

JSTTRA

The home of **TriOptima**

Sustainability Report TriOptima

March 2023



Table of Contents

Sustainability report for 2022	3
A message from our Guy Rowcliffe, CEO, TriOptima AB	3
Key facts about TriOptima	4
Our control and governance framework	4
Our commitment to the environment	5
Our commitment to our employees	7
Our commitment to governance	8

Sustainability report for 2022

TriOptima is now part of OSTTRA Group (“OSTTRA”), a joint venture formed on 1 September 2021 between IHS Markit and CME Group (equal shareholders). IHS Markit was subsequently acquired by S&P Global on 1 March 2022. OSTTRA is now jointly owned 50:50 by CME Group and S&P Global.

Due to transaction service agreements between our shareholders, legacy colleagues will continue to follow their legacy shareholder policies until Q3 2023. Our aim is to then develop an OSTTRA sustainability policy that reflects the size, scope and location of our business.

This 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 (“TriOptima”). This year’s sustainability report refers to the 2022 financial year.

A message from Guy Rowcliffe, CEO, TriOptima AB

Hello and welcome to our 2022 TriOptima sustainability report

The past three years has been a period of sustained change, from a global pandemic that affected the world, to the implementation of regulations that affected our industry. As an organisation, we also evolved with the formation of OSTTRA, a joint venture between CME Group and S&P Global, that includes TriOptima, MarkitServ, Reset and Traiana. As we navigate our new world within OSTTRA, we are delighted to share that we have continued to thrive and focus on providing a holistic solution that optimises our clients’ experience in the financial world, whether it be reducing risk, providing operational efficiencies, or helping our clients comply with their regulatory obligations.

For us, 2022 proved an exciting year. We celebrated our first 12 months as part of OSTTRA, launched new products and services and welcomed new colleagues into the firm. We also took the time to understand our sustainability governance and are in the process of developing an OSTTRA-wide strategy and policy that TriOptima will be part of. These will ensure we make a positive impact on the world and the communities in which we operate.

Our TriOptima 2022 product highlights

- Go-live of Phase 6 of the Uncleared Margin Rules regulation (UMR)
- MarkitWire (a product of MarkitServ) and triResolve coming together to improve the exception management workflow and portfolio reconciliations
- triCalculate service generated growth with an increase in the customer base
- triResolve Margin continued to grow, cementing itself as the world’s largest collateral management system
- Launch of triBalance SA-CCR services
- The triResolve network is now accessed by more than 2,000 institutions

While our focus has been understanding the OSTTRA approach and adhering to S&P Global and CME Group shareholder policies, we are pleased to share that TriOptima has reduced carbon emissions within our offices and data centres. However, as travel restrictions lifted, we have seen an expected increase in carbon emissions as we travelled to meet new colleagues and customers.

As we look to 2023, our aim is to develop and OSTTRA wide sustainability goals and launch a policy that helps us make a difference that we can all be proud of. Within our new policy we plan on stating our long-term commitment towards net-zero, developing energy, waste and water goals and completing a robust review of our governance processes ensuring sustainability policies for our supply chain are key to our decision making. We have begun the process of

creating OSTTRA wide policies, including human trafficking and modern slavery statements, which were effective from the go-live of OSTTRA. We could not have achieved the above without our great team at OSTTRA, who I'd like to thank alongside our Board of Directors, who continue to provide independent expertise and perspectives.

I'm excited to see what the future holds for TriOptima.

Guy Rowcliffe

CEO TriOptima (and co-CEO OSTTRA)

Key facts about TriOptima

- We have customers in ~60 countries
- Our annual turnover for 2022 was 126.9M EUR
- We process approximately 90% of all non-cleared OTC contracts in the world
- We have 266 employees across five locations

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 management
Attendees	TriOptima CEO Other attendees as required by the Board	TriOptima CEO Business owners CISO, TriOptima FLOD (First Line of Defence Risk Officer) Risk & Compliance	TriOptima CEO Head of Business Development Head of triResolve/triCalculate Head of triReduce/triBalance
Chair	Chairman of the Board	Head of Risk, TriOptima	TriOptima CEO
Frequency	At least four times each year	Bi-monthly	Weekly
Documentation	Agenda, minutes, papers	Agenda, minutes, papers	Agenda, papers, management reports

Board of Directors

Our board provides us with strategic and commercial direction in respect of TriOptima's businesses within the constraints of Group policies and Group strategy. They also oversee the performance of the TriOptima business and are responsible for the oversight of our strategy. They also ensure that the necessary resources are in place to achieve our strategic and tactical objectives.

The board includes representatives from across OSTTRA.

Risk committees

The TriOptima Board risk committee meets quarterly. The TriOptima management risk committee meets bi-monthly. The risk committees are 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 management risk committee includes representatives from the business units and the control functions.

The Board risk committee includes board members, representatives from the business units and the control functions.

The management team

The management team meets weekly and oversees matters relating to TriOptima's operations.

Our commitment to the environment

TriOptima is committed to a more environmentally sustainable future. We do not have an independent TriOptima sustainability policy, as we follow the policies of our shareholder, CME Group. Our commitment to the environment follows our attestation of the CME Group code of conduct, which states that:

'As a leader in our industry, we value the role we play in being a good steward of the environment and creating an efficient workplace. We are committed to putting change into motion that will positively impact the environment of tomorrow. As part of that commitment, we work across our global offices to implement sustainability initiatives, including recycling and utilizing energy-efficient technologies at our facilities.'

As we are now part of OSTTTRA, in the long-term we will look to develop specific policies and measures combining the best from our two shareholders (CME Group and S&P Global).

Our carbon footprint

Our commitment to a more environmentally sustainable future helps us to strive to reduce our carbon footprint. We do this 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 a smaller office footprint in London, New York and Singapore, which OSTTTRA leases from its shareholder, CME Group. Our Tokyo office is a managed space, initially provided by Regus and now WeWork.

TriOptima's carbon emissions during 2022 from our own operations and some upstream and downstream emissions have been assessed according to the GHG protocol.

We are pleased to report that the total carbon emissions (Total scope 1-3) for 2022 have decreased compared to 2021. For 2022, emissions were:

- 195 metric tonnes CO₂e location based
- 135 metric tonnes CO₂e market based

After the formation of OSTTTRA at the end of 2021, MarkitServ employees moved into our office space – increasing our headcount within the same space. This enabled us to run our offices more efficiently, which has resulted in a reduction of carbon emissions.

The scope 3 carbon calculation in this assessment is limited to air travel, electricity and chilled water. As in the previous year, supply chain carbon emissions from consumable and capital goods purchases (for example hardware) or waste management are not included. This is something we will look to include in our 2023 carbon assessment.

Air Travel has increased compared to 2021, which was a year heavily impacted by Covid restrictions.

		2022		2021	
Scope 1		Location Based	Market Based	Location Based	Market Based
	<u>Gas</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	London Fruit & Wool Exchange	4.40	4.40	12.20	12.20
Scope 2					
	<u>Electricity</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	Stockholm	17.14	3.93	15.58	8.58
	London Fruit & Wool Exchange	8.12	-	26.97	-
	Singapore Marina Bay	14.14	14.14	49.64	49.64
	Singapore Marina Bay - Air Con	10.18	10.18		
	Tokyo	3.78	3.78	11.03	11.03
	Datacenter IX North Stockholm	23.47	5.39	32.24	17.75
Scope 3					
	<u>Electricity</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	NY Vesey Street	8.06	8.03	20.07	20.07
	Datacenter TC South Stockholm	25.86	5.93	24.89	-
	<u>Chilled Water</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	NY Vesey Street	1.31	1.30	23.76	23.76
	<u>Air Travel</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	Flights	78.20	78.20	1.00	1.00
		<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>	<u>MTCO2e</u>
	Total Location Based Emissions	194.66		217.39	
	Total Market Based Emissions		135.28		144.03

Please note: Limited data was provided by WeWork, our Tokyo managed office. We are hoping to obtain more detailed data for our 2023 report.

Our commitment to our employees

We believe that TriOptima's success will depend on the people we bring into our firm - from our developers who build the best products to our operations team who ensure our customers have the best experience.

For this we need a culture that is collaborative, respectful and inclusive to all. We strive to ensure our colleagues connect to strengthen our specialisms and champion our uniqueness, so everyone is confident, comfortable and proud to join in and stand out.

Code of conduct

At TriOptima all colleagues should feel safe, respected and treated fairly when working with us.

We attest and comply with the CME Group code of conduct that ensures there is a culture of integrity across the firm. The Code of Conduct 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. We also have zero tolerance for retaliation. Anyone who seeks advice, raises a concern, reports suspected misconduct or participates in an investigation in "good faith" is doing the right thing. This promotes a safe environment for our colleagues and the culture of the firm.

During 2022, all TriOptima colleagues were required to read and attest to the CME Group Code of Conduct that includes the principles of anti-corruption.

Gender breakdown

- 29% of 266 employees are female
- 42 promotions during the year of which 38% were female
- More males than females started and left
- 48 new hires
- 24 leavers

Employee experience

The employee experience (EX) team's focus is to look for ways to ensure people feel engaged and connected. Their four pillars include:

- Charity
- DEI (Diversity, Equity, Inclusion)
- Social
- Sustainability

Each of these pillars have a group of colleagues representing each office location. Colleagues span different departments and levels, ensuring we have a diverse group of voices.

Charity

We aim to partner with not-for-profit charities and causes through financial and in-kind donations and volunteering (where each employee has three volunteering days per annum). Our corporate philanthropy strategy aims to empower our people to make a positive impact on their community and to work for the causes they are passionate about. Our core focus areas are:

- Education
- Environmental support
- Health
- Humanitarian causes.

Throughout 2022 TriOptima donated approx. \$10,000 to the Child Cancer Foundation in Sweden. Overall, OSTTRA donated approx. \$100,000 to various charities. The majority of both TriOptima and OSTTRA donations were chosen and decided by our local teams. The choice of charities was in accordance with our Charities Policy, which also considers factors such as legitimacy to ensure we are not supporting fraudulent charities, or those who represent unethical values.

Diversity, equity and inclusion

During 2022 we launched our new CommUNITY groups. These are employee led groups with a focus on topics people are passionate about. We currently have four CommUNITY groups:

- GROW - career progression
- RISE - wellness
- CLIMB - women's network
- Parents - parenting topics

Social

Throughout 2022 we allocated budgets to each office to provide opportunities for our teams to connect and celebrate together. These have included end of year parties, quiz nights and local celebratory events e.g., Lunar new year.

Our commitment to governance

A key part of our culture is to act with integrity and to build trust between our customers, vendors and with our colleagues. We adhere to this through our shareholder policies and Code of Conduct.

This means we act lawfully, honestly, ethically and in the best interests of the company and our customers while creating an environment of respect and inclusion. It 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.

Respect for human rights

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 with agree to perform at the highest level of business and professional ethics, and ensures 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.

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 the corporate policies and procedures, including third party and vendor codes of conduct, and human rights and labour practices policy. They include our approach and 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.

We have determined that the majority of our suppliers operate in areas considered to be at a low risk of supporting or being complicit in forced labour or human trafficking. We have implemented procedures to assess the risk of new vendors at onboarding and we require suppliers to affirm their commitment to eradicating modern slavery and human trafficking. We plan to continue to monitor our business for potential risks related to slavery and human trafficking and other best practices adopted in our industry.

The OSTTRA modern slavery and human trafficking statement for September 2022 can be found [here](#).

Work against corruption

TriOptima currently utilises 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.

During 2022, our colleagues completed training and attestations for the below policies:

- Global anti-money laundering and EU market abuse training to those with an applicable role in the organisation in Q4 2022
- Training on the information security programme and phishing risks
- Education for all employees on business continuity management and physical security programmes

Anti-financial crime programme

The CME Group Code of Conduct has an anti-financial crime programme, including a written anti-financial crime policy. In Q2 2022, all TriOptima colleagues were required to certify to CME Group's anti-financial crime policy and gifts and entertainment policy.

We 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. We have established risk-based processes and procedures designed to ensure that the company 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.

We generate our business based on merit and have controls in place to prevent us from providing or receiving improper or corrupt payments. It is our intention to comply with applicable anticorruption laws without exception, regardless of local business culture or practice. We also aim to compete 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.

Gifts and entertainment policy

In accordance with current policies on gifts and entertainment, TriOptima employees must report and seek pre-approval from their manager when established thresholds are exceeded.

We are pleased to share that no significant issues were identified in 2022. To the extent there are failures to follow the policy, as identified by Compliance, there are a range of sanctions that OSTTRA can take starting with reminding staff of their obligations, re-training, warnings, and finally, in exceptional circumstances, 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 Q2 2022, all TriOptima employees certified to the conflicts of interest policy.

TriOptima 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.

Employee disclosures are reviewed by an individual's manager followed by a review by compliance. 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.

No significant conflicts of interest issues were identified during 2022.

Risks within sustainability

TriOptima has a very thorough risk framework where all aspects including sustainability are reviewed and assessed annually, which include.

- Ergonomic support for the physical workplace
- Training managers to support staff
- Annual Reviews and follow up
- Employee training and development such as diversity training
- Compensation and benefits schemes
- Benchmarking surveys in regard of compensation and benefits
- Global OSTTRA view introduced which is more aligned to TriOptima's historical view.

We have not identified any environmental risks in regard of the services we provide to our customers.

We will always choose a more sustainable option within our facilities including office space and data centres.

We continue to work with our HR team to deliver on our DEI agenda and we comply with all laws and regulations. We have processes in place to address any discrimination. 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

During 2022 TriOptima received 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 will conduct audits of other elements of the business including the compliance programme as needed.