Shorcan acts as an agent and does not buy or sell securities for its own account; in the event of a failed trade, Shorcan has the right to withdraw its policy of anonymity and require the two counterparties to settle directly with each other.

### Credit Risk - Other

For all our other credit exposures, we employ specific controls. We manage risk on our cash, cash equivalents, and marketable securities by holding the majority with highly-rated commercial banks (A/R1-low or better) or in high-grade government securities. Our exposure from uncollectible accounts is managed by a dedicated collections team that actively monitors customer accounts to minimize overdue receivables. Finally, due to the bilateral nature of our Total Return Swaps, we are exposed to counterparty credit risk, which we manage by entering into these agreements only with major Canadian chartered banks.

Our investment policy requires that excess cash be invested only in highly liquid money market or fixed-income securities with credit ratings of A1/P1/R1-low or better by Standard & Poor's, Moody's and Morningstar DBRS respectively.

## **Funding and Liquidity Risk**

### Access to debt capital markets

Our ability to obtain debt financing in the debt capital markets for refinancing purposes or for new business opportunities is subject to market capacity, interest rates and corporate spreads, and overall macro economic conditions and investor risk appetite, all of which are outside of our control and could make it difficult to obtain such financing.

### Debt capacity risk

Our ability to obtain debt financing beyond a certain amount could be restricted due to financial restrictions under our TMX Group Credit Facility Agreement. Higher debt amounts could also raise concerns by regulators, investors and other stakeholders. We operate within a targeted leverage ratio of 1.5-2.5x total debt to adjusted EBITDA and in certain cases when we have elected to go beyond this range for funding strategic acquisitions we have had a deleveraging plan to get back within the range. The execution of a future deleveraging plan would be dependent on TMX's performance which is subject to the risks described in this document.

### Pricing risk

Our ability to obtain debt financing, whether for new business opportunities or refinancing existing debt, at cost effective interest rates could be difficult due to fluctuating corporate yields and the potential for our credit ratings to be lowered.

## **Corporate Operations and Financing**

For our general operations, we manage liquidity risk through our cash and cash equivalents, marketable securities, debentures, the Commercial Paper Program, and various credit facilities. A specific and significant liquidity risk exists within our Commercial Paper Program, where we could be unable to borrow under a new issuance to pay for maturing commercial paper due to a lack of market liquidity or demand. To mitigate this primary financing risk, we maintain a revolving Credit Agreement that provides 100% coverage or backstop to the Commercial Paper Program.

## ***Clearing House Liquidity***

Our clearing and depository services present a distinct and substantial liquidity risk, which results from the requirement to convert collateral to cash in the event of a participant or customer default. Both of our clearing houses, CDCC and CDS Clearing, cover the financial exposure from their domestic central counterparty services by collecting margin funds, supplemental liquidity funds, and default fund contributions from their respective participants.

CDCC holds cash margin deposits with the Bank of Canada and commercial banks rated A/R1-low or better, while non-cash margin deposits are held in government securities with approved depositories. To ensure it can meet its obligations, CDCC has a syndicated revolving standby liquidity facility to provide end-of-day liquidity or emergency funding in the event of a Clearing Member default. Additionally, a syndicated REPO facility is in place for the same purpose, providing liquidity in exchange for securities that have been pledged to or received by CDCC.

CDS Clearing faces a unique challenge with its New York Link (NYL) service, which has the potential for unlimited liquidity risk exposure if a user were to default on an end-of-day payment obligation. We manage this risk through active monitoring of payment obligations, maintaining pre-funded U.S. dollar facilities sized to cover the largest default scenario under extreme market conditions, and utilizing committed and syndicated credit facilities. While we deposit U.S. dollar cash collateral across a large network of highly-rated commercial banks, there is a risk that these banks could experience capacity constraints. We mitigate this specific risk through established procedures designed to counter such a scenario. Furthermore, CDS maintains secured standby liquidity facilities that can be drawn in either U.S. or Canadian currency to support settlement activities in the event of a participant default in either the CNS or NYL service lines. Access to these facilities is obtained by pledging securities that are settled through our services or by providing collateral pledged by our participants.

## ***Foreign Currency Risk***

We are exposed to foreign currency risk from several aspects of our business, including our revenues and expenses, the assets and liabilities on our balance sheet, and our clearing and settlement services.

A primary exposure to foreign currency market risk occurs when we have revenue and expenses from invoicing or procuring in a foreign currency, principally in U.S. Dollars and Pound Sterling (GBP). The impact of currency fluctuations can be significant, as illustrated by the following examples based on our 2025 financial results:

- A 10% rise or decline in the value of the Canadian dollar compared to the U.S. dollar would result in an approximate impact of \$25.6 million on our revenue, net of operating expenses.
- A similar 10% change in the value of the Canadian dollar compared to the Pound Sterling would have an approximate impact of \$10.7 million on our revenue, net of operating expenses.

We are also exposed to market risk relating to foreign currency rates applicable to our cash and cash equivalents, trade receivables and trade payables, principally denominated in U.S. dollars. At December 31, 2025, cash and cash equivalents and trade receivables, net of current liabilities, include US\$15.6 million, which are exposed to changes in the U.S.–Canadian dollar exchange rate (2024 - US\$20.1 million), £0.1 million which are exposed to changes in the GBP-Canadian dollar exchange rate (2024 - less than £0.1 million), and €5.2 million which are exposed to changes in the Euro-Canadian dollar exchange rate (2024 - €4.9 million). The approximate impact of a 10% rise or a 10% decline in the Canadian dollar compared with the U.S. dollar, GBP and Euro on these balances as at December 31, 2025 is a \$3.0 million decrease or increase in income before income taxes, respectively.

Within the clearing and settlement services offered by CDS, settlements occur in both Canadian and U.S. dollars. This creates a market risk related to foreign exchange rates if a participant defaults and the currency of their payment obligation is different from the currency of the collateral that is supporting that obligation. This specific currency mismatch risk is mitigated by discounting the collateral value of securities where such mismatches occur.

To manage our broader exposures, we may employ currency hedging strategies to mitigate foreign currency risk. However, it is important to note that with respect to our unhedged exposures, significant moves in exchange rates,



specifically a strengthening of the Canadian dollar against the U.S. dollar or GBP, can have an adverse effect on the value of our revenue, costs, assets, and liabilities that are denominated in currencies other than the Canadian dollar.

### **Market Risk**

Market risk is defined as the potential for loss due to changes in market prices and rates, such as foreign exchange rates, interest rates, commodity prices, and equity prices. Our exposure to this risk is multifaceted, touching nearly every part of our operations.

A significant component of our market risk is foreign currency risk, as we are exposed to fluctuations in revenue and expenses when we invoice or procure in foreign currencies, principally U.S. Dollars and Pound Sterling (GBP). See Foreign Currency Risk section for details of potential impacts. We are also exposed to foreign exchange rate risk on our balance sheet through cash, receivables, and payables denominated in foreign currencies. While we may employ currency hedging strategies to manage this exposure, we acknowledge that significant moves in exchange rates can have an adverse effect on the value of our unhedged revenues, costs, and assets. Within our clearing services, a currency mismatch between a payment obligation and the collateral supporting it creates risk, which we mitigate by discounting the value of that collateral.

We are also exposed to market risk related to equity prices, as our obligations under Deferred Share Units (DSUs), Restricted Share Units (RSUs), and Performance Share Units (PSUs) granted to our directors and employees are partly based on our own share price. To manage this, we have entered into Total Return Swaps as a partial cash flow hedge for the share appreciation rights associated with these compensation units.

Furthermore, we face several forms of interest rate risk. We are exposed to market risk on the interest earned from our cash, cash equivalents, and marketable securities; this is partially mitigated by having variable interest rates on some of our short-term debt. Similarly, our TSX Trust business is exposed to interest rate risk on funds it administers for clients, where rate volatility can impact interest revenue earned. To counter this, we continue to focus on optimizing revenue composition by prioritizing high-quality client relationships that contribute to sustainable Net Interest Income (NII) and enhance liquidity.

A distinct area of market price risk arises from the potential failure of a Participant, Clearing Member, or Client to deliver securities or derivatives products on the contracted settlement date when the market price has moved unfavorably. In our role as a Central Counterparty (CCP), both CDS and CDCC become the legal counterparty to all of a defaulter's transactions and must honor the resulting financial obligations, exposing us to credit risk losses from adverse market movements. The principal mitigation for this is a robust default management process. CDS would neutralize the market exposures through open market operations, with any losses offset against the defaulting participant's collateral contributions to the Participant Fund and Default Fund. CDCC employs a similar process, using auctions or open market operations to neutralize exposures and offsetting any losses against margin and clearing fund collateral that is pre-funded by all Clearing Members. For our TSX and TSXV exchanges, we are exposed to market price risk on a portion of our sustaining services revenue, which is based on the market values of listed issuers at the end of the previous year. Finally, the market risk for our Shorcan brokerage business is limited by its status as an agent that does not trade for its own account, the short time between trade and settlement, and the defaulting customer's liability for any price differences.

### **Reputational Risk**

We are exposed to Reputational Risk, which we define as the potential for negative publicity or stakeholder perception to damage our organization's image, which could lead to financial losses, decreased customer trust, and other adverse consequences. This is not a standalone category, but a critical potential consequence of failures materializing across our other primary risk areas, including operational, legal, financial, or strategic failures. Our reputation and brand value could be materially harmed by a number of specific events. These include significant operational disruptions or repeated failures in our core trading, clearing, or depository services, which could undermine confidence in the

integrity of our markets and damage our brand name. Our reputation is also directly exposed to information security risks; a successful cyber security breach that compromises our systems or leads to data theft could severely damage stakeholder confidence. Furthermore, our reputation could be harmed by legal and regulatory matters, such as adverse outcomes from litigation, a failure to comply with the laws and regulations that govern our operations, or a failure to diligently and fairly manage potential conflicts of interest. Strategic challenges, such as difficulties in successfully integrating major acquisitions in a way that maintains market confidence, also pose a distinct reputational risk. The materialization of any of the top risks identified across our enterprise could ultimately have an adverse effect on our reputation.

Our mitigation for broad reputational risk is largely embedded within the management strategies for these underlying primary risks. This includes maintaining robust compliance programs, having stringent governance measures and policies in place to manage conflicts of interest, employing comprehensive "defense-in-depth" cyber security defenses, and having detailed business resilience, crisis management, and disaster recovery plans.

### ***Sustainability and Climate Risk***

The sustainable transition of our economy is defined as the active and ongoing process of fundamentally shifting societal systems towards models that are environmentally restorative, socially equitable, and economically resilient for the long term. The progression of a sustainable transition presents both risks and opportunities for our business and the broader market we serve. Our exposure to this risk is twofold, encompassing both the external economic environment tied to the transition and our own internal strategic execution in response to it.

A primary risk we face stems from the Canadian economy's significant concentration in the natural resources and energy sectors. Our business is therefore exposed to downturns in these sectors, particularly if those businesses fail to transition to greener undertakings as quickly as the market demands or due to an erosion of investor confidence. This risk, is driven by macroeconomic factors that impact the natural resources and energy sectors, evolving environmental regulations and the significant growth of sustainable investing. Such a downturn could materially and adversely affect our trading and clearing volumes, the number and market capitalization of our listed issuers, and demand for market data. To mitigate this risk, we measure our exposure to resource-related sectors, tracking aggregated activities in the mining, oil and gas and utilities and pipelines sectors. We focus on attracting increasingly global clients and targeting growth in innovation, clean technology and renewable energy, which builds on our existing advantage. Through client and policy engagements, industry forum participation, and peer benchmarking, we continue to monitor new and emerging sustainability and climate-related requirements and clients' needs that may provide new product development opportunities for our business units to explore.

Internally, we have established sustainability as a key pillar of our business strategy and are working to integrate related objectives and initiatives into our core functions. We face the risk that the timelines associated with our implementation of sustainability-related initiatives and products may be inadequate. This could result in the market segment being fully serviced by our competitors before we are able to establish a strong presence. We benchmark our products and services offering against our peer exchange groups and continue to monitor clients needs through client engagement. Furthermore, we face a risk related to our ability to adapt to the complex and accelerating pace of change in the societal, business, and disclosure landscape related to sustainability. This has may impact our ability to attract and retain listings, and our mitigation involves proactively identifying potential issues and engaging with our stakeholders to respond and plan appropriately.

As part of our broader strategy, we address Climate Risk, which includes physical and transition risks that could affect the resilience of our critical business functions. We balance this broad range of perspectives with the results of a materiality assessment of our sustainability related risks and opportunities. This exercise involved both internal and external stakeholders and will allow us to ensure that our sustainability strategy is guided by financial materiality.

## **Emerging Risks**

We define emerging risks as newly developing external threats that are difficult to quantify due to their remote or evolving nature, yet possess the potential to materially disrupt our business model and strategic objectives. Management actively monitors these risks to inform long-term strategic planning.

As AI becomes a primary interface for consuming market data, there is a risk of a structural shift from stable, recurring subscription revenue for TMX Datalinx to less predictable, transactional ("per-click") revenue models. Furthermore, if AI-powered fintech platforms become the dominant gatekeepers of data consumption, our direct relationship with end-users may weaken, reducing our bargaining power. As end-users increasingly consume TMX data through these third-party channels, TMX Datalinx's direct relationship with the end-user weakens. This gives the fintech channels significant leverage to demand changes to the business model.

### ***Asset Tokenization and Regulatory Divergence***

We face competitive risks stemming from the accelerated adoption of crypto-assets and stock tokenization, particularly in the United States. An uneven regulatory playing field is emerging where U.S. regulators are moving quickly to implement "sandbox" regulations and exemptions that facilitate the trading of tokenized traditional securities. In contrast, a slower or more fragmented regulatory response in Canada could place our traditional capital markets at a disadvantage.

This divergence poses a risk of capital flight, where Canadian issuers may choose to list on U.S. digital exchanges to access greater liquidity or innovative trading features, and could have negative implications for our equity and derivatives clearing businesses as well as TSX Trust. To address this, we are actively engaging with Canadian regulators to advocate for a competitive framework and are exploring high-potential use cases for distributed ledger technology in collateralization and private assets, and partnership opportunities to develop digital transfer agency capabilities.

### ***Evolution of Trading Hours (24/5 or 24/7 Trading)***

Pressure from U.S. digital exchanges and alternative venues offering 24/7 trading could force a shift toward continuous trading models for Canadian securities. Moving to a 24/5 or 24/7 model presents significant operational risks, as it eliminates the overnight windows currently used for critical system maintenance, trade reconciliation, and settlement processing. We are preparing operational contingencies to move quickly if the global market structure shifts, ensuring we remain attractive to global issuers and investors.

## **Accounting and Control Matters**

### **Changes in accounting policies**

The following amendment was effective for TMX Group from January 1, 2025:

- Lack of Exchangeability (Amendments to IAS 21, *The effects of Changes in Foreign Exchange Rates*)

There was no material impact on the financial statements as a result of its adoption.

## **Disclosure Controls and Procedures and Internal Control over Financial Reporting**

### ***Disclosure Controls and Procedures***

TMX Group's disclosure controls and procedures (DCP), as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109) are designed to provide reasonable assurance that information required to be disclosed in our filings under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. They are also designed to provide reasonable assurance that all information required to be disclosed in these filings is accumulated and communicated to management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as appropriate, to allow timely decisions regarding public disclosure. We regularly review our disclosure controls and procedures; however, they cannot provide an absolute level of assurance because of the inherent limitations in control systems to prevent or detect all misstatements due to error or fraud.

Our management, including the CEO and CFO, conducted an evaluation of the effectiveness of our DCP as of December 31, 2025. Based on this evaluation, the CEO and CFO have concluded that our DCP were effective as of December 31, 2025.

### ***Internal Control over Financial Reporting***

Management is responsible for establishing and maintaining adequate internal control over financial reporting (ICFR), as defined in NI 52-109. ICFR means a process designed by or under the supervision of the CEO and CFO, and effected by our board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS, and includes those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of TMX Group; (2) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of TMX Group are being made only in accordance with authorizations of management and directors of TMX Group; and (3) are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of TMX Group's assets that could have a material effect on the financial statements.

All internal control systems have inherent limitations and therefore our ICFR can only provide reasonable assurance and may not prevent or detect misstatements due to error or fraud. Our management, including the CEO and CFO, conducted an evaluation of the effectiveness of our ICFR as of December 31, 2025 using the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework. Based on this evaluation, the CEO and CFO have concluded that our ICFR were effective as of December 31, 2025.

### ***Changes in Internal Control over Financial Reporting***

There were no changes to internal control over financial reporting (ICFR) during the year ended December 31, 2025 that materially affected, or are reasonably likely to materially affect, our ICFR.

## Related Party Relationships and Transactions

### ***Parent***

The shares of TMX Group are widely held and, as such, there is no ultimate controlling party of TMX Group. Under the OSC and AMF Recognition Orders, no person or combination of persons, acting jointly or in concert, is permitted to beneficially own or exercise control or direction over more than 10% of any class or series of voting shares of TMX Group without prior approval of the OSC and the AMF.

### ***Key management personnel compensation***

Compensation for key management personnel, including TMX Group's Board of Directors, was as follows for the year:

(in millions of dollars)	2025	2024
Salaries and other short-term employee benefits, and termination benefits	<b>\$18.1</b>	\$10.5
Post-employment benefits	<b>0.6</b>	0.6
Share-based payments	<b>19.2</b>	28.0
	<b>37.9</b>	39.1

The key management personnel compensation increased in 2025 compared with 2024, primarily reflecting higher *Salaries and other short-term employee benefits* including strategic re-alignment costs, partially offset by lower *Share-based payments*.

## CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A of TMX Group contains “forward-looking information” (as defined in applicable Canadian securities legislation) that is based on expectations, assumptions, estimates, projections and other factors that management believes to be relevant as of the date of this MD&A. Often, but not always, such forward-looking information can be identified by the use of forward-looking words such as “plans,” “expects,” “projects”, “is expected,” “projected”, “budget,” “scheduled,” “targeted,” “estimates,” “forecasts,” “intends,” “anticipates,” “believes,” or variations or the negatives of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might,” or “will” be taken, occur or be achieved or not be taken, occur or be achieved. Forward-looking information, by its nature, requires us to make assumptions and is subject to significant risks and uncertainties which may give rise to the possibility that our expectations or conclusions will not prove to be accurate and that our assumptions may not be correct.

Examples of forward-looking information in this MD&A include, but are not limited to, our long-term revenue growth CAGR and adjusted EPS CAGR objectives; our target dividend payout ratio; our target debt to adjusted EBITDA ratio; our objectives regarding growing recurring revenue, revenue outside Canada and the percentage of Global Insights revenue as a percentage of total TMX Group revenue; our objectives related to the acquisition of VettaFi; our objectives related to the acquisition of Newsfile; our objectives related to the acquisition of INDEX Research; our objectives related to the acquisition of ETF Stream; our objectives related to the acquisition of Verity; the modernization of clearing platforms, including the expected amortization run-rate and timing and the expected savings related to the implementation of the modernization project; the expected cost savings and timing of the strategic re-alignment initiative; the cessation of market-making programs and the impact on rate per contract; other statements related to cost reductions; the ability to and the timing of achieving our targeted leverage range; the impact of the market capitalization of TSX and TSXV issuers overall (from 2024 to 2025); future changes to TMX Group's anticipated statutory income tax rate for 2026; factors relating to stock, and derivatives exchanges and clearing houses and the business, strategic goals and priorities, market conditions, pricing, proposed technology and other business initiatives and the timing and implementation thereof, financial results or financial condition, operations and prospects of TMX Group which are subject to significant risks and uncertainties.

These risks include, but are not limited to: competition from other exchanges or marketplaces, including alternative trading systems and new technologies and alternative sources of financing, on a national and international basis; dependence on the economy of Canada; adverse effects on our results caused by global economic conditions (including geopolitical events, interest rate movements, threat of recession) or uncertainties including changes in business cycles that impact our sector; failure to retain and attract qualified personnel; geopolitical and other factors which could cause business interruption; dependence on information technology; vulnerability of our networks and third party service providers to security risks, including cyber-attacks; failure to properly identify or implement our strategies; regulatory constraints; constraints imposed by our level of indebtedness, risks of litigation or other proceedings; dependence on adequate numbers of customers; failure to develop, market or gain acceptance of new products; failure to close and effectively integrate acquisitions to achieve planned economics, including TMX VettaFi, or divest underperforming businesses; currency risk; adverse effect of new business activities; adverse effects from business divestitures; not being able to meet cash requirements because of our holding company structure and restrictions on paying inter-corporate dividends; dependence on third-party suppliers and service providers; dependence of trading operations on a small number of clients; risks associated with our clearing operations; challenges related to international expansion; restrictions on ownership of TMX Group common shares; inability to protect our intellectual property; adverse effect of a systemic market event on certain of our businesses; risks associated with the credit of customers; cost structures being largely fixed; the failure to realize cost reductions in the amount or the time frame anticipated; dependence on market activity that cannot be controlled; the regulatory constraints that apply to the business of TMX Group and its regulated subsidiaries, costs of on exchange clearing and depository services, trading volumes (which could be higher or lower than estimated) and the resulting impact on revenues; future levels of revenues being lower than expected or costs being higher than expected.

Forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability of TMX Group to successfully compete against global and regional

marketplaces and other venues; business and economic conditions generally; exchange rates (including estimates of exchange rates from Canadian dollars to the U.S. dollar or GBP), commodities prices, the level of trading and activity on markets, and particularly the level of trading in TMX Group's key products; business development and marketing and sales activity; the continued availability of financing on appropriate terms for future projects; changes to interest rates and the timing thereof; productivity at TMX Group, as well as that of TMX Group's competitors; market competition; research and development activities; the successful introduction and client acceptance of new products and services; successful introduction of various technology assets and capabilities; the impact on TMX Group and its customers of various regulations; TMX Group's ongoing relations with its employees; and the extent of any labour, equipment or other disruptions at any of its operations of any significance other than any planned maintenance or similar shutdowns.

## Assumptions related to long term financial objectives

In addition to the assumptions outlined above, forward looking information related to long term revenue CAGR objectives, and long term adjusted earnings per share CAGR objectives are based on assumptions that include, but not limited to:

- TMX Group's success in achieving growth initiatives and business objectives;
- continued investment in growth businesses and in transformation initiatives including next generation technology and systems;
- no significant changes to our effective tax rate, and number of shares outstanding;
- organic and inorganic growth in recurring revenue
- moderate levels of market volatility over the long term;
- level of listings, trading, and clearing consistent with historical activity;
- economic growth consistent with historical activity;
- no significant changes in regulations;
- continued disciplined expense management across our business;
- continued re-prioritization of investment towards enterprise solutions and new capabilities;
- free cash flow generation consistent with historical run rate; and
- a limited impact from inflation, rising interest rates and supply chain constraints on our plans to grow our business over the long term including on the ability of our listed issuers to raise capital.

While we anticipate that subsequent events and developments may cause our views to change, we have no intention to update this forward-looking information, except as required by applicable securities law. This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this MD&A. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. A description of the above-mentioned items is contained in the section **"Enterprise Risk Management"** of this MD&A.