

OSTTRA

Sustainability report

TriOptima Group

March 2022

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Sustainability report for 2021

Sustainability is core to our business and helps us to focus on areas of promoting an inclusive workplace, our impact on the environment and how we work to make a difference to the communities in which we operate including respecting human rights and working against corruption. This philosophy helps us put sustainability into our decision-making process and how we make TriOptima a great place to work.

The sustainability report forms the Group's and the company's statutory sustainability report and is a part of the administration report for TriOptima AB 556584-9758. This year's sustainability report refers to the financial year 2021.

About us

TriOptima's aim is to reduce risk and lower costs in OTC Derivatives trading by offering technology leveraged post trade services to enable the entire industry to evolve. We do this by building a global network of services for the phase of post trade for the participants on the financial markets.

TriOptima is now part of OSTTTRA, a joint venture formed on 1 September 2021 between IHS Markit and CME Group. IHS Markit was acquired by S&P Global on 1 March 2022. OSTTTRA is jointly owned 50/50 by CME Group and S&P Global.

At OSTTTRA, we help to build a secure and sustainable future for the entire industry by collaborating and innovating as challenges arise and continuously delivering robust and progressive post-trade solutions. We make a promise to our people to create a company and culture that is collaborative, respectful and inclusive to all. To connect our community, strengthen our specialisms and champion our uniqueness, so everyone is confident, comfortable, and proud to join in and stand out.

Key facts about TriOptima

- We have customers in ~60 countries
- Our annual turnover for 2021 was 117 MEUR.
- We process approximately 90% of all non-cleared OTC contracts in the world.
- We have 270 employees across five locations.
- During 2021, TriOptima was part of the CME Group Inc. (initially as a wholly-owned subsidiary of the group) and is now wholly-owned subsidiary of OSTTTRA Group. CME Group continues to provide some services to TriOptima under transitional services arrangements.
- Details of the directors of TriOptima as of 31 December 2021, and those who held office during the year ended 31 December 2021, are provided in our Annual Report and Consolidated Report

Our control and governance framework

	TriOptima Board of Directors	TriOptima Risk Committee	Management Team
Purpose	Strategic direction and business performance	Independent controls review and integrated assurance	Operational and management
Attendees	TriOptima CEO Board members selected by shareholders	TriOptima CEO Business owners CTO, TriOptima CISO, TriOptima FLOD (First Line of Defence Risk Officer) Risk & Compliance	TriOptima CEO CTO, TriOptima Head of Business Development Head of triResolve
Chair	Chairman of the Board	Head of Risk, TriOptima	TriOptima CEO
Frequency	Four times each year	Bi-Monthly	Weekly
Documentation	Agenda, minutes, papers	Agenda, minutes, papers	Agenda, papers, management reports

Board of Directors

The TriOptima Board of Directors meets a minimum of four times a year, in accordance with a published schedule. Our Board provides us with strategic and commercial direction in respect of TriOptima's businesses within the constraints of CME Group Policies (under transitional arrangements with this shareholder of Ostra Group), Delegated Authorities and Group Strategy. The Board also oversees the performance of the TriOptima business and is responsible for the oversight of our strategy and for ensuring that the necessary resources are in place to achieve our strategic and tactical objectives. The Board includes representatives from across OSTTRA Group.

Risk Committee

The TriOptima Risk Committee meets bi-monthly and is responsible for the oversight of TriOptima's risk management framework, risk appetite, risk strategy, controls, systems and policies, as appropriate to the activities of TriOptima. The Committee includes representatives from the business unit and the control functions.

The Management Team

The Management Team meets weekly and oversees matters relating to TriOptima's operations.

Our focus areas within sustainability

There is no specific sustainability policy, but it is covered through specific policies as referred below.

Environment

TriOptima is committed to a more environmentally sustainable future. We are aligned with the [sustainability goals](#) for CME Group. As we are now part of OSTTRA, we will look to develop specific policies and measures combining the best from our two parents (CME Group and S&P Global) in the future.

Our offices

Our environmental focus area helps us to strive to reduce our carbon footprint by sourcing renewable electricity and by applying an ambitious waste management process including recycling of glass, paper, plastics, metal and electronics. Our largest office and our external data centres are all located in Sweden. We have smaller offices located outside of Sweden, which we share with or lease from our shareholder, CME Group.

Our carbon emission

Our carbon emissions during 2021 from our own operations and also parts of upstream and downstream emissions have been assessed according to the GHG protocol. Total scope 1-3 emissions 2021 was 217 metric tonnes CO₂e location based or 144 metric tonnes CO₂e market based.

Scope 1	Location Based	Market Based
<u>Gas</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
LFWE	12,20	12,20
Scope 2		
<u>Electricity</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
Stockholm	15,58	8,58
London Fruit & Wool Exchange	26,97	-
Singapore Marina Bay	49,64	49,64
Tokyo	11,03	11,03
Data Centre IX North Stockholm	32,24	17,75
Scope 3		
<u>Electricity</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
NY Vesey Street	20,07	20,07
Data Centre TC South Stockholm	24,89	-
<u>Chilled Water</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
NY Vesey Street	23,76	23,76
<u>Air Travel</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	<1.0	<1.0
	<u>MTCO2e</u>	<u>MTCO2e</u>
Total Location Based Emissions	217,39	
Total Market Based Emissions		144,03

TriOptima greenhouse gas emissions 2021

The scope 3 carbon calculation in this assessment is limited to air travel, the electricity and chilled water defined as scope 3. Downstream carbon emissions from waste management and carbon emissions from our consumable and capital goods purchases (for example hardware manufacturing) are not included. This is something we will look to include in next year's carbon emissions.

The pandemic effect

2021 was a very different year compared to a typical year due to the impact of the coronavirus pandemic. Our offices were closed and replaced with a work from home approach for a large portion of the year, in line with government guidelines and our company health and safety policies. The pandemic contributed to an impressively low carbon emission from air travel for 2021.

Before the pandemic we operated with a high degree of video conferencing, which has aided in reducing our environmental impact and financial costs associated with business travel. While expected to increase compared to the 2021 levels, we do not expect our air travel to return to the pre pandemic levels since our new norm is to hold most internal and external meetings online.

Social conditions and staff

Our highest priority is attracting and retaining our employees into our fair, competitive and inclusive workplace. Our culture is about creating a company and culture that is collaborative, respectful and inclusive to all. To connect our community, strengthen our specialisms and champion our uniqueness, so everyone is confident, comfortable and proud to join in and stand out.

Code of Conduct

Our employees should feel safe, respected and treated fairly. We pride ourselves on our ethical values, underpinned by our Code of Conduct that includes a number of tools and policies that support our employees in a fair and ethical way. One key tool is our 'Speak Up and Escalation Policy' where employees can escalate and report issues or wrongdoing either in their name or anonymously for themselves or others.

Gender breakdown

From a gender perspective out of 270 employees 29% are female. Out of the 19 promotions during the year, 42% were female.

In terms of recruitment and attrition, we saw a similar number of females starting and leaving during the year. In total we had 31 new recruits while 37 exited the firm.

Diversity and Inclusion

We are passionate about creating an inclusive workplace and strive to create a company that is free from discrimination. We are proud to be able to promote and participate in creating an inclusive workplace through our Employee Network Groups (ENG) which are established within CME Group, which are:

WIN – The Women's Initiative Network

WIN is a community supporting women of all titles, ages and geographic locations that offer support, guidance direction and networking. As a part of WIN, triVersity has been formed in TriOptima to cover aspects of diversity and inclusion as race, age and more.

SEED – Sustain & Enhance our Environmental Direction

SEED advocates for greater environmental sustainability within the company, helps promote our corporate social responsibility efforts and seeks ways to better manage the company's sustainability risk

Charity

The company values its contribution to society with different activities. All employees can take a set number of days per year to volunteer. During 2021, 32 employees have taken a total of 168 volunteer hours.

Up until 1 September 2021 TriOptima colleagues had the option to double money raised during the year to a charity through a matching donation (up to 1,500 EUR) from CME Group. This is in the process of being replaced by a similar OSTTRA policy.

OSTTRA is establishing their own CommUNITY groups and charity policy that will include three days per year and a matching donation process. This will be shared in next year's sustainability policy.

Respect for Human Rights

In all jurisdictions we comply with all laws and guidelines. TriOptima respects human rights and believes its employees have a safe and healthy work environment that is free from discrimination and harassment, threats or acts of violence or intimidation. We are committed to comply with ethical standards and mandates as well as the laws and regulations in the jurisdictions where we operate and respect the human rights of others.

Given the nature of our business, we believe there is minimal risk of practices that support, facilitate or are complicit with modern slavery, within either TriOptima or our supply chain.

Generally, we procure computer equipment as well as office supplies, equipment and services for the daily running of our businesses. In addition, from time to time, we use third party vendors and contractors for technology support and development, and for various advisory services. TriOptima does not manufacture or sell any physical goods and, therefore, we have no supply chain relating to such activities. Nevertheless, we require that all vendors with whom we have a master services agreement agree to perform at the highest level of business and professional ethics, and to ensure that they and their subcontractors comply with all applicable anti-slavery and human trafficking laws, including but not limited to the UK Modern Slavery Act. We have also embedded these expectations in our purchase order forms and new vendor onboarding forms.

OSTTRA policies on slavery and human trafficking

OSTTRA, CME Group and S&P Global have a zero-tolerance approach to modern slavery and human trafficking, which is confirmed in many of their corporate policies and procedures, including the Codes of Conduct Third Party / Vendor Codes of Conduct and their Human Rights and Labour Practices policy.

These documents articulate our commitment to respecting and promoting fundamental human rights, which we view as a key component of responsible corporate citizenship. In addition to supporting the fundamental principles contained in the United Nations Universal Declaration of Human Rights, we are committed to working with suppliers to help uphold ethical human rights standards. The OSTTRA Modern Slavery and Human Trafficking Statement for September 2021 can be found here <https://osttra.com/modern-slavery-and-human-trafficking-statement/>

Work against corruption

TriOptima is currently governed by the CME Group Compliance and Ethics Programme, which is designed to promote an ethical business culture that drives company results and mitigates risks

of misconduct and legal violations. This means acting lawfully, honestly, ethically and in the best interests of the company and its clients while creating an environment of respect and inclusion. It also means conducting our business fairly, with the highest professional standards and in strict adherence to local legal and regulatory obligations in all the countries where we operate.

During 2021, our colleagues completed an annual certification in Q1 2021 relating to such policies. Expectations of TriOptima employees are reinforced through education and targeted communications including:

- Sales staff education on the CME Group gifts and entertainment policy and on global marketing guidelines
- Global Anti-Money Laundering and EU Market Abuse training to those with an applicable role in the organisation
- Training on the Information Security Programme and Phishing Risks
- Education for all employees on Business Continuity Management and Physical Security programs

Anti-Financial Crime Programme

As described in the Code of Conduct, CME Group has an Anti-Financial Crime Programme, including a written Anti-Financial Crime Policy. In Q1 2021, all TriOptima colleagues were required to certify to CME Group's Anti-Financial Crime Policy and Gifts and Entertainment Policy.

It is the policy of TriOptima to take all reasonable and appropriate steps to prevent persons engaged in money laundering, fraud, or other financial crime, including the financing of terrorists or terrorist operations, from utilising TriOptima products and services.

As part of its compliance programme, CME Group has established risk-based processes and procedures designed to ensure that the company, including as its services are provided to TriOptima, does not transact or facilitate prohibited business, with individuals or entities who are the target of applicable sanctions. The programme includes a risk-based process to conduct client due diligence based upon the nature of the business relationship and the background of the client.

TriOptima earns its business based on merit and will not provide or receive improper or corrupt payments. This means it complies with applicable anticorruption laws without exception, regardless of local business culture or practice. It also means that it competes fairly and in accordance with all applicable antitrust and competition laws. In dealing with our clients, vendors, public officials, business partners and others, we will not seek to influence them, either directly or indirectly, by providing something of value to improperly influence their decision making.

All employees are required to complete annual Anti Money Laundering (AML) training which is tracked and followed up to completion.

Gifts and entertainment policy

CME Group Compliance monitors for compliance of its Gifts and Entertainment Policy on a quarterly basis. In accordance with the policy, TriOptima employees must report and seek pre-approval from their manager when established thresholds are exceeded under the policy.

We are pleased to share that no significant issues were identified in 2021 as part of the monitoring process. To the extent there are failures to follow the policy, as identified by Compliance, the individual and their manager are notified and reminded of the requirements. A significant breach would be escalated and could result in termination.

Conflicts of interest

The CME Group Code of Conduct is supplemented by a more detailed, separate Conflicts of Interest Policy, which sets forth the process for identifying, monitoring and managing actual and potential conflicts of interest. In Q1 2021, all TriOptima employees certified to the Conflicts of Interest Policy.

CME Group seeks to ensure that a conflict of interest does not adversely affect the interests of its organisation, its clients, its shareholders or other stakeholders. We are required to disclose potential conflicts of interest, including but not limited to, those relating to personal relationships, outside business activities, financial interests and opportunities.

These disclosures are reviewed by an individual's manager followed by a review from CME Group Compliance with input from TriOptima and OSTTRA compliance officers. Additional controls will be implemented to address the actual, potential or perceived conflict, if required, based on the nature of the disclosure, such as those involving a personal relationship with a colleague, a vendor or customer.

We are proud to share that no significant conflicts of interest issues were identified during 2021.

Risks within Sustainability

TriOptima has a very thorough risk framework where all aspects including sustainability are reviewed and assessed. The main risks within Sustainability for our business are connected to staff.

TriOptima complies with all laws and regulations and has processes in place to address any discrimination in our recruitment processes or salary reviews. We have processes to report harassment in the workplace and if anyone feels they are harassed they can speak up to report in a fair and ethical way.

ISO27001 information security certification

TriOptima has obtained the ISO27001 information security certification, an international standard signifying that it manages information security with processes that preserve the confidentiality, integrity and availability of information.

Internal audit

TriOptima receives internal audit provision via CME Group, a 50% shareholder of Osttra Group. Internal Audit carries out an annual anti money laundering and sanctions audit and from time to time will conduct audits of other elements of the business including the compliance programme..