2018 Management information circular

Notice of 2018 annual and special meeting of shareholders

Please vote
Thursday, May 10, 2018
Design Exchange
234 Bay Street
Toronto, Ontario, Canada
Business is changing. So are we.

From artificial intelligence to self-driving cars to data-driven insights and predictions, the future is unfolding before our very eyes. That’s why TMX has evolved into much more than an exchange operator. We are a powerful ecosystem of markets and tools designed to support global businesses’ and investors’ diverse needs and goals. And knowing tomorrow’s biggest ideas could come from anywhere, we’re facilitating the development of bold new ways to power growth in Canada and around the world.
To our shareholders

I’m pleased to introduce TMX Group’s 2018 management information circular. This is an important document that tells you how the board oversees the company, and how we compensate our executives. I urge you to take the time to read it, and then to vote at our annual and special meeting on May 10, 2018.

TMX Group made major strides in the advancement of our global growth strategy in 2017, most significantly with the acquisition of Trayport, which accelerates our global expansion, diversifies our revenue sources and significantly broadens our product portfolio.

Financial results in 2017 were highlighted by strong performance in capital formation, as well as by the positive impact of cost management discipline across the entire organization.

We also made progress with the transformational initiative we embarked on in 2015. In 2017 and in early 2018, the board approved some significant changes, including new strategic and expanded responsibilities for members of senior management. The board is confident that Lou Eccleston, our CEO, working with his senior leadership team, will advance our growth strategies and business plans as the company moves ahead.

Our compensation decisions for this year’s named executive officers reflect the company’s performance and the change in their roles, supports the company’s strategy, pays for performance and aligns with shareholder interests. You can read about this in detail starting on page 39.

On behalf of the board, I want to thank Denyse Chicoyne, Jeffrey Heath, Peter Pontikes and Anthony Walsh, who are retiring as directors this year, for their many contributions to the board and its committees over the years. We are, however, in the midst of a board renewal process as the nomination rights expire (see page 10) and expect to announce a number of new appointments to the board as this year progresses and into the first half of 2019.

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

Sincerely,

Charles Winograd
Chair, TMX Group Limited

Income from operations before acquisition costs and strategic realignment expenses is an additional IFRS measure – please see page 74. The 2016 and 2017 numbers exclude revenue and operating expenses related to NGX and Shorcan Energy Brokers, which we sold on December 14, 2017 and classified as discontinued operations. You can read more about discontinued operations in note 4 of our 2017 annual financial statements, which are on our website, www.tmx.com.
Notice of our 2018 annual and special meeting

Thursday, May 10, 2018
10:00 a.m. (Eastern time)

Design Exchange
234 Bay Street
Toronto, Ontario, Canada

What the meeting will cover

- receiving our 2017 financial statements
- appointing our auditor
- electing our directors
- voting on our approach to executive compensation
- considering any other business properly brought before the meeting

Your vote is important

You can vote if you owned TMX Group common shares at the close of business on March 13, 2018. The management information circular tells you about the meeting, what you’re voting on and how to vote. Please read it carefully, and remember to vote.

If you can’t attend the meeting, you can vote by proxy. Simply complete, date and sign the enclosed proxy or voting instruction form and mail or fax it to TSX Trust Company by 10:00 a.m. (Eastern time) on Tuesday, May 8, 2018.

This year you can also vote at our virtual meeting – please see page 78 of the management information circular for details. You have to be connected to the internet at all times to be able to vote – it’s your responsibility to make sure you stay connected for the entire meeting.

By order of the board,

Cheryl Graden
Senior Vice President,
Group Head of Legal and Business Affairs, Enterprise Risk Management and Government Relations and Corporate Secretary,
TMX Group Limited
Toronto, Ontario
March 29, 2018

Where to get a copy of the 2018 management information circular

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

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

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

If you prefer to have a paper copy, contact us by April 26, 2018 and we’ll send you one free of charge:

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

TSX Trust Company
100 Adelaide Street West, Suite 301
Toronto, Ontario M5H 1S3
Fax (416) 595-9593
An overview of this document

TMX Group is an integrated, multi-asset class exchange group. Our businesses operate cash and derivatives markets for multiple asset classes including equities and fixed income, and provide clearing facilities, data driven solutions and other services to the domestic and global financial and energy markets.

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

How to vote at our annual and special meeting

See page 78 for details.

Thursday, May 10, 2018
10:00 a.m. (Eastern time)

Design Exchange
234 Bay Street
Toronto, Ontario, Canada

You can vote your TMX Group common shares if you owned them at the close of business on March 13, 2018.

Three ways to vote
1. in person at the meeting
2. at our virtual meeting
3. by proxy, using the proxy or voting instruction form we sent you

What you’ll be voting on

✔ The board recommends you vote FOR these items

| appointing our auditor | page 6 |
| electing our directors | page 7 |
| voting on our approach to executive compensation | page 7 |

Questions?

Contact our transfer agent, TSX Trust Company:
tel  (416) 361-0930 (Toronto area)
tel  1-866-393-4891 (North America)
fax  (416) 595-9593
e-mail tmxeinvestorservices@tmx.com
Governance at TMX Group

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

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

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

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

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

About the nominated directors

The board recommends you vote FOR the nominated directors.

Turn to page 12 to learn more.

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

This year the board approved 14 nominees for election to the board. We believe this group has the right mix of skills and experience to guide the strategies and business operations of TMX Group, and meet our board composition requirements.

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>women</td>
<td>average age</td>
<td></td>
</tr>
<tr>
<td>29%</td>
<td>61 years</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tenure:

- 0-4: 5
- 5-9: 6
- 10+: 3

Location by province:

- Ontario: 8
- British Columbia: 2
- Quebec: 4
- 2

64% independent

57% unrelated to our original shareholders

96.6% 2017 attendance at 37 board and committee meetings
Executive compensation at TMX Group

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

2017 compensation

The human resources committee oversees compensation, including compensation design, decision-making, risk, policies and programs.

The committee did not make any significant design changes to our compensation program this year. It did, however, approve modest changes to the short-term incentive scorecard for 2017 and 2018 to align with our strategy. As part of the organizational changes this year, the committee reviewed salaries and short and long-term incentives in the context of the new accountabilities, our strategy and our market position.

Compensation highlights

- **Salaries** for some executives were increased to recognize new accountabilities and competitive market position.
- **Short-term incentive** performance factor was below target, at 85%. The 2017 scorecard included two key financial measures that drive our share price. While 2017 was a solid year, we did not fully achieve the ambitious targets we set.
- **Long-term incentives** were awarded at or slightly above target, in the form of performance share units, restricted share units and options.
- **Vested awards** paid out higher than grant values, reflecting the increase in our share price over time.

<table>
<thead>
<tr>
<th>Name</th>
<th>Salary</th>
<th>Short-term incentive</th>
<th>Long-term incentive</th>
<th>2017 compensation</th>
<th>Percent at risk</th>
<th>compared to target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston, CEO</td>
<td>$825,000</td>
<td>$1,051,875</td>
<td>$2,268,750</td>
<td>$4,145,625</td>
<td>80%</td>
<td>-4%</td>
</tr>
<tr>
<td>John McKenzie, CFO</td>
<td>$341,827</td>
<td>$254,800</td>
<td>$313,500</td>
<td>$910,127</td>
<td>62%</td>
<td>at target</td>
</tr>
<tr>
<td>Jean Desgagné, President and</td>
<td>$450,000</td>
<td>$306,720</td>
<td>$607,500</td>
<td>$1,364,220</td>
<td>67%</td>
<td>-4%</td>
</tr>
<tr>
<td>CCO, TMX Global Solutions,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insights and Analytics</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Strategies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nick Thadaney, President and</td>
<td>$450,000</td>
<td>$200,000</td>
<td>$607,500</td>
<td>$1,257,500</td>
<td>64%</td>
<td>-11%</td>
</tr>
<tr>
<td>CEO, Global Equity Capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Markets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jay Rajaratnam, Chief</td>
<td>$334,856</td>
<td>$407,195</td>
<td>$275,000</td>
<td>$1,017,051</td>
<td>67%</td>
<td>+8%</td>
</tr>
<tr>
<td>Information Officer (CIO)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Last year, 92.17% of shareholders voted FOR our approach to executive compensation.

You can read about our executive compensation program and our compensation decisions for 2017 starting on page 36.
We’ve sent you this management information circular because you owned TMX Group shares on March 13, 2018. That gives you the right to vote at our 2018 annual and special meeting of shareholders on May 10, 2018.

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

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

Where to get more information
You can find financial information about TMX Group in our 2017 audited annual financial statements and related management’s discussion and analysis. You can learn more about the finance and audit committee and read the committee charter in our 2017 annual information form.

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

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

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

Toronto, Ontario
March 29, 2018
What’s inside

What the meeting will cover

6 1. Receive TMX Group’s 2017 financial statements
6 2. Appoint the auditor
7 3. Elect directors
7 4. Vote on our approach to executive compensation

Governance

9 Our governance structure
12 A snapshot of the 2018 director nominees
18 About the TMX Group board
23 Board committees
26 About TMX Group directors
32 How we pay our directors

Compensation

Compensation discussion and analysis

36 2017 Overview
36 2017 results
38 Our approach to executive compensation
39 2017 compensation decisions
46 Share performance and executive pay

48 Compensation governance
48 Committee expertise
49 Independent advice
50 Managing compensation risk
51 Equity ownership

52 Compensation design and decision-making
52 1. Designing the program
54 2. Establishing the mix of components
54 3. Setting compensation and performance targets
55 4. Reviewing progress
55 5. Awarding compensation

56 2017 compensation review
56 Salary
56 Short-term incentive plan
59 Long-term incentive plan

Compensation details

65 Summary compensation table
67 Incentive plan awards
69 Retirement benefits
71 Termination and change of control provisions

Other information

74 Insurance and indemnification
74 Loans to directors and officers
74 Additional IFRS measures
74 TMX Group board charter

How to vote

78 How to vote at our 2018 annual and special meeting
80 How to vote if you’re a registered shareholder
81 How to vote if you’re a beneficial shareholder
What the meeting will cover

1 Receive TMX Group’s 2017 financial statements

We’ll present our financial statements and auditor’s report for the year ended December 31, 2017. You’ll find a copy of the statements on our website www.tmx.com, on SEDAR and posted on https://docs.tsxtrust.com/2009.

2 Appoint the auditor

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

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

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

KPMG LLP has been our auditor since 2012. The table below shows the services KPMG provided in 2016 and 2017, and the fees they were paid.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Audit fees</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• audit of financial statements including interim reviews of quarterly financial statements</td>
<td>$1,203,800</td>
<td>$1,255,950</td>
</tr>
<tr>
<td>• other services normally provided by an auditor in connection with statutory and regulatory filings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• audit fees for 2016 are based on 2017 billed actuals, which differ from audit fees disclosed for 2016 in last year’s Management Information Circular which were based on estimates</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Audit-related fees</strong></td>
<td>$884,160</td>
<td>$972,942</td>
</tr>
<tr>
<td>• assurance and related services reasonably related to the audit or review of financial statements not reported above, including the audit of the TMX Group pension plan, French translation services, procedures in connection with offering memoranda and reporting on internal controls as required by contract or for business reasons</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tax fees</strong></td>
<td>$5,300</td>
<td>$5,400</td>
</tr>
<tr>
<td>• tax compliance services</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>All other fees</strong></td>
<td>$35,753</td>
<td>$208,145</td>
</tr>
<tr>
<td>• other fees in 2017 primarily related to providing observations and recommendations on the general ledger conversion process</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,129,013</td>
<td>$2,442,437</td>
</tr>
</tbody>
</table>

Last year, 99.94% of shareholders voted FOR appointing KPMG LLP as our auditor.

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

You’ll elect directors to serve on our board until the next annual meeting or until they resign from the board. You can read about the nominated directors starting on page 12.

According to our articles of amalgamation, the board can include from three to 24 directors. This year the board approved 14 nominees for election to the board.

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

4 Vote on our approach to executive compensation

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

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

The board recommends you vote FOR the following advisory resolution:

BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the directors, that the TMX Group shareholders accept the approach to executive compensation disclosed in our circular delivered in advance of the 2018 annual and special meeting.

Majority voting

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

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

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

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

Shareholder proposals

If you would like to present a shareholder proposal at our 2019 annual and special meeting, we need to receive it by February 1, 2019 to be considered for next year’s management information circular.

Send your shareholder proposal to:

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

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

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

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


What’s inside

9    Our governance structure
12   A snapshot of the 2018 director nominees
18   About the TMX Group board
23   Board committees
26   About TMX Group directors
32   How we pay our directors
Our governance structure

Shareholders
Eject the board of directors

Board of directors
(see page 18)
Responsible for governance and stewardship of the company

appoints

Board committees
(see page 23)
Established by the board to help it carry out its responsibilities
Board committees can retain independent advisors

Finance & audit committee
Oversees financial planning, risk management, internal and external audit and financial disclosure

Governance committee
Oversees corporate governance, board composition and director compensation

Human resources committee
Oversees human resources policies for executives, succession planning and executive compensation

Regulatory oversight committee
Oversees real or perceived conflicts of interest set out in our recognition orders

Derivatives committee
Oversees and advises on issues related to derivatives and related products

Public venture market committee
Oversees and advises on issues related to the public venture capital market in Canada

We comply with corporate and securities law and TSX requirements, and meet the requirements set out in recognition orders issued by:
- Ontario Securities Commission
- Québec’s Autorité des marchés financiers
- Alberta Securities Commission
- British Columbia Securities Commission

TMX Group directors are also directors of the following mirror boards:
- TSX Inc. (TSX)
- TSX Venture Exchange Inc. (TSXV)
- Montréal Exchange Inc. (MX)
- Alpha Exchange Inc. (Alpha)
-Alpha Trading Systems Inc.
- Alpha Market Services Inc.

Meetings are held concurrently with the TMX Group meetings.
Nominating directors to the board

The TMX Group board needs directors who have a range of skills and qualifications, balanced by gender, age, tenure and geographic location. Directors need to understand the complexity of our business and the industry we operate in, and have the skills and experience to make an effective contribution to the board. The right composition is critical for constructive discussion and effective decision-making. Please turn to page 26 to read more about how we choose directors for the board.

There are additional requirements we have to meet when nominating directors to the board:
- five of our original shareholders currently have the right to nominate a director to the board
- we have to meet many different requirements for board composition stipulated by our recognition orders.

Nomination rights

TMX Group acquired all of the issued and outstanding common shares of TMX Group Inc. on September 14, 2012. Eight of our original shareholders entered into nomination agreements with TMX Group that gave each of them the right to nominate one person to the board until September 14, 2018 (as long as the original shareholder continues to beneficially own at least 5% of the TMX Group common shares).

Five of these nomination agreements are still in effect. To nominate a candidate for the board, an original shareholder must submit its nomination at least 60 days before we deliver annual proxy materials to our shareholders. The governance committee has to approve the proposed nominee. If the committee feels the candidate isn’t appropriate for the board, the original shareholder has 10 days to propose a new candidate.

The nomination agreements expire on September 14, 2018. After that date, all director candidates will be identified by the governance committee. With this in mind, the governance committee initiated a board renewal process in 2017 focused on developing our optimal board structure, size and composition. This process will continue through 2018 and into 2019.

With the retirement of Denyse Chicoyne, Jeffrey Heath, Peter Pontikes and Anthony Walsh this year, and the continued evolution of our business, the board is actively searching for new directors who have expertise in information technology, digital and analytics product skills, UK, European and international markets, or who have financial expertise.

Recognition order requirements:

- At least 50% independent
- At least 50% unrelated to our original shareholders
- The Chair must be independent and unrelated to our original shareholders
- 25% representative of Canada's independent investment dealer community
- 25% residents of Québec
- The Chair must be independent and unrelated to our original shareholders
- 25% currently relevant expertise in the Canadian public venture market
- 25% expertise in derivatives

Annual nomination process

Governance committee
- Reviews strategic and business objectives and confirms required skills
- Reviews corporate securities law and our recognition order requirements
- Reviews current directors and identifies any gaps
- Reviews new candidates:
  - five candidates nominated by our original shareholders
  - all remaining candidates identified by the governance committee
- Submits final list of nominees to the board

Board
- Approves the list of nominated directors

Shareholders
- Vote on the nominated directors at the annual meeting
Our original shareholders

with nomination rights
Alberta Investment Management Corporation*
Caisse de dépôt et placement du Québec [Caisse]
Canada Pension Plan Investment Board [CPPIB]
CIBC World Markets Inc.* [CIBC]
National Bank Group Inc.
Ontario Teachers’ Pension Plan Board [Teachers]
Scotia Capital Inc.*
1802146 Ontario Limited (a subsidiary of The Toronto-Dominion Bank) [TD Bank]

*nomination rights expired

without nomination rights
Desjardins Financial Corporation
Fonds de solidarité des travailleurs du Québec
The Manufacturers Life Insurance Company
National Bank Financial Inc.
TD Securities Inc.

That means the director is independent within the meaning of:

1. Section 1.4 of National Instrument 52-110 – Audit Committees
2. National Policy 58-201 — Corporate Governance Guidelines, and
3. Our recognition orders
   In addition to the above requirements, a director is not independent if he or she has one of the following relationships with a TSX, TSXV, MX or Alpha market participant:
   • is a partner, officer, director or employee of the market participant, or an associate of a partner, officer, director or employee of the market participant
   • is a partner, officer, director or employee of a company affiliated with the market participant, and is actively or significantly engaged in the day-to-day operations of the market participant.

That means the director:
• is not a partner, officer, director or employee of an original shareholder or any company affiliated with an original shareholder, or an associate of that partner, officer, director or employee
• is not nominated to the board by an original shareholder, and
• does not have, and has not had, any relationship with an original shareholder that the governance committee believes could interfere with the director’s ability to exercise independent judgment.

64% of the 2018 director nominees are independent
57% of the 2018 director nominees are unrelated to our original shareholders
Snapshot of the 2018 director nominees

The 14 directors nominated to this year’s board have the right mix of skills and experience to guide the strategies and business operations of TMX Group, and meet our board composition requirements. All of them have agreed to serve on our board.

The board meets our recognition order requirements

- **64%** independent
- **57%** unrelated to our original shareholders
- **29%** residents of Québec
- **79%** expertise in derivatives
- **29%** currently relevant expertise in the Canadian public venture market
- **1** representative of Canada’s independent investment dealer community

Other key metrics

- **29%** women
- **61** years average age
- **Tenure**
  - **Average 7**
  - **5** 0-4 years
  - **6** 5-9 years
  - **3** 10+

Equity ownership

Includes the value of shares and deferred share units (DSUs) the director beneficially owns or controls (including dividend equivalents):
- shares are valued at $76.66, the closing price of our common shares on TSX on March 13, 2018
- DSUs are valued at $77.25, the average closing price of our common shares on TSX for the five trading days before March 13, 2018.

Mr. Winograd meets his equity ownership requirement (see page 34).

Chair of the board
Charles Winograd
MBA, BA, CFA
Toronto, Ontario
Director since July 2012
Age 70
2017 vote: 99.93% FOR
2017 attendance: 100%

- Independent
- Unrelated to our original shareholders
- Expertise in derivatives

Country of residence
Canada

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

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

Public company boards
Current
- Spin Master Corp. (since July 2015), audit committee
- RioCan Real Estate Investment Trust (since Feb 2009), nominating and governance committee

In the past five years
- Talisman Energy Inc. (April 2009–May 2015), audit committee, governance committee

Other boards
- James Richardson and Sons Limited
- Titan Holdings
- Management Advisor, RP Investment Advisors
- Sinai Health System
- Investment Dealers Association of Canada, chairman
- Advisory Council member, Promoting Women on Boards

Equity ownership at March 13, 2018
TMX Group DSUs: 29,980
Equity at risk: $2,315,955

Turn to page 34 for more information.
The board recommends you vote FOR each of our nominated directors.

Luc Bertrand
BA
Montréal, Québec
Director since May 2011
Age 63
2017 vote: 99.98% FOR
2017 attendance: 94%

Not independent
Nomination by National Bank Group Inc.
Resident of Québec
Expertise in derivatives

Lou Eccleston
MBA, BA
Toronto, Ontario
Director since November 2014
Age 60
2017 vote: 99.98% FOR
2017 attendance: 100%

Not independent
Unrelated to our original shareholders
Expertise in derivatives

Christian Exshaw
MSc (risk management and financial instruments), MA (finance)
Toronto, Ontario
Director since January 2015
Age 51
2017 vote: 99.76% FOR
2017 attendance: 77%

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

Country of residence
Canada

Current position
- Vice Chair, National Bank Group Inc.

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

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

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

Equity ownership at March 13, 2018
TMX Group shares: 590,000
Equity at risk: $45,229,400

Mr. Bertrand does not have an equity ownership requirement (see page 34).

Country of residence
Canada, United States

Current position
- Chief Executive Officer, TMX Group

Previous business experience
- Chief Executive Officer and Chairman of Pivot Inc. (2007-2008)
- President, Global Sales, Marketing and Services and President, Banking and Brokerage Group of Thomson Financial (2002-2006)
- Various positions, including Chief Executive Officer of Bloomberg Tradebook at Bloomberg LP

Equity ownership at March 13, 2018
Mr. Eccleston meets his equity ownership requirement in his role as CEO (see page 51).

Country of residence
Canada

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

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

Other boards
- Children’s Aid Foundation

Equity ownership at March 13, 2018
Mr. Exshaw does not have an equity ownership requirement (see page 34).
Marie Giguère  
**BA, BCL**  
Montréal, Québec  
Director since May 2011  
Age 66  
2017 vote: 99.98% FOR  
2017 attendance: 100%  
Country of residence: Canada  
Current position: Corporate Director  
Previous business experience:  
• Executive Vice-President, Legal Affairs and Secretariat of Caisse de dépôt et placement du Québec (2010-2016)  
• Vice President Legal Affairs and Corporate Secretary of Otéra Capital (2008-2010)  
• Consultant at Caisse de dépôt et placement du Québec (2005-2008)  
• Senior Vice-President, Chief Legal Officer and Secretary of Molson Inc. (1999-2005)  
• Senior Vice-President, Corporate Affairs and General Secretary of Montréal Exchange Inc. (1997-1999)  
• Partner at Fasken Martineau LLP  
Public company boards:  
Current  
• Boralex Inc. (since 2017)  
Other boards:  
• Accounting Standards Oversight Council (AcSOC)  
Equity ownership at March 13, 2018  
TMX Group shares: 2,000  
TMX Group DSUs: 2,454  
Equity at risk: $342,892  
Ms. Giguère meets her equity ownership requirement (see page 34).

Martine Irman  
**BA, ICD.D, Advanced Management Program**  
Toronto, Ontario  
Director since November 2014  
Age 53  
2017 vote: 99.75% FOR  
2017 attendance: 100%  
Country of residence: Canada  
Current position: Vice Chair, TD Securities  
Previous business experience:  
• various positions in international treasury, capital markets and securities of TD Bank Group (1989-1999)  
• co-founder and member of Women Gaining Ground, United Way Toronto  
Other boards:  
• YMCA of Greater Toronto, chair  
• Export Development Canada, chair  
• The Canadian Chamber of Commerce, 4th vice chair  
• Women in Capital Markets Advisory Council  
Equity ownership at March 13, 2018  
Ms. Irman does not have an equity ownership requirement (see page 34).

Harry Jaako  
**B.Eng.**  
Vancouver, British Columbia  
Director since July 2012  
Age 65  
2017 vote: 96.11% FOR  
2017 attendance: 100%  
Country of residence: Canada  
Current position: Executive Officer, Director and Principal, Discovery Capital Management Corp.  
Previous business experience:  
• Chairman, Co-Chief Executive Officer and Principal of Discovery Capital Corporation  
Public company boards:  
In the past five years  
• Avigilon Corporation (2008-2015), audit committee, compensation and corporate governance committee  
• Noble Iron Inc. (2003-2014), audit committee, compensation committee  
• Vigil Health Solutions Inc. (2003-2017), audit committee, corporate governance and compensation committee  
Other boards:  
• Navarik Corp.  
Equity ownership at March 13, 2018  
TMX Group DSUs: 34,881  
Equity at risk: $2,694,557  
Mr. Jaako meets his equity ownership requirement (see page 34).
Lise Lachapelle  
BA, Advanced Management Program  
Montréal, Québec  
Director since May 2014  
Age 68  
2017 vote: 99.97% FOR  
2017 attendance: 100%

Country of residence  
Canada

Current position  
- Strategic and Economic Consultant  
- Corporate Director

Previous business experience  
- President and Chief Executive Officer of Forest Products Association of Canada (1994-2002)  
- President of Strategico Inc. (1993)  
- Senior Vice-President of Montréal Exchange Inc.  
- Assistant Deputy Minister, Federal Department of Industry, Trade and Commerce

Public company boards  
Current  
- Russel Metals Inc. (since 1996), nominating and corporate governance committee, audit committee  
In the past five years  
- SNC-Lavalin Group (2013-2016), governance committee, health & safety, security and environment committee  
- Innergex Renewable Energy Inc. (2010-2014), corporate governance committee, nominating committee  
- Industrial Alliance Insurance and Financial Services Inc. (1995-2014), audit committee, investment committee

Equity ownership at March 13, 2018  
TMX Group DSUs: 5,996  
Equity at risk: $463,191

Ms. Lachapelle meets her equity ownership requirement (see page 34).

William Linton  
FCPA, FCA, CA, B.Com  
Toronto, Ontario  
Director since July 2012  
Age 63  
2017 vote: 99.98% FOR  
2017 attendance: 100%

Country of residence  
Canada

Current position  
- Corporate Director

Previous business experience  
- Executive Vice President Finance and Chief Financial Officer of Rogers Communications (2005-2012)  
- President and Chief Executive Officer of Call-Net Enterprises Inc. (2000-2005)  
- Chair and Chief Executive Officer of Prior Data Sciences Inc. (1998-2000)  
- Executive Vice President and Chief Financial Officer of SHL Systemhouse Inc. (1994-1997)  

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

Other boards  
- CSL Group Inc.

Equity ownership at March 13, 2018  
TMX Group DSUs: 11,411  
Equity at risk: $881,500

Mr. Linton meets his equity ownership requirement (see page 34).

Jean Martel  
BLL, BCL  
Montréal, Québec  
Director since July 2012  
Age 65  
2017 vote: 99.98% FOR  
2017 attendance: 100%

Country of residence  
Canada

Current position  
- Partner, Lavery, de Billy LLP

Previous business experience  
- Chairman and President of Commission des valeurs mobilières de Québec (1995-1999)  
- Assistant Deputy Minister of Finance, Québec (1988-1994)

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

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

Equity ownership at March 13, 2018  
TMX Group shares: 166  
TMX Group DSUs: 42,633  
Equity at risk: $3,306,125

Mr. Martel meets his equity ownership requirement (see page 34).
Gerri Sinclair
PhD, BA
Vancouver, British Columbia
Director since July 2012
Age 70
2017 vote: 99.97% FOR
2017 attendance: 100%

Independent
Unrelated to our original shareholders
Expertise in derivatives
Expertise in the Canadian public venture market (as of March 16, 2018)

Country of residence
Canada

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

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

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

Other boards
- Vancouver Airport Authority

Equity ownership at March 13, 2018
TMX Group DSUs: 44,988
Equity at risk: $3,475,323

Ms. Sinclair meets her equity ownership requirement (see page 34).

Kevin Sullivan
LLB, BA
Toronto, Ontario
Director since July 2012
Age 58
2017 vote: 99.98% FOR
2017 attendance: 94%

Not independent
Unrelated to our original shareholders
Representative of Canada’s independent investment dealer community
Expertise in derivatives
Expertise in the Canadian public venture market

Country of residence
Canada

Current position
- Deputy Chairman, GMP Capital Inc.

Previous business experience

Public company boards
Current
- GMP Capital Inc. (since 1993)

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

Equity ownership at March 13, 2018
TMX Group DSUs: 9,800
Equity at risk: $757,050

Mr. Sullivan meets his equity ownership requirement (see page 34).

Eric Wetlaufer
CFA, BA, ICD.D
Toronto, Ontario
Director since July 2012
Age 55
2017 vote: 99.74% FOR
2017 attendance: 94%

Independent
Nominated by Canada Pension Plan Investment Board
Expertise in derivatives

Country of residence
Canada

Current position
- Senior Managing Director & Global Head of Public Market Investments, Canada Pension Plan Investment Board

Previous business experience
- Group Chief Investment Officer, International of Fidelity Management & Research (2005-2010)
- Co-Founder and Partner of Oxhead Capital Management
- Chief Investment Officer of U.S. Mid Cap and Specialty Growth, Putnam Investments
- Managing Director of Cadence Capital Management

Other boards
- The Soulpepper Theatre Company

Equity ownership at March 13, 2018
Mr. Wetlaufer does not have an equity ownership requirement (see page 34).
Michael Wissell
MBA, B.Com, CFA, ICD.D
Toronto, Ontario
Director since September 2014
Age 53
2017 vote: 99.76% FOR
2017 attendance: 95%

- Independent
- Nominated by Ontario Teachers’ Pension Plan Board
- Expertise in derivatives

Country of residence
Canada

Current position
- Senior Vice President Portfolio Construction Group, Ontario Teachers’ Pension Plan Board

Previous business experience
- Senior Vice President Public Equities (2013-2016) and increasingly senior positions (2003-2012) at Ontario Teachers’ Pension Plan Board

Equity ownership at March 13, 2018
Mr. Wissell does not have an equity ownership requirement (see page 34).

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

Ms. Lachapelle served as a director of AbitibiBowater Inc. (AbitibiBowater) (formerly, Abitibi-Consolidated Inc. and now, Resolute Forest Products Inc.) from 2002 to December 2010. In April 2009, AbitibiBowater, together with certain of its U.S. and Canadian subsidiaries, filed voluntary petitions in the U.S. Bankruptcy Court for the District of Delaware for relief under the provisions of Chapter 11 and Chapter 15 of the U.S. Bankruptcy Code, as amended, and certain of its Canadian subsidiaries sought creditor protection under the CCAA with the Superior Court of Québec in Canada. AbitibiBowater completed its reorganization and emerged from creditor protection proceedings under the CCAA in Canada and Chapter 11 of the U.S. Bankruptcy Code in December 2010.
About the TMX Group board

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

Its responsibilities fall into six categories:
1. Ethical culture
2. Strategic planning
3. Financial oversight and reporting
4. Risk oversight
5. Leadership and succession
6. Shareholder communication and engagement

The board has established six standing committees to help it carry out these responsibilities. The board approves the committee charters and the limits of authority it delegates to each committee. See page 23 for information about the committees and their priorities in 2017.

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

The board is also responsible for establishing practices that allow the board to function independently of management, non-independent directors and directors related to our original shareholders. See page 28 for more information about board independence.

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

About the chair

The chair of the board must be independent and unrelated to our original shareholders. There are no term limits or age restrictions in place for the chair.

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

1. Ethical culture

The board actively promotes a culture of integrity that reflects the highest standards of ethical conduct.

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

Board and management set the tone at the top

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

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

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

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

**Monitoring compliance**

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

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

**Reporting violations**

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

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

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

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

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

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

The finance and audit committee carries out certain of these activities on behalf of the board, working with our external auditor as appropriate. You can read about the finance and audit committee’s activities in 2017 on page 23.

4. Risk oversight
The board oversees risk management by:
- making sure we have policies, processes and systems in place to identify and manage key enterprise risks
- approving our enterprise risk management policy
- approving our risk appetite statement.

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

A culture of risk management
Risk management is embedded into the organization in three ways:

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

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**2017 priorities**
In 2017, the board focused on accelerating our transformation:
- growing recurring revenue
- data-centric products
- further geographic expansion.

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**The board’s annual risk review**
- Assess risks in four categories
  - strategic
  - operational
  - legal and regulatory
  - financial

- Discuss new and emerging risks
- Evaluate likelihood and potential impact of each risk
- Identify key enterprise risks
- Develop strategies to manage, monitor, report on and mitigate each identified risk
Accountability – Risk management is integrated into policies and internal controls. Responsibilities and levels of authority for risk-taking are clearly defined. Business units and corporate functions own all risks related to their activities and are accountable for effectively managing them, supported by the risk management and internal audit groups.

Process – Our enterprise risk management system provides a framework to identify, assess, measure, manage, monitor and report on material risks. It ensures that the outcomes of risk-taking activities across the organization:
• are transparent and understood
• are consistent with the company’s objectives and risk appetite
• appropriately balance risk and reward.

Our enterprise risk management process meets industry standards and legal and regulatory requirements, and is reassessed regularly. It includes disaster recovery and business continuity for critical functions and systems, to protect personnel and resources and allow us to continue critical business functions if a disaster occurs.

Please see our 2017 MD&A for a more detailed discussion of our key risks and risk management processes.

5. Leadership and succession

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

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

Succession planning

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

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

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

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

One of the CEO’s key accountabilities is to develop the executive talent of the company. This is done through the creation of learning opportunities such as professional coaching, role expansions or role changes and leadership of high profile projects or programs.

The recent changes to our senior management team, our organization structure and our management committee structures demonstrate executive talent development in action. Over the course of 2017 and into the first few weeks of 2018 through a series of changes we reconfigured the organization structure, flattened and streamlined
and reduced the size of the executive layer and enhanced the roles and compensation levels of our leaders. Two senior executives left the organization as a result of the structural changes. All of these changes were in line with our ongoing talent assessments and succession plans and all changes were discussed and, where necessary, approved by the human resources committee.

We also introduced a new executive operating committee to speed up decision-making, execution and internal communication flow across the company as well as to improve collaboration at the executive level. The committee is currently made up of sixteen leaders of key businesses across the company, but membership is expected to evolve as businesses evolve.

**Diversity**

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

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

Like others in our industry, we are actively working to increase the number of women in leadership positions, but progress has been slower than expected. To demonstrate our ongoing commitment we have:

- established targets and we track the number of women in leadership roles
- made a point of adding the development of women into our succession planning process
- changed or created roles to accommodate the development of female leaders
- made sure we consider a slate of candidates that includes a representative proportion of women when we fill executive positions.

<table>
<thead>
<tr>
<th>Positions held by women</th>
<th>2016</th>
<th>March 2018</th>
<th>Formal target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior executives</td>
<td>2 of 8</td>
<td>25%</td>
<td>2 of 7</td>
</tr>
<tr>
<td>Executives</td>
<td>8 of 35</td>
<td>23%</td>
<td>6 of 29</td>
</tr>
<tr>
<td>Senior managers</td>
<td>20 of 71</td>
<td>28%</td>
<td>24 of 70</td>
</tr>
<tr>
<td>All other employees</td>
<td>395 of 961</td>
<td>41%</td>
<td>369 of 903</td>
</tr>
</tbody>
</table>

### 6. Shareholder communication and engagement

The board oversees shareholder communication and engagement. Activities include:

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

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

TMX Group executives host conference calls with investors and analysts every quarter after announcing our financial results. We also hold calls after major news, such as the purchase of Trayport and the sale of NGX and Shorcan Energy Brokers announced in October 2017. These calls are broadcast live, and we make audio archives available by telephone or webcast for several months. Our investor relations staff provides information to current and potential investors, responds to inquiries and tracks any feedback received. We encourage all shareholders to attend our annual and special meeting to hear updates and interact with management and board members.

**2017 engagement**

In 2017 our executives participated in five investment conferences and attended many other investor meetings.

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

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

### Finance and audit committee

**Chair**
William Linton

**Members**
Denyse Chicoyne
Jeffrey Heath
Harry Jaako
Anthony Walsh

**2017 meetings**
6 (including 1 special meeting)
100% attendance

**100% independent**
(according to National Instrument 52-110 – Audit Committees)

**100% financially literate**
(as defined by the board, but at a minimum means that the director can read and understand a set of financial statements that are comparable in scope and complexity to our financial statements)

### Oversees

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

### Recent areas of focus

- Recommended the annual and interim financial statements and related management’s discussion and analysis and media releases to the board for approval
- Reviewed significant judgments relating to:
  - the acquisition of Trayport and the sale of NGX and Shorcan Energy Brokers
  - fair value of financial instruments
  - goodwill impairment
  - prospective adoption of new accounting and regulatory standards (IFRS 15 – Revenue from Contracts with Customers)
  - TMX Group internal cost allocation model and transfer pricing
  - financial system replacement
- Reviewed business plan, capital plan and internal reorganizations
- Reviewed disclosure controls and procedures and internal controls over financial reporting
- Reviewed and monitored the project related to the integrated clearing platform
- Reviewed and approved the annual internal audit plan and monitored its execution
- Reviewed enterprise risk management activities and findings
- Reviewed independence and performance of our external auditor and approved the audit plan
- Reviewed updates on cyber security
Governance committee

Chair
Marie Giguère

Members
Denyse Chicoyne
William Linton
Peter Pontikes
Charles Winograd

2017 meetings
5 (including 1 special meeting)
100% attendance

100% independent
(according to National Policy 58-201 – Corporate Governance Guidelines and our recognition orders)

Oversees
- Board stewardship
- Board size and composition
- Director selection and orientation
- Board compensation
- Director independence

Recent areas of focus
- Reviewed the board and each committee charter and recommended amendments to certain charters
- Completed the evaluation and assessment of the chair of the board, the board, its committees and each director
- Recommended the nominees to stand for election at the annual and special meeting of shareholders
- Approved the Statement of Corporate Governance Practices
- Retained Willis Towers Watson to review current director compensation levels and recommended an increase to the chair and director annual retainers and an increase to the level of equity ownership required
- Recommended the composition of the board’s committees
- Received regular updates on key governance and regulatory developments
- Reviewed board renewal principles in light of the original shareholder nomination agreements expiring in September 2018
- Reviewed the Board Orientation and Education Policy, Employee Trading Policy, Timely Disclosure Confidentiality and Insider Trading Policy and the Director Qualification Policy
- Reviewed directors and officers insurance

Human resources committee

Chair
Eric Wetlaufer

Members
Lise Lachapelle
Gerri Sinclair
Charles Winograd
Michael Wissell

2017 meetings
6 (including 1 special meeting)
97% attendance

100% independent
(according to National Policy 58-201 – Corporate Governance Guidelines)

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

Recent areas of focus
- Reviewed the CEO’s performance assessment against 2017 objectives
- Recommended the CEO’s compensation and 2018 objectives to the board
- Reviewed peer group and compensation benchmarking
- Reviewed annual performance assessments of senior management and approved their compensation
- Reviewed the compensation discussion and analysis and recommended it to the board for approval
- Approved the 2017 compensation designs and funding
- Reviewed high-potential talent management and succession planning
- Reviewed the results of the employee engagement survey
- Reviewed and approved executive officer appointments and organizational changes
- Reviewed the human resources strategy to accelerate the transformation of our culture
Regulatory oversight committee
Chair
Jean Martel

Members
Denyse Chicoine
Marie Giguère
Lise Lachapelle

2017 meetings
3 (including 1 special meeting)
100% attendance

Oversees
Real and perceived conflicts of interest in three areas:
- ownership interests by marketplace participants with a representative on the board
- increased concentration of ownership in the exchange
- profit-making objectives and public interest responsibilities.

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

Recent areas of focus
- Reviewed conflict of interest policies and procedures and filed its annual report with the Ontario Securities Commission
- Reviewed the report of conflicts committee and approved the appointment of the independent committee members to the conflicts committee

Derivatives committee
Chair
Luc Bertrand

Members
Christian Exshaw
Jeffrey Health
Martine Irman
Kevin Sullivan
Michael Wissell

2017 meetings
2
92% attendance
100% with expertise in derivatives

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

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

Public venture market committee
Chair
Harry Jaako*

Members
Luc Bertrand
Martine Irman
Peter Pontikes*
Gerri Sinclair*
Kevin Sullivan*
Anthony Walsh*

2017 meetings
4
89% attendance

71%
*committee members with currently relevant expertise in the Canadian public venture market [Gerri Sinclair as of March 16, 2018]

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

Recent areas of focus
- Reviewed the national advisory committee’s quarterly report on summarizing its activities and the activities of the local advisory committees
- Received regular updates on TSXV’s business
- Reviewed TSXV’s strategy to be the pre-eminent global platform for growing venture stage issuers
- Reviewed the results of the client survey
- Reviewed updates on policy initiatives to eliminate the sponsorship and distribution requirements from TSXV policies
About TMX Group directors

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

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

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

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

Our recognition orders include requirements for independence, certain industry experience and certain geographic diversity. The committee has identified 13 areas of expertise that are specifically related to our business strategy. These areas will evolve over time as our strategy adapts to changes in the capital markets and the global economy. The committee also looks at diversity of gender, age, tenure and geographic location.

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

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

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</thead>
<tbody>
<tr>
<td>Independent [see page 28] Required: at least 50%</td>
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<td>9 64%</td>
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<tr>
<td>Unrelated to our original shareholders [see page 28] Required: at least 50%</td>
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<td>8 57%</td>
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<tr>
<td>Representative of Canada’s independent investment dealer community</td>
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<td>1 7%</td>
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<tr>
<td>Resident of Québec Required: at least 25%</td>
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<td>4 29%</td>
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<tr>
<td>Expertise in derivatives Required: at least 25%</td>
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<td></td>
<td></td>
<td>11 79%</td>
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</tr>
<tr>
<td>Currently relevant expertise in the Canadian public venture market Required: at least 25%</td>
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<td>4 29%</td>
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</table>

## Additional areas of expertise

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<tr>
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</thead>
<tbody>
<tr>
<td>CEO/Senior officer experience working as a CEO or senior officer for a major organization</td>
<td></td>
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<td></td>
<td>11 79%</td>
</tr>
<tr>
<td>Governance/board experience as a board member of a major or public company organization</td>
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<td></td>
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<td></td>
<td></td>
<td>14 100%</td>
</tr>
<tr>
<td>Regulated company experience working in an organization regulated by government or regulatory bodies</td>
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<td></td>
<td>13 93%</td>
</tr>
<tr>
<td>Technology experience in businesses heavily dependent on information technology</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>12 86%</td>
</tr>
<tr>
<td>Strategy experience driving strategic direction and leading the growth of an organization</td>
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<td></td>
<td></td>
<td></td>
<td>13 93%</td>
</tr>
<tr>
<td>Financial/risk financial accounting and reporting, corporate finance, internal controls and risk management</td>
<td></td>
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<td>12 86%</td>
</tr>
<tr>
<td>Mergers and acquisitions experience in major mergers and acquisitions</td>
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<td>13 93%</td>
</tr>
<tr>
<td>Marketing experience in marketing in the capital markets</td>
<td></td>
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<td></td>
<td></td>
<td>10 71%</td>
</tr>
<tr>
<td>Human resources experience in compensation, benefit and pension programs, legislation and agreements</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td>12 86%</td>
</tr>
<tr>
<td>Energy experience in the energy markets</td>
<td></td>
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<td></td>
<td>5 36%</td>
</tr>
<tr>
<td>Broker/dealer experience working in the capital markets at a broker/dealer</td>
<td></td>
<td></td>
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<td></td>
<td>8 57%</td>
</tr>
<tr>
<td>Clearing experience in cash, derivatives or energy clearing</td>
<td></td>
<td></td>
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<td></td>
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<td>5 36%</td>
</tr>
<tr>
<td>International experience working in an organization with global operations</td>
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<td>12 86%</td>
</tr>
</tbody>
</table>
Determining director independence

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

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

Status of the 2018 nominated directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Independent</th>
<th>Unrelated</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc Bertrand</td>
<td>no</td>
<td>no</td>
<td>nominated by and works for National Bank Group Inc.</td>
</tr>
<tr>
<td>Lou Eccleston</td>
<td>no</td>
<td>yes</td>
<td>TMX Group CEO</td>
</tr>
<tr>
<td>Christian Exshaw</td>
<td>no</td>
<td>no</td>
<td>works for CIBC</td>
</tr>
<tr>
<td>Marie Giguère</td>
<td>yes</td>
<td>no</td>
<td>nominated by the Caisse (retired)</td>
</tr>
<tr>
<td>Martine Irman</td>
<td>no</td>
<td>no</td>
<td>nominated by and works for TD Bank</td>
</tr>
<tr>
<td>Harry Jaako</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Lise Lachapelle</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>William Linton</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Jean Martel</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Gerri Sinclair</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Kevin Sullivan</td>
<td>no</td>
<td>yes</td>
<td>representative of the independent investment dealer community</td>
</tr>
<tr>
<td>Eric Wetlaufer</td>
<td>yes</td>
<td>no</td>
<td>nominated by and works for CPPIB</td>
</tr>
<tr>
<td>Charles Winograd</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Michael Wissell</td>
<td>yes</td>
<td>no</td>
<td>nominated by and works for Teachers</td>
</tr>
<tr>
<td>Total</td>
<td>64%</td>
<td>57%</td>
<td></td>
</tr>
</tbody>
</table>

Conflicts of interest

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

Our original shareholders with nominees on the board are also required to identify and manage any real or potential conflicts of interest arising from a director’s involvement on the TMX Group board.

64% of this year’s nominated directors are independent

That means the director is independent within the meaning of:

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

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

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

57% of this year’s nominated directors are unrelated to our original shareholders

That means the director:

- is not a partner, officer, director or employee of an original shareholder or any company affiliated with an original shareholder, or an associate of that partner, officer, director or employee
- is not nominated to the board by an original shareholder, and
- does not have, and has not had, any relationship with an original shareholder that the governance committee believes could interfere with the director’s ability to exercise independent judgment.
**Director resignation**

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

**Building a diverse board**

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

We also encourage the original shareholders who nominate directors to consider our overall board composition and diversity objectives when selecting their nominees.

**Gender diversity**

Our director qualification policy includes gender diversity as a factor to be considered when determining board composition. The committee’s goal is to have at least 25% women on the board. We currently exceed our goal – this year’s nominated directors include four women, representing 29% of the nominated directors.

We measure the effectiveness of our approach to gender diversity by tracking the number of women on the board every year. Our result this year is an improvement over 2012, when we had three women on our board, representing 18% of directors.

**Age and tenure**

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

We do not, however, have formal age or term limits for directors because of the current restrictions on the composition of the board, and because the nomination agreements limit our ability to manage these aspects of board composition.

Our focus at the moment is on board continuity, but we are reviewing our approach to age and term limits in 2018, when the nomination agreements expire.

**Geographic location**

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

This year’s nominated directors are located in three provinces: British Columbia, Ontario and Québec.
Attending meetings

Directors are expected to come fully prepared to every regularly scheduled board and committee meeting, as well as emergency meetings where possible (except in exceptional circumstances). If they can’t attend in person, directors can attend by conference call, or by video conference.

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

Serving on other boards

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

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

None of this year’s nominated directors is overcommitted, and none of them sits together on another public company board. See the director profiles on page 12 for details about other boards the directors sit on.

Director education

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

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

Orientation

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

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

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

2017 attendance

<table>
<thead>
<tr>
<th>Director</th>
<th>Meetings</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc Bertrand</td>
<td>16/17</td>
<td>94%</td>
</tr>
<tr>
<td>Denyse Chicoine</td>
<td>25/25</td>
<td>100%</td>
</tr>
<tr>
<td>Lou Eccleston</td>
<td>11/11</td>
<td>100%</td>
</tr>
<tr>
<td>Christian Exshaw</td>
<td>10/13</td>
<td>77%</td>
</tr>
<tr>
<td>Marie Giguère</td>
<td>19/19</td>
<td>100%</td>
</tr>
<tr>
<td>Jeffrey Heath</td>
<td>19/19</td>
<td>100%</td>
</tr>
<tr>
<td>Martine Irman</td>
<td>17/17</td>
<td>100%</td>
</tr>
<tr>
<td>Harry Jaako</td>
<td>21/21</td>
<td>100%</td>
</tr>
<tr>
<td>Lise Lachapelle</td>
<td>20/20</td>
<td>100%</td>
</tr>
<tr>
<td>William Linton</td>
<td>22/22</td>
<td>100%</td>
</tr>
<tr>
<td>Jean Martel</td>
<td>14/14</td>
<td>100%</td>
</tr>
<tr>
<td>Peter Pontikes</td>
<td>18/20</td>
<td>90%</td>
</tr>
<tr>
<td>Gerri Sinclair</td>
<td>21/21</td>
<td>100%</td>
</tr>
<tr>
<td>Kevin Sullivan</td>
<td>16/17</td>
<td>94%</td>
</tr>
<tr>
<td>Anthony Walsh</td>
<td>20/21</td>
<td>95%</td>
</tr>
<tr>
<td>Eric Wetlaufer</td>
<td>16/17</td>
<td>94%</td>
</tr>
<tr>
<td>Charles Winograd</td>
<td>22/22</td>
<td>100%</td>
</tr>
<tr>
<td>Michael Wissell</td>
<td>18/19</td>
<td>95%</td>
</tr>
<tr>
<td>Total</td>
<td>96.6%</td>
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</tr>
</tbody>
</table>

2017 meeting attendance

There were 37 board and committee meetings in 2017. Directors attended 96.6% of all meetings.

There are no board interlocks.
Continuing education
We organize presentations for directors and prepare written materials for them to read, tailoring the content to current issues and the specific needs of the board.

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

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

TMX Group staff regularly present to the board about different aspects of our business, and we arrange for third-party experts to present on specialized topics. The table below lists presentations our directors attended in 2017 as part of the continuing education program.

<table>
<thead>
<tr>
<th>Date</th>
<th>Presenter</th>
<th>Who attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2017</td>
<td>TMX Group management</td>
<td>Full board</td>
</tr>
<tr>
<td>September 2017</td>
<td>TMX Group management</td>
<td>Full board</td>
</tr>
</tbody>
</table>

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

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

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

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

Every director completes a self-assessment and a survey that seeks feedback on peers. Then the chair of the board interviews every director one-on-one. The chair is interviewed by the chair of the governance committee. The interviews provide an opportunity to offer candid feedback on board effectiveness and to expand on the survey responses.

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

<table>
<thead>
<tr>
<th>Annual five-step assessment process</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Written self-assessment</td>
</tr>
<tr>
<td>2. Peer evaluation survey</td>
</tr>
<tr>
<td>3. One-on-one interviews</td>
</tr>
<tr>
<td>4. Feedback shared individually and with the full board</td>
</tr>
<tr>
<td>5. Governance committee recommends any follow-up</td>
</tr>
</tbody>
</table>

TMX Group • 2018 Management information circular
How we pay our directors

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

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

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

Director compensation includes:
• an annual retainer for membership on the board (paid in a combination of cash and DSUs)
• an annual retainer for participating on board committees
• fees for attending each meeting.

Annual fee schedule

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(as of May 10, 2017)</td>
<td></td>
</tr>
<tr>
<td>Board retainer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chair of the board</td>
<td>$125,000</td>
<td>$135,000</td>
</tr>
<tr>
<td>• cash</td>
<td>$150,000</td>
<td>$165,000</td>
</tr>
<tr>
<td>• deferred share units</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors</td>
<td>$30,000</td>
<td>$35,000</td>
</tr>
<tr>
<td>• cash</td>
<td>$50,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>• deferred share units</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committee retainers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committee chairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Finance and audit committee</td>
<td>$20,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>• Human resources committee</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>• Other committees</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Committee members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Finance and audit committee</td>
<td>$6,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>• Human resources committee</td>
<td>$6,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>• Other committees</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Meeting attendance fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board meetings</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Committee meetings</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Travel fee (if return air travel time exceeds six hours)</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

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

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

Some of our directors aren’t paid
Lou Eccleston does not receive director compensation because he is compensated for his role as CEO.

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

<table>
<thead>
<tr>
<th>Do not receive compensation</th>
<th>Have their cash compensation paid to their employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc Bertrand</td>
<td>Christian Exshaw (paid to CIBC)</td>
</tr>
<tr>
<td>Martine Irman</td>
<td>Eric Wetlaufer (paid to CPPIB)</td>
</tr>
<tr>
<td>Peter Pontikes</td>
<td></td>
</tr>
<tr>
<td>Michael Wissell</td>
<td></td>
</tr>
</tbody>
</table>

These directors are currently working for our original shareholders or an affiliate of an original shareholder.

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

Changes to director compensation in 2017
After retaining an independent consultant in 2017 to review director compensation at the companies in our comparator group, the governance committee recommended and the board approved:
• an increase to the board retainers noted in the table to the left – the first increase in director compensation since April 2006
• an adjustment to the equity ownership requirement to 3x the annual retainer – see page 34 for details.

The changes took effect on May 10, 2017, and director compensation was prorated for 2017.
**Director compensation table**

The table below lists all compensation earned by our directors in 2017.

Director fees includes payment for services the directors provide as directors of the TMX Group board and the boards of TSX Inc., TSX Venture Exchange Inc., Montréal Exchange Inc., Alpha Exchange Inc., Alpha Trading Systems Inc. and Alpha Market Services Inc.

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

<table>
<thead>
<tr>
<th></th>
<th>Annual fees</th>
<th>Committee retainers</th>
<th>Meeting attendance fees</th>
<th>Director fees incl. DSUs</th>
<th>Total compensation</th>
<th>Allocation of annual fees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Board retainer</td>
<td>Committee retainers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>cash</td>
<td>DSUs</td>
<td>chair</td>
<td>member</td>
<td>board</td>
<td>committees</td>
</tr>
<tr>
<td>Luc Bertrand</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(not paid)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denyse Chicoyne</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$12,000</td>
<td>$16,500</td>
<td>$21,000</td>
</tr>
<tr>
<td>Christian Exshaw</td>
<td>$33,333</td>
<td>-</td>
<td>-</td>
<td>$3,000</td>
<td>$13,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>(paid to CIBC)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lou Eccleston</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(not paid)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marie Giguère</td>
<td>$33,333</td>
<td>$60,000</td>
<td>$10,000</td>
<td>$3,000</td>
<td>$16,500</td>
<td>$12,000</td>
</tr>
<tr>
<td>Jeffrey Heath</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$9,000</td>
<td>$16,500</td>
<td>$12,000</td>
</tr>
<tr>
<td>Martine Irman</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(not paid)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harry Jaako</td>
<td>$33,333</td>
<td>$60,000</td>
<td>$10,000</td>
<td>$6,000</td>
<td>$16,500</td>
<td>$15,000</td>
</tr>
<tr>
<td>Lise Lachapelle</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$9,000</td>
<td>$16,500</td>
<td>$13,500</td>
</tr>
<tr>
<td>William Linton</td>
<td>$33,333</td>
<td>$60,000</td>
<td>$20,000</td>
<td>$3,000</td>
<td>$16,500</td>
<td>$16,500</td>
</tr>
<tr>
<td>Jean Martel</td>
<td>$33,333</td>
<td>$60,000</td>
<td>$10,000</td>
<td>-</td>
<td>$16,500</td>
<td>$4,500</td>
</tr>
<tr>
<td>Peter Pontikes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(not paid)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gerri Sinclair</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$9,000</td>
<td>$16,500</td>
<td>$15,000</td>
</tr>
<tr>
<td>Kevin Sullivan</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$6,000</td>
<td>$16,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>Anthony Walsh</td>
<td>$33,333</td>
<td>$60,000</td>
<td>-</td>
<td>$9,000</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Eric Wetlaufer</td>
<td>$33,333</td>
<td>-</td>
<td>$15,000</td>
<td>-</td>
<td>$15,000</td>
<td>$9,000</td>
</tr>
<tr>
<td>(paid to CPP/B)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charles Winograd</td>
<td>$131,667</td>
<td>$165,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Michael Wissell</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(not paid)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total** $1,997,163

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

- **MX rules and policies committee / TSX and Alpha rules committee**:
  - Luc Bertrand: $9,000
  - Denyse Chicoyne: $9,000
  - Marie Giguère: $10,500
  - Lise Lachapelle: $10,500
  - William Linton: $48,000
  - Jean Martel: $17,500

- **TSX Trust Company board**:
  - Luc Bertrand: $132,333
  - Anthony Walsh: $132,333
  - Eric Wetlaufer: $132,333

- **Natural Gas Exchange Inc. board (sold on Dec. 14, 2017)**:
  - Luc Bertrand: $1,500
  - Kevin Sullivan: $1,500
  - John Ryan: $1,500

- **BOX Holdings Group, LLC and BOX Market LLC board**:
  - Luc Bertrand: $1,500
  - Kevin Sullivan: $1,500
  - John Ryan: $1,500

- **Total**:
  - Luc Bertrand: $55,000
  - Kevin Sullivan: $10,500
  - John Ryan: $10,500
  - Eric Wetlaufer: $89,500
  - Anthony Walsh: $10,500

**Note**: Compensation includes fees for services the directors provide as directors of the TMX Group board and the boards of TSX Inc., TSX Venture Exchange Inc., Montréal Exchange Inc., Alpha Exchange Inc., Alpha Trading Systems Inc. and Alpha Market Services Inc. All other compensation includes additional fees several directors earn for serving on the boards or committees of other subsidiaries or entities TMX Group has a significant investment in. The table below lists all compensation earned by our directors in 2017.
Equity ownership

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

That means directors have to own at least $285,000 ($900,000 for the chair) in TMX Group shares and DSUs combined. This requirement was increased on May 10, 2017, from $250,000 for directors and $750,000 for the chair.

Until they meet this requirement, directors have to receive at least 50% of their annual director compensation in the form of DSUs. They have four years to meet the requirement.

The table below shows the value of the TMX Group shares and DSUs each director held as at March 13, 2018. We calculated the value as follows:

- **TMX Group shares**: we used the closing price of our common shares on TSX on March 13, 2018 ($76.66)
- **DSUs**: we used the weighted average trading price of our common shares on TSX for the five trading days ending on March 13, 2018 ($77.25).

All of the directors meet their equity ownership requirement.

<table>
<thead>
<tr>
<th>As of March 13, 2018</th>
<th>2016 TMX Group shares (#)</th>
<th>2016 DSUs (#)</th>
<th>2017 TMX Group shares (#)</th>
<th>2017 DSUs (#)</th>
<th>Change TMX Group shares (#)</th>
<th>Change DSUs (#)</th>
<th>Value at March 13, 2018 ($)</th>
<th>Meets ownership requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc Bertrand</td>
<td>578,259</td>
<td>-</td>
<td>590,000</td>
<td>-</td>
<td>11,741</td>
<td>-</td>
<td>$45,229,400</td>
<td>n/a</td>
</tr>
<tr>
<td>Marie Giguère</td>
<td>2,000</td>
<td>976</td>
<td>2,000</td>
<td>2,454</td>
<td>-</td>
<td>1,478</td>
<td>$342,892</td>
<td>yes</td>
</tr>
<tr>
<td>Harry Jaako</td>
<td>-</td>
<td>33,093</td>
<td>-</td>
<td>34,881</td>
<td>-</td>
<td>1,788</td>
<td>$2,694,557</td>
<td>yes</td>
</tr>
<tr>
<td>Lise Lachapelle</td>
<td>-</td>
<td>4,846</td>
<td>-</td>
<td>5,996</td>
<td>-</td>
<td>1,150</td>
<td>$463,191</td>
<td>yes</td>
</tr>
<tr>
<td>William Linton</td>
<td>-</td>
<td>9,654</td>
<td>-</td>
<td>11,411</td>
<td>-</td>
<td>1,757</td>
<td>$881,500</td>
<td>yes</td>
</tr>
<tr>
<td>Jean Martel</td>
<td>166</td>
<td>40,058</td>
<td>166</td>
<td>42,633</td>
<td>-</td>
<td>2,575</td>
<td>$3,306,125</td>
<td>yes</td>
</tr>
<tr>
<td>Gerri Sinclair</td>
<td>-</td>
<td>41,910</td>
<td>-</td>
<td>44,988</td>
<td>-</td>
<td>3,078</td>
<td>$3,475,323</td>
<td>yes</td>
</tr>
<tr>
<td>Kevin Sullivan</td>
<td>-</td>
<td>7,956</td>
<td>-</td>
<td>9,800</td>
<td>-</td>
<td>1,844</td>
<td>$757,050</td>
<td>yes</td>
</tr>
<tr>
<td>Charles Winograd</td>
<td>-</td>
<td>25,032</td>
<td>-</td>
<td>29,980</td>
<td>-</td>
<td>4,948</td>
<td>$2,315,955</td>
<td>yes</td>
</tr>
</tbody>
</table>
Compensation

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

Our five named executives for 2017 were all members of the TMX Group senior management team on December 31, 2017:

- Louis (Lou) Eccleston, Chief Executive Officer
- John McKenzie, Chief Financial Officer
- Jean Desgagné, President and CEO, TMX Global Solutions, Insights and Analytics Strategies
- Nicholas (Nick) Thadaney, President and CEO, Global Equity Capital Markets
- Jayakumar (Jay) Rajarathinam, Chief Information Officer

Having your say on executive pay
We want to make sure you understand how we pay our executives, and why, before you vote at the 2018 annual and special meeting.

Please read through this section of the circular, and if you have questions about our executive compensation program or the pay decisions for 2017, you can reach us at:
(416) 947-4277 or (888) 873-8393 (toll-free)
TMXshareholder@tmx.com

Last year, 92.17% of shareholders voted FOR our approach to executive compensation.

What's inside

**Compensation discussion and analysis**
- 36 2017 Overview
- 36 2017 results
- 38 Our approach to executive compensation
- 39 2017 compensation decisions
- 46 Share performance and executive pay

**Compensation governance**
- 48 Committee expertise
- 49 Independent advice
- 50 Managing compensation risk
- 51 Equity ownership

**Compensation design and decision-making**
- 52 1. Designing the program
- 54 2. Establishing the mix of components
- 54 3. Setting compensation and performance targets
- 55 4. Reviewing progress
- 55 5. Awarding compensation

**2017 compensation review**
- 56 Salary
- 56 Short-term incentive plan
- 59 Long-term incentive plan

**Compensation details**
- 65 Summary compensation table
- 67 Incentive plan awards
- 69 Retirement benefits
- 71 Termination and change of control provisions
Compensation discussion and analysis

2017 overview

2017 results

Our 2017 results were highlighted by the strong performance of some elements of our core business and the positive impact of cost management discipline across the entire company.

We also made major strides in the advancement of our global growth strategy during the year, most significantly with the acquisition of Trayport, a proven and profitable technology-driven data and analytics business. We continued our work to leverage new and existing assets to fortify TMX Group’s position as a world-leading client solutions provider and to drive growth in shareholder returns as we look ahead to 2018 and beyond.

Key financials

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2016</th>
<th>December 31, 2017</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$683.7</td>
<td>$668.9</td>
<td>-2%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>$383.6</td>
<td>$356.3</td>
<td>-7%</td>
</tr>
<tr>
<td>Income from operations before acquisition costs and strategic realignment expenses</td>
<td>$300.1</td>
<td>$312.6</td>
<td>+4%</td>
</tr>
</tbody>
</table>

Data as reported in our financial statements for the years ended December 31, 2016 and 2017.

Income from operations before acquisition costs and strategic realignment expenses is an additional IFRS measure – please see page 74. The 2016 and 2017 numbers exclude revenue and operating expenses related to NGX and Shorcan Energy Brokers, which we sold on December 14, 2017 and classified as discontinued operations. You can read more about discontinued operations in note 4 of our 2017 annual financial statements, which are on our website, www.tmx.com.

Key initiatives and accomplishments

Global Solutions, Insights and Analytics (formerly Market Insights)

- We acquired Trayport, significantly accelerating our global expansion and enhancing the portfolio of analytics products in our Global Solutions, Insights and Analytics business.
- We sold TMX Atrium as part of our efforts to streamline our organizational structure and position us to deliver profitable long-term growth.
- We announced we had teamed up with IRESS, a leading supplier of technology for wealth management and financial markets, to develop compatibility between the IRESS products and the TMX Analytics Transaction Cost Analysis application.

Capital Formation

- TSX brought on 44 new corporate issuers in 2017, the highest since 2013. It raised $4.8 billion in capital from corporate IPOs representing a diversified range of sectors.
- We announced a new distributed ledger technology prototype as part of our strategy to maximize efficiencies and solve day to day client challenges.
- TSX reached 500 exchange traded fund (ETF) listings – more than double what it was five years ago, bringing the total market capitalization of listed ETFs to approximately $145 billion as of December 31, 2017.
Equities and Fixed Income Trading and Clearing

- CDS began implementation of the Issuer Services Program that was approved in December 2016.
- Payments Canada, the Bank of Canada and TMX Group announced a collaboration to experiment with an integrated securities and payment settlement platform based on distributed ledger technology as part of the third phase of the Project Jasper research initiative.

Derivatives Trading and Clearing

- MX achieved two new volume records for the S&P/TSX 60 Index Standard Futures (SXF) – a monthly record of 959,682 contracts traded, as well as a daily record of 211,811 reached on December 11, 2017. A new monthly open interest record for SXF was also achieved with 446,494 contracts on December 12, 2017.
- We completed our launch of single stock futures for all symbols on S&P/TSX 60 in the first quarter of 2017, and by the end of December 2017, open interest reached approximately 227,000 contracts.
- CDCC announced a proposal to expand its fixed income service to enable certain Canadian buy-side firms to clear cash or repurchase agreements trades directly through CDCC.

Strategic changes

The strategic review process we began in 2015 has guided us to make some important choices that will enhance our ability to grow revenues, obtain significant operational and cost efficiencies, ignite innovation across all aspects of the business and compete more effectively in Canada, across North America and globally.

In 2017 and January 2018, we made organizational and executive changes, including new strategic and expanded responsibilities for members of our senior management team, designed to improve the execution of our growth strategies and business plans as we move ahead.

Changes to structure

- We split responsibility for the equity trading and capital formation businesses.
- We consolidated responsibility for all trading business activities under one leader, bringing together equities, derivatives and fixed income.

Changes to the executive team

- Jean Desgagné assumed the newly created role of President & CEO, TMX Global Solutions, Insights and Analytics Strategies (formerly Market Insights) in August 2017.
- Cheryl Graden’s mandate was expanded in August 2017 to include oversight of enterprise risk management and her title was changed to Senior Vice President, Group Head of Legal and Business Affairs, Enterprise Risk Management and Government Relations.
- Jay Rajarathinam’s mandate as CIO was expanded, and he was promoted to TMX Group’s senior management team in August 2017 and reports directly to the CEO.
- Nick Thadaney’s position (President and CEO, Global Equity Capital Markets) was eliminated on January 16, 2018, and he left the company on February 28, after six weeks in a special advisory capacity to ensure a smooth transition.
- Loui Anastasopoulos was appointed President, Capital Formation & TSX Trust Company (where he was previously President), effective January 16, 2018, responsible for leading our capital formation business, which includes TSX and TSXV listing and issuer services, as well as TSX Trust Company.
- Luc Fortin’s mandate was expanded to include equity trading and his title was changed to President & CEO, Montréal Exchange & Global Head of Trading, effective January 16, 2018.
Our approach to executive compensation

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

It is designed to attract, motivate and retain a highly qualified executive team and directly link their pay to both our corporate performance and their individual performance. Our compensation programs provide competitive pay, align executives’ interests with those of our shareholders, reflect good governance practices, align with our risk profile and are easily understood.

The human resources committee oversees compensation, including compensation design, decision-making, risk, policies and programs.

As part of the organizational changes this year, the committee reviewed salaries and short and long-term incentives in the context of the new accountabilities, our strategy and our market position. Succession plans supported this process, and were used to determine executive development opportunities in this new structure.

The committee did not make any significant design changes to our compensation program this year. It did, however, approve modest changes to the short-term incentive scorecard for 2017 and 2018 to align with our strategy.

In addition to financial metrics, the 2016 scorecard included non-financial, business integration and transformation initiatives. As we continue to transform and evolve, our focus is on financial results and growing our revenue. To support this change, the new scorecard, introduced in 2017, includes 100% financial measures: 70% tied to income from operations and 30% tied to revenue growth. You can read more about the short-term incentive plan on page 56.

Our compensation philosophy

| Be competitive | Executives earn competitive pay when corporate and individual performance meet established objectives |
| Pay for performance | Executives earn more when our performance is high, and less when performance is low |
| Align with shareholders | Long-term incentive plan payouts are directly linked to our share price performance |
| Be well governed | Executive compensation is overseen by a committee with the right expertise, using a process that demonstrates high standards of good governance |
| Manage risk | Compensation risk is identified, measured and managed within acceptable risk tolerance |
| Be easily understood | We want our stakeholders to understand how we pay our executives, and why |
2017 compensation decisions

2017 compensation snapshot

Salaries
Salaries for some executives were increased to recognize new accountabilities and competitive market position.

Short-term incentives
We set our 2017 performance sights high, challenging ourselves to deliver not just profits, but to achieve solid top line revenue growth as well.

The 2017 scorecard included two key financial measures that drive our share price: income from operations and revenue growth. While 2017 was a solid year, we did not fully achieve the ambitious targets we set, and the short-term incentive performance factor was approved below target, at 85%.

See page 57 for information about how we calculated the performance factor.

Long-term incentives
2017 long-term incentives were awarded at or slightly above target, in the form of performance share units (PSUs), restricted share units (RSUs) and options.

Payouts of PSUs and RSUs awarded for 2015
Payouts were higher than grant values, reflecting the increase in our share price over time.

Lou Eccleston
CEO, TMX Group Limited

Lou is responsible for the overall financial performance, long term strategy and daily operations of all facets of TMX Group.

In 2017 we achieved strong performance in many parts of our core business, including capital formation. We also maintained our focus on enterprise-wide cost management discipline.

Lou made major strides in the advancement of our global growth strategy during the year with the acquisition of Trayport, a proven and profitable technology-driven data and analytics business. This transaction significantly accelerated the company’s global expansion, increased the portion of our revenue from recurring sources and enhanced the portfolio of our analytics products.

Throughout 2017 Lou was actively engaged in executing a transition plan to expand our shareholder base to address anticipated changes in our original shareholders. Lou and the team met with 150 institutions and presented at several institutional investor conferences to build interest in the TMX Group story and the value in owning our shares. The resulting demand meant that available shares were quickly taken up, including by new U.S.-based investors.

For TMX Group clients, a new enterprise brand was introduced to bring excitement to the marketplace and to modernize brand perception.

To support our continued transformation and to address succession gaps, Lou continued to evolve the leadership structure in 2017. The organizational changes allowed us to streamline, flatten and reduce the executive layer while simultaneously providing a number of executives with expanded roles and promotions.

To support the new structure, Lou introduced a new executive operating committee to expedite decision-making across our organization by engaging key operational leaders directly in the decision-making and resource allocation processes. The new committee includes the senior management team and select executives who lead key strategic initiatives and/or core business units. Improved communication and collaboration among our executives will allow the organization to move more quickly from strategy to execution.
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$750,000</td>
<td>$825,000</td>
<td>$825,000</td>
<td>$825,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>$849,750</td>
<td>$1,237,500</td>
<td>$1,051,875</td>
<td>$1,237,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term incentive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PSUs</td>
<td>$618,750</td>
<td>$748,688</td>
<td>$748,688</td>
<td>$748,688</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• RSUs</td>
<td>$618,750</td>
<td>$748,688</td>
<td>$748,688</td>
<td>$748,688</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Options</td>
<td>$1,637,500</td>
<td>$771,375</td>
<td>$771,375</td>
<td>$771,375</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$4,474,750</td>
<td>$4,331,251</td>
<td>$4,145,626</td>
<td>$4,331,251</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency allowance</td>
<td>$534,320</td>
<td></td>
<td></td>
<td>$560,625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At risk</td>
<td>83%</td>
<td>81%</td>
<td>80%</td>
<td>81%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Lou’s target compensation was increased in 2017 in recognition of the global competitive market for senior executive talent among international stock exchanges, to maintain his competitive position within that market and to recognize strong performance. This included an increase in his salary, an increase in his short-term incentive target (from 100% to 150% of salary), and an increase in his long-term incentive target (from 250% to 275% of salary).

His 2017 actual compensation was lower than 2016, mainly because he received a one-time award of performance options of $1,000,000 for 2016.

His 2017 short-term incentive was paid at 85% of his target award, in line with the company scorecard. See page 57 for details.

His 2017 long-term incentive was granted at target. See page 60 for details.

Lou is a U.S. citizen, with a U.S. residence and a U.S. dollar cost base, but his salary and short-term incentive are paid in Canadian dollars. There was a material difference between the Canadian and U.S. dollar in 2017 (the average annual exchange rate was approximately $1.00 CAD = $0.77 USD), so the human resources committee recommended and the board approved a currency allowance of $560,625 to compensate him for this difference. This allowance is not fixed – the human resources committee and the board will consider it each year based on the international exchange rate at the time. This amount is included under All other compensation in the summary compensation table on page 65.

2018 compensation
No changes to his target compensation for 2018.
His 2018 long-term incentive was awarded at target and granted on February 22, 2018.
Looking back at the CEO’s earnings

Lou joined TMX Group as CEO in November 2014. The table below reviews the compensation he was awarded every year since then, and what it was worth on December 31, 2017. It also compares what he’s earned with what our shareholders have earned over the same time periods.

<table>
<thead>
<tr>
<th>Compensation year</th>
<th>CEO pay</th>
<th>Value as of December 31, 2017</th>
<th>Measurement period</th>
<th>CEO pay</th>
<th>Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$1,582,353</td>
<td>$3,008,843</td>
<td>Jan 1, 2014 to Dec 31, 2017</td>
<td>$190</td>
<td>$155</td>
</tr>
<tr>
<td>2015</td>
<td>$2,926,500</td>
<td>$5,953,091</td>
<td>Jan 1, 2015 to Dec 31, 2017</td>
<td>$203</td>
<td>$148</td>
</tr>
<tr>
<td>2016</td>
<td>$5,009,070</td>
<td>$7,953,144</td>
<td>Jan 1, 2016 to Dec 31, 2017</td>
<td>$159</td>
<td>$203</td>
</tr>
<tr>
<td>2017</td>
<td>$4,706,250</td>
<td>$3,921,437</td>
<td>Jan 1, 2017 to Dec 31, 2017</td>
<td>$83</td>
<td>$102</td>
</tr>
</tbody>
</table>

CEO pay includes the total direct compensation the CEO was awarded for each year (salary, short-term incentive, long-term incentive grant value and his currency allowance in 2016 and 2017).

Value as of December 31, 2017 includes the realized and realizable value of each year’s total direct compensation as of December 31, 2017.

Realized value:
- salary paid
- the actual short-term incentive award
- currency allowances received
- payouts from RSUs and PSUs that have vested (for realized value purposes, we have included the actual amount paid for the 2015 RSUs and PSUs that vested and were paid in January 2018. These had a three-year performance period ending on December 31, 2017)
- the value received from exercising options (Lou has not exercised any options).

Realizable value:
- the current value of PSUs, RSUs and DSUs still outstanding (using the December 31, 2017 30-day fair market value of $69.59, and a performance factor of 100% for the PSUs)
- the in-the-money value of options still outstanding (using the December 29, 2017 closing price of $70.44).

Change in value of $100 compares what he’s earned to what our shareholders have earned over each measurement period, assuming dividends are reinvested. Amounts are indexed to $100 for comparison.
John McKenzie
Chief Financial Officer

John is responsible for the financial management of the company, including financial planning and reporting, tax and treasury, corporate strategy and development and investor relations, as well as for the administrative oversight of TMX Group’s equities, fixed income and derivatives clearing businesses (CDS and CDCC). His role was expanded to include the clearing businesses on August 9, 2017.

In 2017, through the deployment of a new enterprise financial reporting platform, John and his team were able to increase the speed of the delivery of timely, consistent and reliable financial and management reporting to the enterprise, including making progress on financial and strategic objectives. Following TMX Group’s strategic realignment last year, John continues to be responsible for ensuring we remain focused on enterprise-wide cost management and efficiencies.

John successfully led the debt offering in November, which resulted in significant over subscription while maintaining our “A High” debt rating. He also played a key role in investor roadshows designed to build interest in TMX Group share ownership.

John and his team supported significant and complex corporate development activities in the year, including the sale of our wireless and extranet infrastructure services business known as TMX Atrium and the acquisition of Trayport, plus the sale of our NGX and Shorcan Energy Brokers businesses. Finally, John oversaw TMX Group’s most significant premises transformation in the past decade. The majority of staff in Toronto and Montreal were moved to or will shortly be moved to brand new, Leed certified buildings with more favourable lease rates.

### Total direct compensation

<table>
<thead>
<tr>
<th></th>
<th>2016 actual</th>
<th>2017 target</th>
<th>2017 actual</th>
<th>2018 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$300,865</td>
<td>$341,827</td>
<td>$341,827</td>
<td>$360,000</td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>$171,650</td>
<td>$254,800</td>
<td>$254,800</td>
<td>$288,000</td>
</tr>
<tr>
<td>Long-term incentive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PSUs</td>
<td>$52,800</td>
<td>$103,455</td>
<td>$103,455</td>
<td>$130,680</td>
</tr>
<tr>
<td>• RSUs</td>
<td>$52,800</td>
<td>$103,455</td>
<td>$103,455</td>
<td>$130,680</td>
</tr>
<tr>
<td>• Options</td>
<td>$54,400</td>
<td>$106,590</td>
<td>$106,590</td>
<td>$134,640</td>
</tr>
<tr>
<td>• DSUs</td>
<td>$65,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$698,015</td>
<td>$910,127</td>
<td>$910,127</td>
<td>$1,044,000</td>
</tr>
<tr>
<td>At risk</td>
<td>57%</td>
<td>62%</td>
<td>62%</td>
<td>66%</td>
</tr>
</tbody>
</table>

With the expansion of his role on August 9, 2017, John’s salary was increased from $330,000 to $360,000, his short-term incentive target was increased from 70% to 80% of salary, and his long-term incentive target increased from 95% to 110% of salary.

John’s 2017 short-term incentive was paid at 100% of his target award (higher than the company scorecard result), in recognition of his efforts on the Trayport transaction. See page 57 for details.

His 2017 long-term incentive was awarded at target. See page 60 for details.

### 2018 compensation

No changes to his target compensation for 2018. His 2018 long-term incentive was awarded at target and granted on February 22, 2018.
Jean Desgagné  
President and CEO, TMX Global Solutions, Insights and Analytics Strategies

Jean is responsible for implementing and overseeing a cohesive approach to delivering innovative, client-driven data solutions. He was appointed to his current role on August 9, 2017.

Before being appointed to his new role, he was President and CEO, Global Enterprise Solutions (GES), delivering TMX Group’s core operating and information technology services and enterprise risk management. He also had administrative accountability for the oversight of CDS and CDCC.

While he was in his former role, Jean and his team worked with the businesses to build cross-business, reusable and leveraged solutions wherever appropriate rather than building in-silo solutions. He led the selection and contracting processes for the implementation of new modern technology for the clearing business, which is expected to generate significant cost savings. All parts of GES outperformed their expense targets. The company continued to make progress on embedding enterprise risk management into day to day operations. He led the advancement of the company’s digital strategy, and two prototypes were completed that make use of new blockchain technology.

In his current role, he concentrated on redefining the go forward strategy with a focus on analytics capabilities, the development of new platforms for the future and other growth strategies. Jean was extensively involved in the acquisition of Trayport and the business now reports to him.

### Total direct compensation

<table>
<thead>
<tr>
<th></th>
<th>2016 actual</th>
<th>target</th>
<th>2017 actual</th>
<th>target</th>
<th>2018 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$450,000</td>
<td>$450,000</td>
<td>$450,000</td>
<td>$450,000</td>
<td></td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>$407,880</td>
<td>$360,000</td>
<td>$306,720</td>
<td>$610,000</td>
<td></td>
</tr>
<tr>
<td>Long-term incentive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PSUs</td>
<td>$207,900</td>
<td>$200,475</td>
<td>$200,475</td>
<td>$200,475</td>
<td></td>
</tr>
<tr>
<td>• RSUs</td>
<td>$207,900</td>
<td>$200,475</td>
<td>$200,475</td>
<td>$200,475</td>
<td></td>
</tr>
<tr>
<td>• Options</td>
<td>$214,200</td>
<td>$206,550</td>
<td>$206,550</td>
<td>$206,550</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,487,880</td>
<td>$1,417,500</td>
<td>$1,364,220</td>
<td>$1,667,500</td>
<td></td>
</tr>
<tr>
<td>At risk</td>
<td>70%</td>
<td>68%</td>
<td>67%</td>
<td>73%</td>
<td></td>
</tr>
</tbody>
</table>

Jean’s 2017 short-term incentive was paid at 85% of his target award, in line with the company scorecard. See page 57 for details.

His 2017 long-term incentive was awarded at target. See page 60 for details.

### 2018 compensation

No changes to his 2018 salary or long-term incentive target.

New for 2018, his short-term incentive target of $610,000 includes the opportunity for a $250,000 award at target that is based on the achievement of highly targeted objectives related to Trayport’s growth, product innovation and platform strategies.

His 2018 long-term incentive was awarded at target and granted on February 22, 2018.
Nick was responsible for TMX Group’s equity listing and trading activity. He was also responsible for TSX and TSXV listing and issuer services and TSX Trust Company.

Nick joined us in 2015 and in his short time with TMX Group helped bring the client perspective to the forefront and leveraged his extensive network to introduce TMX Group products and services to many new clients.

Nick’s role was eliminated in early 2018 as a result of the organizational changes and he agreed to stay on for six weeks in a special advisory capacity to ensure the smooth transition of strategic matters. He left TMX Group effective February 28, 2018.

### Total direct compensation

<table>
<thead>
<tr>
<th></th>
<th>2016 actual</th>
<th>target</th>
<th>2017 actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salary</strong></td>
<td>$450,000</td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td><strong>Short-term incentive</strong></td>
<td>$407,880</td>
<td>$360,000</td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>Long-term incentive</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PSUs</td>
<td>$201,300</td>
<td>$200,475</td>
<td>$200,475</td>
</tr>
<tr>
<td>• RSUs</td>
<td>$201,300</td>
<td>$200,475</td>
<td>$200,475</td>
</tr>
<tr>
<td>• Options</td>
<td>$207,400</td>
<td>$206,550</td>
<td>$206,550</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,467,880</td>
<td>$1,417,500</td>
<td>$1,257,500</td>
</tr>
<tr>
<td><strong>At risk</strong></td>
<td>69%</td>
<td>68%</td>
<td>64%</td>
</tr>
</tbody>
</table>
Jay Rajarathinam
Chief Information Officer

Jay joined TMX Group from NYSE/Intercontinental Exchange in July 2016 as Chief Information Officer. He was promoted to TMX Group’s senior management team on August 9, 2017 and since then has reported directly to the CEO.

Jay is responsible for the development and execution of the overall technology vision and strategy for TMX Group, focusing on enabling business growth through technology innovation and optimizing operations. In 2017, Jay and his team introduced several technologies that improved day to day productivity, and helped to reduce total cost of ownership while maintaining project timelines and meeting deliverables. He transformed and automated major processes and met all service level agreements under his care, including our critical systems availability.

Jay actively supported the development of the new technology solution for our two clearing businesses. Over 10 major business processes were transformed and/or automated in the year. TMX Group infrastructure was also overhauled and streamlined where possible and several new technologies were deployed.

**Total direct compensation**

<table>
<thead>
<tr>
<th></th>
<th>2016 actual</th>
<th>2017 actual</th>
<th>2016 target</th>
<th>2017 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$148,960</td>
<td>$334,856</td>
<td>$334,856</td>
<td>$415,000</td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>$225,000</td>
<td>$184,500</td>
<td>$157,195</td>
<td>$532,000</td>
</tr>
<tr>
<td>Individual short-term incentive</td>
<td>$250,000</td>
<td>$175,000</td>
<td>$250,000</td>
<td></td>
</tr>
<tr>
<td>Long-term incentive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PSUs</td>
<td>$0</td>
<td>$80,438</td>
<td>$90,750</td>
<td>$150,645</td>
</tr>
<tr>
<td>• RSUs</td>
<td>$1,239,362</td>
<td>$80,438</td>
<td>$90,750</td>
<td>$150,645</td>
</tr>
<tr>
<td>• Options</td>
<td>$0</td>
<td>$82,875</td>
<td>$93,500</td>
<td>$155,210</td>
</tr>
<tr>
<td>Total</td>
<td>$1,863,322</td>
<td>$938,106</td>
<td>$1,017,051</td>
<td>$1,403,500</td>
</tr>
</tbody>
</table>

At risk 92% 64% 67% 70%

With Jay’s promotion on August 9, 2017, his salary increased from $325,000 to $350,000.

Jay’s 2017 short-term incentive includes:
- a $157,195 short-term incentive, paid at 85% of his target award in line with the company scorecard
- another $250,000 linked to an individual incentive plan (143% of his $175,000 target) to recognize him for his significant efforts and innovation in developing and implementing new technology solutions enterprise-wide. See page 57 for details.

His 2017 long-term incentive was awarded above target (85% compared to his 75% target). See page 60 for details.

**2018 compensation**

In recognition of his expanded role and the competitive market for international information technology executives, Jay’s 2018 target compensation was increased:
- salary increased from $350,000 to $415,000
- short-term incentive target increased to $532,000 and includes the opportunity for an award of $200,000 at target that is based on the achievement of highly targeted objectives related to the critical role technology will play in supporting TMX Group’s strategy and advising and overseeing the Trayport technology strategy and execution.
- long-term incentive target increased from 75% to 110% of salary.

His 2018 long-term incentive was awarded at target and granted on February 22, 2018.
Share performance and executive pay

The graph below compares our total cumulative shareholder return over the past five years with the cumulative total return of the S&P/TSX Composite Index. It assumes $100 was invested in our common shares and in the index on September 19, 2012 (the date TMX Group shares were listed), and that dividends were reinvested during the period.

The graph also shows total direct compensation paid to the named executives in each year, also indexed to $100 for comparison. This includes:
- salary paid
- short-term incentive paid
- grant value of long-term incentives awarded
- grant value of one-time performance options awarded to Lou Eccleston in 2016
- currency allowance paid to Lou Eccleston for 2016 and 2017.

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

Since we began our strategic review process in 2015, TMX Group’s share price has outperformed the S&P/TSX Composite Index. At the same time, what our executives earn – which includes long-term incentive awards that are directly linked to our share price – is consistent with our performance.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TMX Group (X)</td>
<td>$100</td>
<td>$105</td>
<td>$109</td>
<td>$111</td>
<td>$81</td>
<td>$167</td>
<td>$169</td>
</tr>
<tr>
<td>S&amp;P/TSX Composite Index</td>
<td>$100</td>
<td>$101</td>
<td>$114</td>
<td>$126</td>
<td>$116</td>
<td>$140</td>
<td>$153</td>
</tr>
<tr>
<td>Total direct compensation paid to the named executives</td>
<td>$100</td>
<td>$100</td>
<td>$115</td>
<td>$111</td>
<td>$96</td>
<td>$151</td>
<td>$140</td>
</tr>
</tbody>
</table>

For comparability year over year, we include the active CEOs and CFOs as of December 31 of each year, and the three most highly compensated named executives as of December 31 of each year. For September 19, 2012 total direct compensation, we used December 31, 2012 total direct compensation.
Ways we link pay to performance
Our short-term incentive plan is tied to measures that are directly linked to our financial performance and corporate strategy. For 2017, we established a 100% financial scorecard, including two key financial measures that drive share price: income from operations and revenue growth. See page 57 for details.

A large part of executive compensation is awarded as long-term incentives linked to our share price performance. The value of outstanding long-term incentive awards changes in direct proportion to the change in our total shareholder return. See page 59 for details.

To align their interests with those of our shareholders, the named executives have to own equity in TMX Group. The equity ownership requirement varies by level. To encourage business decisions that are in the long-term interests of TMX Group and its shareholders, both Lou Eccleston and Jean Desgagné are required to maintain their equity ownership for a year after they retire, resign or are terminated without cause. See page 51 for details.

<table>
<thead>
<tr>
<th>Year</th>
<th>Income from operations before acquisition costs and strategic realignment expenses ($ millions)</th>
<th>Total direct compensation of the named executives ($ millions)</th>
<th>Total direct compensation as a percentage of income from operations before acquisition costs and strategic realignment expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$257.7</td>
<td>$7.6</td>
<td>3.0%</td>
</tr>
<tr>
<td>2014</td>
<td>$278.6</td>
<td>$7.4</td>
<td>2.6%</td>
</tr>
<tr>
<td>2015</td>
<td>$267.4</td>
<td>$6.4</td>
<td>2.4%</td>
</tr>
<tr>
<td>2016</td>
<td>$300.1</td>
<td>$10.0</td>
<td>3.3%</td>
</tr>
<tr>
<td>2017</td>
<td>$312.6</td>
<td>$9.3</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Income from operations before acquisition costs and strategic realignment expenses is an additional IFRS measure – please see page 74. The 2016 and 2017 numbers exclude revenue and operating expenses related to NGX and Shorcan Energy Brokers, which we sold on December 14, 2017 and classified as discontinued operations. You can read more about discontinued operations in note 4 of our 2017 annual financial statements, which are on our website, www.tmx.com.
Compensation governance

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

<table>
<thead>
<tr>
<th>Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has final approval of our executive compensation philosophy, guidelines and plans, and CEO compensation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Human resources committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oversees compensation for executives, including compensation design, decision-making, risk, policies and program</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compensation design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishes our compensation philosophy</td>
</tr>
<tr>
<td>Recommends the design of our executive compensation programs and any material changes to the plans</td>
</tr>
<tr>
<td>Oversees our employee benefits plans</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compensation decision-making</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reviews and recommends the CEO's compensation to the board</td>
</tr>
<tr>
<td>Reviews and approves compensation for the CEO's direct reports, including the named executives</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compensation risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Makes sure compensation risk is properly identified, measured and managed within our risk tolerance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finance &amp; audit committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oversees the adequacy and effectiveness of our risk management policies, processes and systems for all principal risks, including risks related to compensation</td>
</tr>
<tr>
<td>Turn to page 23 for more information about the committee and its activities in 2017</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TMX Group human resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manages compensation, benefits, pension and other human resources programs, working with finance to monitor costs, financial performance, potential payouts and risks</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk management committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oversees the implementation of risk management policies and processes</td>
</tr>
</tbody>
</table>

Committee expertise

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

Members are required have a good understanding of issues related to human resources and compensation. Most have experience in financial management and risk, and have worked as a senior executive at a major organization. Every member meets our requirements for independence (see page 28).

The table below lists the directors on the committee and their relevant experience. You can read more about them in their profiles starting on page 12. You’ll also find more information about their skills on page 27.
The committee can retain an independent advisor for advice about executive compensation, including compensation philosophy, governance, decision-making and risk, and for information about compensation trends.

In 2017, the committee retained Willis Towers Watson for the following services:

- advising the committee and management on relevant competitive market trends and executive compensation governance matters, including several executives changes during the year
- reviewing CEO performance objectives, compensation levels and design
- reviewing compensation levels and design for the other named executives
- reviewing the management information circular
- providing ongoing executive compensation consulting support as needed.

The chair of the committee pre-approves any services Willis Towers Watson provides to management and other committees of the board. Willis Towers Watson reviewed director compensation at the request of the governance committee in both 2016 and 2017. The chair of the human resources committee approved Willis Towers Watson’s fees before each review.

Willis Towers Watson also provides insurance broker and placement services to TMX Group management through a team that is separate and distinct from the Willis Towers Watson executive compensation consulting team.

The table to the right shows the fees paid to Willis Towers Watson in the past two years.

The committee evaluates the independence of Willis Towers Watson and the executive compensation consulting team each year. In 2017, the committee concluded that the advisors are independent of TMX Group management, well qualified in human resources and compensation, and effectively represent the interests of shareholders when working with the committee and board. It considered the following in its evaluation:

- Members of the Willis Towers Watson executive compensation consulting team are not responsible for selling other Willis Towers Watson services to TMX Group and receive no incentive or other compensation based on the fees charged to TMX Group for other services provided by Willis Towers Watson or any of its affiliates.
- The Willis Towers Watson executive compensation consulting team is separate and distinct from the team that provides insurance broker and placement services to TMX Group management. Fees for broker and placement services in 2016 were before the merger with the insurance broker and placement services firm.
- The executive compensation consultants do not have a business or personal relationship with any of the committee members or management, and do not own any TMX Group shares other than possibly through mutual funds.
- Willis Towers Watson has strict protocols and processes to mitigate conflicts of interests and all consultants are required to adhere to a code of conduct.
Managing compensation risk

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

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

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

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

**Compensation governance**

**Senior executives have to own equity in TMX Group.**
The equity ownership requirement varies by level.

**Some senior executives have to hold their equity after they leave.**
The CEO and the President and CEO, TMX Global Solutions, Insights and Analytics Strategies have to maintain their equity ownership requirement for a year after leaving the company.

**Executives are not allowed to hedge.**
Executives and directors are not allowed to:
- sell TMX Group securities short, or buy or sell call or put options for TMX Group shares
- buy any financial instrument (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in market value of TMX Group equity securities the executive or director has received as compensation or holds directly or indirectly.

**Compensation can be clawed back.**
If we have to restate our financial statements because of intentional misconduct by the CEO or one of the senior management team, and the restatement would have resulted in lower incentive awards, the executive has to repay incentive compensation received in the two years before the date of the restatement (after February 2014). This includes:
- all or part of his or her short-term incentive awards
- all of his or her vested and unvested long-term incentive awards.

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

**Compensation design**

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

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

**Incentive plans are aligned with shareholder experience.**
The value of all long-term incentives is directly linked to our share price over several time horizons.

**Incentive awards are capped.**
Short-term incentive funding and individual awards have maximum payment caps as part of the design.

**Compensation decision-making**

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

**Regular review of business risks.**
Management regularly monitors performance and potential payouts to manage any inherent risks.

**Scenario testing.**
Scenarios are modeled to understand potential payment outcomes.

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

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

See page 20 for more about how the board oversees risk at TMX Group.

The human resources committee has determined that there are no significant risks arising from our compensation programs that are reasonably likely to have a material adverse effect on TMX Group.
Equity ownership

To align their interests with those of our shareholders, the senior management team, including the named executives, have to own equity in TMX Group. The equity ownership requirement varies by level.

Newly appointed executives have four years to meet their equity ownership requirement. When an executive is promoted to a position that has a higher equity ownership requirement, for example, due to a significant salary increase, more time is allowed to meet the new requirement, but the executive is still expected to meet the original requirement within the original four years. TMX Group shares, RSUs and DSUs all qualify for meeting the requirement.

Named executives who have not yet met their equity ownership requirement can convert some or all of their short-term incentive award into DSUs. See page 64 for more information. Once an executive meets the requirement, he or she does not have to make additional contributions to offset reductions in market value, but is expected to make additional contributions if his or her equity ownership level falls below the requirement because of an increase in salary.

To encourage business decisions that are in the long-term interest of TMX Group and its shareholders, the CEO and the President and CEO TMX Global Solutions, Insights and Analytics Strategies are both required to maintain their equity ownership for a year after they retire, resign or are terminated without cause. The CEO also has to disclose to the public his intention to buy or sell TMX Group shares, or to exercise options, at least two days before each transaction.

The table below shows the equity the named executives held as of March 13, 2018. The table doesn’t include Nick Thadaney because he left the company on February 28, 2018.

We calculated the ownership levels as follows:
- TMX Group shares: we used the closing price of our common shares on TSX on March 13, 2018 ($76.66), or the purchase price (whichever was higher).
- For RSUs and DSUs: we used the weighted average trading price of our common shares on TSX for the five trading days ending on March 13, 2018 ($77.25), or the original DSU grant or conversion value (whichever was higher).

All of the named executives, except Jay Rajarathinam, meet their equity ownership requirement. Jay has another 3.5 years to meet his equity ownership requirement.

<table>
<thead>
<tr>
<th>Name</th>
<th>Required Ownership as a multiple of salary</th>
<th>TMX Group shares</th>
<th>DSUs</th>
<th>RSUs</th>
<th>Total</th>
<th>Ownership at March 13, 2018 as a multiple of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>3x</td>
<td>0</td>
<td>5,812</td>
<td>36,822</td>
<td>38,634</td>
<td>4.0x</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>2x</td>
<td>2,411</td>
<td>6,956</td>
<td>4,580</td>
<td>12,947</td>
<td>3.0x</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>2x</td>
<td>6,071</td>
<td>0</td>
<td>11,782</td>
<td>18,853</td>
<td>3.1x</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>2x</td>
<td>523</td>
<td>0</td>
<td>7,218</td>
<td>7,741</td>
<td>1.4x</td>
</tr>
</tbody>
</table>
Compensation design and decision-making

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

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

1. Designing the program

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

The table below is the compensation program approved for 2017. There were no material changes this year. The program rewards executives over different time horizons: annual compensation, compensation paid over the mid and long-term, and benefits they receive over their full career with TMX Group.

<table>
<thead>
<tr>
<th>Annual compensation</th>
<th>Why we use it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>Fixed annual salary, set based on level of responsibility, capabilities, knowledge, experience and performance in the role</td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>Annual cash bonus that depends on corporate and individual performance compared to pre-approved goals</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Long-term compensation</th>
<th>Why we use it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance share units (PSUs)</td>
<td>PSUs vest 35 months after the grant date based on three-year performance compared to a relevant index. They are paid out in cash based on our share price</td>
</tr>
<tr>
<td>Restricted share units (RSUs)</td>
<td>RSUs vest 35 months after the grant date. They are paid out in cash based on our share price</td>
</tr>
<tr>
<td>Options</td>
<td>Options vest 25% each year beginning on the first anniversary of the grant. We also award performance-based options that have performance vesting conditions specific to each grant</td>
</tr>
<tr>
<td>Deferred share units (DSUs)</td>
<td>Executives can choose to receive their short-term incentive as DSUs instead of cash. We also sometimes use DSUs as a long-term incentive award. DSUs can only be redeemed after the executive leaves the company. They are paid out in cash based on our share price</td>
</tr>
</tbody>
</table>

Read more on page 56

Read more on page 59
### Benefits

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Why we use it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td>Defined benefit or defined contribution plan – type of plan depends on level and length of time with the company</td>
</tr>
<tr>
<td>Benefits</td>
<td>Group benefits plan that all employees participate in, including the named executives. Benefits depend on the local market, but can include:</td>
</tr>
<tr>
<td></td>
<td>- extended health</td>
</tr>
<tr>
<td></td>
<td>- dental</td>
</tr>
<tr>
<td></td>
<td>- financial protection in the event of death, accident or disability</td>
</tr>
<tr>
<td></td>
<td>- health and wellness spending accounts</td>
</tr>
<tr>
<td></td>
<td>- other optional benefits</td>
</tr>
<tr>
<td>Perquisites</td>
<td>Varies by level, but can include:</td>
</tr>
<tr>
<td></td>
<td>- an annual cash allowance</td>
</tr>
<tr>
<td></td>
<td>- paid parking</td>
</tr>
<tr>
<td></td>
<td>- annual medical exam</td>
</tr>
<tr>
<td></td>
<td>- home security services</td>
</tr>
</tbody>
</table>

### Benchmarking

There isn’t a company or group of companies that exactly matches our industry, geography, size and scope, so we don’t define a specific comparator group for benchmarking our compensation.

We do, however, refer to the compensation data from two groups of companies to review compensation:

- the five large Canadian banks
- 10 international stock exchanges.

We believe these groups of companies are appropriate because they:

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

The relevance of the samples is different for each TMX Group role. We use this data as a reference point for comparison only, and do not use it to drive compensation decisions.

### Canadian sample

**Who we use it for**

Senior executives

**What we consider**

We look at roles that have similar responsibilities, but not necessarily the same title or executive level (i.e., TMX Group named executives compared to SEVP, EVP and SVP roles).

**Includes**

- Bank of Montreal
- The Bank of Nova Scotia
- Canadian Imperial Bank of Commerce
- Royal Bank of Canada
- The Toronto-Dominion Bank

**Why it’s appropriate**

It represents the broader financial services industry we operate in, and includes companies we compete with for senior executive talent

**Where we get the data**

2017 Executive Compensation Data Bank, Willis Towers Watson

### International sample

**Who we use it for**

CEO, TMX Group

**Includes**

- ASX Limited
- Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.
- CBOE Holdings, Inc.
- CME Group Inc.
- Deutsche Börse AG
- Hong Kong Exchanges & Clearing Limited
- Intercontinental Exchange Group, Inc.
- London Stock Exchange Group plc
- Nasdaq, Inc.
- Singapore Exchange Ltd

**Why it’s appropriate**

It represents the specific industry we operate in, and includes companies we compete with for senior executive talent

**Where we get the data**

Most recent public disclosure (management information circular or remuneration report)
2018 benchmarking
We compared senior executive compensation to the two market samples above (where relevant), as well as to a general industry sample of organizations from the Willis Towers Watson 2017 Canadian Executive Compensation Survey, to inform adjustments to target compensation for 2018. The organizations in the general industry sample are publicly-traded, are similar in size and scope to TMX Group, and represent a cross-section of industries (but do not include the chemical, metal & mining and oil & gas industries, which often have a different pay structure relative to general industry).

We believe the market for talent for the CIO role extends beyond Canada, so we also compared compensation for that role to a market data sample of publicly-traded, general industry organizations from the Willis Towers Watson 2017 U.S. Executive Compensation Survey. The combination of Canadian and U.S. data gave the CEO and human resources committee a comprehensive view of the market to help determine the appropriate compensation structure for 2018.

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

The table to the right shows the target total direct compensation mix for 2017 for each named executive. The actual mix will depend on our performance – see page 39 for this year’s results.

<table>
<thead>
<tr>
<th>Name</th>
<th>Salary</th>
<th>Short-term incentive</th>
<th>Long-term incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>19%</td>
<td>29%</td>
<td>17%</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>38%</td>
<td>28%</td>
<td>11%</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>32%</td>
<td>25%</td>
<td>14%</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>32%</td>
<td>25%</td>
<td>14%</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>36%</td>
<td>38%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Pay at risk

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

As part of this process, the committee:
• reviews the CEO’s performance objectives for the year and recommends them to the board for approval
• approves the annual performance objectives for his direct reports, based on the CEO’s assessment of their individual performance and compensation
• reviews the measures, targets and weightings for the financial scorecard for the short-term incentive plan, based on scenario modelling and analysis, making sure they align with annual business plan approved by the board
• reviews corporate non-financial measures and business unit performance goals that support the achievement of the short-term incentive plan targets
• approves the target incentive pool for the short-term incentive plan.

The board reviews and approves:
• the CEO’s performance objectives for the year
• the measures, targets and weightings for the annual scorecard for the short-term incentive plan.
4. Reviewing progress
Throughout the year, the committee reviews our progress by:
- monitoring interim results against scorecard targets
- reviewing potential payouts to manage risk
- approving compensation changes related to new appointments
- commissioning and reviewing competitive market research as required.

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

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

The board:
- considers the committee’s evaluation and recommendations
- approves the CEO’s total compensation for the year, with independent advice from the committee’s external compensation advisor. The CEO does not participate in these discussions.
2017 compensation review

This section explains our compensation program in more detail, and the compensation decisions for 2017. You’ll find a consolidated discussion for each named executive starting on page 39.

Salary

The table below shows the salary paid to the named executives in 2016 and 2017.

<table>
<thead>
<tr>
<th>Name</th>
<th>2016</th>
<th>2017</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$750,000</td>
<td>$825,000</td>
<td>+10%</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$330,000</td>
<td>$341,827</td>
<td>+3.6%</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$450,000</td>
<td>$450,000</td>
<td>0%</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$450,000</td>
<td>$450,000</td>
<td>0%</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>$325,000</td>
<td>$344,856</td>
<td>+6.1%</td>
</tr>
</tbody>
</table>

We increased Lou Eccleston’s salary effective January 1, 2017 as part of his compensation package in recognition of the global competitive market for senior executive talent among international stock exchanges, and to maintain his competitive position within the market.

We increased John McKenzie’s salary by 9% to $360,000 on August 9, 2017, when his role expanded. Jay Rajarathinam’s salary went up by 8% to $350,000 on August 9, 2017, when he was promoted to the senior management team as CIO, reporting directly to the CEO. Their 2017 salaries have been pro-rated.

Short-term incentive plan

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

Pool funding is calculated first, using a performance scorecard. Pool funding is based entirely on corporate financial performance. The committee approves the design of the performance scorecard at the beginning of each year, and sets threshold, target and maximum performance goals tied to achieving our financial goals, in line with our corporate strategy. It reviews the interim results every quarter. If performance falls below threshold for any of the approved measures, the funding generated can be zero.

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

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

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

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

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

2017 awards
The table below shows the short-term incentive awards paid to each named executive for 2017, compared to target and 2016. The awards were paid on February 28, 2018.

We describe how we determined the pool funding below. Please turn to page 39 for a review of each executive’s individual performance in 2017.

<table>
<thead>
<tr>
<th>Salary</th>
<th>Incentive target as a percentage of salary</th>
<th>Incentive target</th>
<th>2017 short-term incentive award</th>
<th>compared to target</th>
<th>compared to 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$825,000 x 150% = $1,237,500</td>
<td>$1,051,875</td>
<td>-15%</td>
<td>+24%</td>
<td></td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$341,827 x 70%/80% = $254,800</td>
<td>$254,800</td>
<td>at target</td>
<td>+48%</td>
<td></td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$450,000 x 80% = $360,000</td>
<td>$306,720</td>
<td>-15%</td>
<td>-25%</td>
<td></td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$450,000 x 80% = $360,000</td>
<td>$200,000</td>
<td>-44%</td>
<td>-51%</td>
<td></td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>$344,856 x 55% = $184,500</td>
<td>$157,195</td>
<td>-15%</td>
<td>-30%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$175,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$250,000</td>
<td>+43%</td>
<td>same as 2016</td>
<td></td>
</tr>
</tbody>
</table>

John McKenzie’s target award was increased to 80% of his salary on August 9, 2017, when his role expanded. The amount in the table is pro-rated for the year.

Jay Rajarathinam’s short-term incentive target was 55% of salary. He also received an additional short-term incentive award linked to a personal incentive plan. His 2017 target award for the personal incentive plan was $175,000 (or 50% of salary) and capped at $350,000. The award was paid out based on performance against annual goals linked to cost reductions and innovation in enterprise-wide technology solutions.

2017 pool funding
We set our 2017 performance sights high, challenging ourselves to deliver not just profits, but to achieve solid top line revenue growth as well.

The 2017 scorecard included two key financial measures that drive share price: income from operations and revenue growth. The table below shows the threshold, target and maximum performance goals that were approved at the beginning of the year, our actual results and the calculated score.

Our 2017 results were highlighted by strong performance of some key foundational elements of our core business, including capital formation, as well as by the positive impact of maintaining enterprise-wide cost management discipline. We also made major strides in the advancement of our global growth strategy during the year, most significantly with the acquisition of Trayport, a proven and profitable technology-driven data and analytics business.

Although 2017 was a strong year on many fronts, and most of our businesses performed to expectations, some areas of the company were affected by market dynamics. Performance was below our scorecard targets for both income from operations and revenue growth.

The committee recommended the calculated performance score of 85.2% for pool funding, which the board approved with no adjustments.
Income from operations before acquisition costs and strategic realignment expenses

<table>
<thead>
<tr>
<th>Income from operations before acquisition costs and strategic realignment expenses</th>
<th>Target</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td>50</td>
<td>200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue growth</th>
<th>Target</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td>2.5%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017 results</th>
<th>score</th>
<th>weighting</th>
<th>calculated score</th>
</tr>
</thead>
<tbody>
<tr>
<td>$296.7</td>
<td>85% of target</td>
<td>70%</td>
<td>62.4%</td>
</tr>
<tr>
<td>$401.4</td>
<td>115% of target</td>
<td>70%</td>
<td>85.2%</td>
</tr>
<tr>
<td>$349.0</td>
<td>85% of target</td>
<td>70%</td>
<td>62.4%</td>
</tr>
</tbody>
</table>

Income from operations before acquisition costs and strategic realignment expenses is an additional IFRS measure – please see page 74. The number we used in the short-term incentive scorecard is different from what appears on page 36 and in our 2017 annual financial statements. For scorecard purposes, income from operations before acquisition costs and strategic realignment expenses does not include revenue and expenses from operations from our divested businesses (Atrium and Strike), and includes certain revenue and expenses from NGX and Shorcan Energy Brokers, which we sold on December 14, 2017 and classified as discontinued operations. This increased the scorecard income from operations by $25 million. You can read more about discontinued operations in note 4 of our 2017 annual financial statements, which are on our website, www.tmx.com.
## Long-term incentive plan

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

### About PSUs, RSUs and options

The human resources committee can, with the required regulatory approval or shareholder approval, amend, suspend or terminate the PSU, RSU and option plans at any time, in whole or in part. See page 62 for more information about the share option plan.

<table>
<thead>
<tr>
<th>Performance share units</th>
<th>Restricted share units</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Who participates</strong></td>
<td>Mainly directors or above, but the CEO can also select employees below the level of director to participate</td>
<td>We divide the dollar amount awarded as options by a Black-Scholes value to calculate the number of options awarded (see page 66 for details)</td>
</tr>
<tr>
<td><strong>How we calculate the number of units or options awarded</strong></td>
<td>We divide the dollar amount awarded as PSUs and RSUs by the weighted average trading price of our common shares on TSX for the five trading days immediately before the grant date</td>
<td>We use the Monte Carlo methodology if we have a grant of performance options</td>
</tr>
<tr>
<td><strong>Dividend equivalents</strong></td>
<td>Dividend equivalent units are issued and reinvested over the vesting period</td>
<td>Do not earn dividend equivalents</td>
</tr>
<tr>
<td><strong>Transferability</strong></td>
<td>Can only be transferred or assigned if the employee dies</td>
<td>Time-based options vest 25% each year for four years starting on the first anniversary of the grant date</td>
</tr>
<tr>
<td><strong>Vesting</strong></td>
<td>Vest 35 months after the grant date based on three-year performance. The number of units that vest is calculated by multiplying the units awarded (plus the units earned as dividend equivalents) by a performance multiplier that is determined by our three-year total shareholder return compared to a relevant index (see page 60)</td>
<td>Performance-based options have performance vesting conditions specific to each grant</td>
</tr>
<tr>
<td><strong>Payout</strong></td>
<td>The final payout is in cash. We calculate it by multiplying the units that vest (plus the units earned as dividend equivalents) by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date</td>
<td>Executives can buy TMX Group common shares with their vested options (called exercising the options)</td>
</tr>
<tr>
<td></td>
<td>We calculate it by multiplying the units awarded (plus the units earned as dividend equivalents) by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date</td>
<td>An option’s exercise price is normally the weighted average trading price of our common shares on TSX for the five trading days immediately before the grant date</td>
</tr>
<tr>
<td></td>
<td>The final payout is in cash.</td>
<td>The value of the option is the difference between its exercise price [set at the time of the grant], and the price of a TMX Group share at the time of exercise. Options with an exercise price that is lower than the price of a TMX Group common share have no value (known as underwater or out of the money options)</td>
</tr>
<tr>
<td></td>
<td>Executives can buy TMX Group common shares with their vested options (called exercising the options)</td>
<td>Options that are not exercised expire at the end of 10 years (excluding earlier expiry dates linked to termination)</td>
</tr>
<tr>
<td></td>
<td>An option’s exercise price is normally the weighted average trading price of our common shares on TSX for the five trading days immediately before the grant date</td>
<td>If an option’s expiry date falls within a blackout period or outside a trading window (as defined in the share option plan), the expiry date will normally be extended to 10 business days after the end of the blackout period or into the next trading window</td>
</tr>
</tbody>
</table>

![Long-term incentive target allocation](image-url)
## 2017 awards

The table below shows the long term incentive awards granted to each named executive for 2017. The awards were granted on February 23, 2017. Targets were set based on each executive’s performance and future potential at TMX Group.

Awards for John McKenzie and Jay Rajarathinam were calculated using their salary at the beginning of 2017.

We calculated the number of PSUs and RSUs awarded to each executive by dividing the dollar amount awarded by $72.23 (the weighted average trading price of our common shares on TSX for the five trading days before the grant date, February 23, 2017).

We used a Black-Scholes value of $7.62 to calculate the number of options awarded to each executive – see page 66 for details.

### PSU performance conditions

- **Grant date:** February 23, 2017
- **Vesting date:** January 23, 2020
- **Performance period:** January 1, 2017 to December 31, 2019
- **Payout range:** 0 to 200

### PSU performance measure

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

<table>
<thead>
<tr>
<th>Threshold</th>
<th>Target</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>100</td>
<td>200</td>
</tr>
</tbody>
</table>

- 15 percentage points below the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period
- Match the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period
- 15 percentage points above the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period

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

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

<table>
<thead>
<tr>
<th></th>
<th>Salary (x)</th>
<th>Incentive target as a percentage of salary</th>
<th>Incentive target</th>
<th>2017 long-term incentive award</th>
<th>Form of award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$825,000</td>
<td>275%</td>
<td>$2,268,750</td>
<td>$2,268,750</td>
<td>PSUs 33%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>RSUs 33%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Options 34%</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$330,000</td>
<td>95%</td>
<td>$313,500</td>
<td>$103,455</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$450,000</td>
<td>135%</td>
<td>$407,500</td>
<td>$200,475</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$450,000</td>
<td>135%</td>
<td>$407,500</td>
<td>$200,475</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>$325,000</td>
<td>75%</td>
<td>$243,750</td>
<td>$275,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Calculating the PSU payout
At the end of the performance period, we’ll calculate the cash payout in two steps:
• calculate how many units will vest by multiplying the units awarded (plus the units earned as dividend equivalents) by the performance multiplier
• multiply the number of units that vest by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date.

Payout of PSUs awarded for 2015
Grant date: February 12, 2015
Grant price: $47.12
Vesting date: January 12, 2018
Performance period: January 1, 2015 to December 31, 2017

The table below shows the payout value of the PSUs awarded in 2015 that vested on January 12, 2018. See below for details about how we calculated the payout.

<table>
<thead>
<tr>
<th>Name</th>
<th>2015 grants</th>
<th>Number of PSUs granted</th>
<th>Number of PSUs received as dividend equivalents</th>
<th>PSU performance multiplier see below</th>
<th>Price of TMX Group shares on TSX for the 30 trading days immediately before vesting</th>
<th>Payout</th>
<th>Payout as a percentage of grant value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$495,000</td>
<td>10,505</td>
<td>1,001</td>
<td>150%</td>
<td>$69.95</td>
<td>$1,207,307</td>
<td>244%</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$45,520</td>
<td>966</td>
<td>92</td>
<td>150%</td>
<td>$69.95</td>
<td>$111,019</td>
<td>244%</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$115,500</td>
<td>2,451</td>
<td>234</td>
<td>150%</td>
<td>$69.95</td>
<td>$281,686</td>
<td>244%</td>
</tr>
</tbody>
</table>

Jean Desgagné was also awarded $34,881 in PSUs in 2015 to recognize his promotion to President and CEO, Global Enterprise Solutions. These were awarded on August 14, 2015 at a grant price of $46.63 and will vest on July 14, 2018, so they are not included in the table.

How we calculated the payout
We calculated the payout at the end of the performance period in two steps:
• we calculated how many units would vest by multiplying the units awarded (plus the units earned as dividend equivalents) by the performance multiplier
• we multiplied the number of units that vested by the weighted average trading price of our common shares on TSX for the 30 trading days immediately before the vesting date.

How we calculated the performance multiplier
The performance multiplier was 150%, based on the TMX Group three-year total shareholder return from January 1, 2015 to December 31, 2017 (expressed as a compound annual growth rate over the performance period), compared to the total return of the S&P/TSX Composite Index (compound annual growth rate) during the same period, assuming reinvested dividends.

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

Target 100
Total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period: 6.52%

Maximum 200
15 percentage points or more above the total return of the S&P/TSX Composite Index (compound annual growth rate) for the performance period

This is 7.49 percentage points above the target, which resulted in a performance multiplier of 150%.
Payout of RSUs awarded for 2015
The table below shows the payout value of RSUs awarded to the named executives in 2015. The units for all executives except Nick Thadaney were awarded on February 12, 2015 at a grant price of $47.12 and vested on January 12, 2018.

Nick Thadaney’s RSUs are a special one-time sign-on award that was granted on September 1, 2015 at a grant price of $47.15. The units vested on September 1, 2016 and September 1, 2017.

<table>
<thead>
<tr>
<th>2015 grants</th>
<th>Number of RSUs granted</th>
<th>Number of RSUs received as dividend equivalents</th>
<th>Price of TMX Group shares on TSX for the 30 trading days immediately before vesting</th>
<th>Payout</th>
<th>Payout as a percentage of grant value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$495,000</td>
<td>10,505</td>
<td>1,001</td>
<td>$69.95</td>
<td>$804,871</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$45,520</td>
<td>966</td>
<td>92</td>
<td>$69.95</td>
<td>$74,013</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$115,500</td>
<td>2,451</td>
<td>234</td>
<td>$69.95</td>
<td>$187,790</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$1,200,000</td>
<td>25,451</td>
<td>649</td>
<td>$57.60</td>
<td>$1,503,373</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$450,000</td>
<td>9,544</td>
<td>515</td>
<td>$66.52</td>
<td>$669,101</td>
</tr>
</tbody>
</table>

Jean Desgagné was also awarded $34,881 in RSUs in 2015 to recognize his promotion to President and CEO, Global Enterprise Solutions. These were awarded on August 14, 2015 at a grant price of $46.63 and will vest on July 14, 2018, so they are not included in the table.

Options exercised in 2017
The table below shows the options the named executives exercised in 2017. The gain is the difference between the option’s exercise price and the actual market price of a TMX Group share on TSX at the time of exercise.

<table>
<thead>
<tr>
<th>Grant date</th>
<th>Number of options</th>
<th>Exercise price</th>
<th>Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jean Desgagné</td>
<td>February 26, 2013</td>
<td>20,300</td>
<td>$54.10</td>
</tr>
<tr>
<td>February 12, 2015</td>
<td>12,500</td>
<td>$47.12</td>
<td>$323,531</td>
</tr>
<tr>
<td>February 23, 2016</td>
<td>9,800</td>
<td>$40.14</td>
<td>$292,955</td>
</tr>
</tbody>
</table>

More information about the share option plan
- The human resources committee administers the share option plan on behalf of the board, to comply with TSX requirements and all laws that apply.
- The committee determines the vesting schedule and term of options.
- We do not provide financial assistance for participants to exercise their options.
- See Termination and change of control provisions on page 71 for information about what happens to vested and unvested options when a named executive stops working for TMX Group.

Securities authorized for issue under the plan

<table>
<thead>
<tr>
<th>As of December 31, 2017</th>
<th>Number of securities to be issued upon exercise of outstanding options</th>
<th>Weighted average exercise price of outstanding options</th>
<th>Remaining contractual life</th>
<th>Number of securities remaining available for future issuance under equity compensation plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity compensation plans approved by security holders (TMX Group share option plan)</td>
<td>1,878,926</td>
<td>$54.41</td>
<td>6.9 years</td>
<td>1,238,819</td>
</tr>
</tbody>
</table>
Plan limits
- Maximum number of TMX Group shares that can be issued under the share option plan: 4,329,292 (approximately 8% of total shares outstanding)
  - Maximum number of TMX Group shares issued to any one participant: 5% of total shares outstanding
  - Maximum number of TMX Group shares issued to insiders as a whole within any one year period: 10% of total shares outstanding
  - Maximum number of TMX Group shares issuable to insiders as a whole: 10% of total shares outstanding

2017 activity
- 590,578 options granted
- 85,607 options cancelled
- 362,167 options exercised and shares issued

Plan status

<table>
<thead>
<tr>
<th>as of December 31</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>% of shares outstanding</td>
</tr>
<tr>
<td>Shares issued on exercise of options</td>
<td>849,370</td>
<td>1.5%</td>
</tr>
<tr>
<td>Options granted and outstanding</td>
<td>1,736,122</td>
<td>3.2%</td>
</tr>
<tr>
<td>Options available for future grants</td>
<td>1,743,790</td>
<td>3.2%</td>
</tr>
<tr>
<td>Total</td>
<td>4,329,282</td>
<td>7.9%</td>
</tr>
</tbody>
</table>

Burn rate, overhang and dilution

<table>
<thead>
<tr>
<th>as of December 31</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burn rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total options issued during the year, as a percentage of the weighted average of TMX Group shares outstanding</td>
<td>1.4%</td>
<td>1.2%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Overhang</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding options plus the options available to grant, as a percentage of total TMX Group shares outstanding</td>
<td>7.6%</td>
<td>6.3%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Dilution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding options, as a percentage of total TMX Group shares outstanding</td>
<td>3.6%</td>
<td>3.2%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

Making changes to the plan
The board needs shareholder approval to make any of the following changes to the plan:
- increase the number of TMX Group shares reserved for issuance under the share option plan or to remove or exceed any insider participation limit under the plan
- reduce the exercise price of an option (including cancelling and then reissuing an option at a reduced exercise price to the same participant)
- expand the category of people who qualify to participate in the plan (except as already allowed by the plan)
- extend the term of an option granted beyond its original expiry date (except as already allowed by the plan)
- allow the issuance of deferred or restricted share units or any other provision that results in participants receiving TMX Group shares when no cash consideration is received by TMX Group
- allow options granted under the share option plan to be transferable or assignable (except when a participant dies, which is already allowed by the plan)
The board or the human resources committee can make the following changes without shareholder approval as long as it receives all necessary regulatory reviews or approvals:

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

**TMX Group executive DSU plan**

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

Executives can convert an amount equal to two times annual salary, plus equity ownership requirements for members of the senior management team (turn to page 51 for information about equity ownership requirements).

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

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

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

Summary compensation table

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Salary ($)</th>
<th>Share-based awards ($)</th>
<th>Option-based awards ($)</th>
<th>Non-equity incentive plan compensation ($)</th>
<th>Pension value ($)</th>
<th>All other compensation ($)</th>
<th>Total compensation ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>CEO</td>
<td>2017</td>
<td>825,000</td>
<td>1,497,375</td>
<td>1,051,875</td>
<td>123,750</td>
<td>568,706</td>
<td>4,838,081</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2016</td>
<td>750,000</td>
<td>1,237,500</td>
<td>849,750</td>
<td>112,500</td>
<td>591,151</td>
<td>5,178,401</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>750,000</td>
<td>990,000</td>
<td>676,500</td>
<td>112,500</td>
<td>44,560</td>
<td>3,083,560</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>CFO</td>
<td>2017</td>
<td>341,827</td>
<td>206,910</td>
<td>254,800</td>
<td>529,739</td>
<td>3,619</td>
<td>1,443,485</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2016</td>
<td>300,865</td>
<td>171,100</td>
<td>171,650</td>
<td>323,494</td>
<td>3,792</td>
<td>1,025,301</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>260,801</td>
<td>91,080</td>
<td>110,800</td>
<td>109,197</td>
<td>3,964</td>
<td>622,762</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>President and CEO, TMX</td>
<td>2017</td>
<td>450,000</td>
<td>400,950</td>
<td>306,720</td>
<td>67,500</td>
<td>4,331</td>
<td>1,436,051</td>
</tr>
<tr>
<td>Solutions, Insights and</td>
<td></td>
<td>2016</td>
<td>450,000</td>
<td>415,800</td>
<td>407,880</td>
<td>67,500</td>
<td>4,543</td>
<td>1,559,923</td>
</tr>
<tr>
<td>Analytics Strategies</td>
<td></td>
<td>2015</td>
<td>408,333</td>
<td>300,742</td>
<td>300,000</td>
<td>61,250</td>
<td>4,756</td>
<td>1,230,038</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>President and CEO,</td>
<td>2017</td>
<td>450,000</td>
<td>400,950</td>
<td>200,000</td>
<td>67,500</td>
<td>4,331</td>
<td>1,329,331</td>
</tr>
<tr>
<td>Global Equity Capital</td>
<td></td>
<td>2016</td>
<td>450,000</td>
<td>415,800</td>
<td>407,880</td>
<td>67,500</td>
<td>4,734</td>
<td>1,540,114</td>
</tr>
<tr>
<td>Markets (joined TMX Group</td>
<td></td>
<td>2015</td>
<td>150,000</td>
<td>1,850,000</td>
<td>360,000</td>
<td>22,500</td>
<td>1,191</td>
<td>2,983,691</td>
</tr>
<tr>
<td></td>
<td>September 1, 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>CIO (joined TMX Group</td>
<td>2017</td>
<td>334,856</td>
<td>181,500</td>
<td>407,195</td>
<td>40,072</td>
<td>22,262</td>
<td>1,079,385</td>
</tr>
<tr>
<td></td>
<td>July 18, 2016</td>
<td></td>
<td>148,958</td>
<td>1,239,362</td>
<td>475,000</td>
<td>13,541</td>
<td>176,677</td>
<td>2,053,538</td>
</tr>
</tbody>
</table>

Salary

John McKenzie received a salary increase when he was promoted in 2015, from $250,000 to $275,000. His salary was increased to $330,000 when he was promoted to CFO in 2016, and to $360,000 when his role was expanded in 2017. Salaries in all three years were pro-rated.

Jean Desgagné received a salary increase when he was promoted in 2015, from $385,000 to $425,000. His salary was pro-rated.

Jay Rajarathinam was hired on July 18, 2016 at a salary of $325,000. His salary increased to $350,000 when he was promoted in 2017. Salaries in both years were pro-rated.

Nick Thadaney was hired on September 1, 2015 at a salary of $450,000, and his salary was pro-rated.

Share-based awards

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

John McKenzie’s 2016 amount includes:
- $52,800 in PSUs and $52,800 in RSUs earned while he was in his previous position (granted in February 2016)
- $45,500 in DSUs to recognize his promotion to CFO (granted in July 2016 and vested immediately).

Jean Desgagné’s 2015 amount includes:
- $115,500 in RSUs and $115,500 in PSUs earned while he was in his previous position (granted in February 2015)
- $34,881 in RSUs and $34,881 in PSUs to recognize his promotion during the year (granted in August 2015).

Nick Thadaney’s 2015 amount is a sign-on award of $1,650,000 in RSUs and $200,000 in DSUs. The DSUs vested immediately. The RSUs vested in two tranches on the first two anniversaries of the grant date. The first tranche vested on September 1, 2016 and we paid $1,503,373. The second tranche vested on September 1, 2017 and we paid $669,101.
Jay Rajaratnam’s 2016 amount is a sign-on RSU award to replace forfeited unvested equity at his previous employer. The award vests in five tranches:
- 46% vested on January 31, 2017 (we paid $768,894)
- 8% vested on July 18, 2017 (we paid $133,761)
- 30% vested on January 31, 2018 (we paid $510,483)
- 8% will vest on July 18, 2018
- 8% will vest on January 31, 2019.

**Option-based awards**

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

Lou Eccleston’s 2016 amount includes:
- $637,500 in options (granted in February 2016)
- $1,000,000 in performance options (granted in February 2017 - see page 68 for information about their performance vesting conditions).

Jean Desgagné’s 2015 amount includes:
- $119,000 in options earned while he was in his previous position (granted in February 2015)
- $35,938 in options to recognize his promotion (granted in August 2015).

Nick Thadaney’s 2015 amount is a sign-on award of $600,000 in options (granted in November 2015). Half of these had performance vesting conditions – see page 68 for details.

**Calculating the fair value of options**

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

We use a Monte Carlo simulation for performance options, using the following inputs and assumptions:

<table>
<thead>
<tr>
<th>Year</th>
<th>Grant date</th>
<th>Spot price on the grant date</th>
<th>Expected life (years)</th>
<th>Implied volatility</th>
<th>Constant risk-free discount rate</th>
<th>Expected dividend yield</th>
<th>Forfeiture rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>February 23 (2017)</td>
<td>$72.23</td>
<td>5</td>
<td>18.48%</td>
<td>1.42% - 5 year maturity</td>
<td>2.49%</td>
<td>0</td>
</tr>
<tr>
<td>2015</td>
<td>November 16</td>
<td>$47.68</td>
<td>10</td>
<td>22.61%</td>
<td>1.99% - 10 year maturity</td>
<td>3.4%</td>
<td>0</td>
</tr>
</tbody>
</table>

**Non-equity incentive plan compensation**

Jay Rajaratnam’s 2016 amount includes a $225,000 short-term incentive award and an additional $250,000 linked to his personal incentive plan (assuming a full year, per his employment agreement). His 2017 amount includes a $157,195 short-term incentive award and an additional $250,000 linked to his personal incentive plan award (see page 57 for details).

**Pension value**

The compensatory change for each named executive. See the pension tables starting on page 69.

**All other compensation**

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

Lou Eccleston also received the following:
- 2017: a currency allowance of $560,625 related to his 2017 cash compensation paid in February 2018 (calculated using the 2017 average exchange rate of $1.00 CAD=$0.77 USD), and $6,046 for tax advice.
- 2016: a currency allowance of $534,320 related to his 2016 cash compensation paid in February 2017 (calculated using the 2016 average exchange rate of $1.00 CAD=$0.75 USD), and $54,350 for tax advice.
- 2015: $41,630 for relocation, legal and tax advice.

Jay Rajaratnam also received the following:
- 2016: $175,133 in relocation support, which included temporary accommodation, third party home sale assistance covering real estate fees, property taxes, home maintenance and home equity loss and other related moving costs.
### Incentive plan awards

The table below shows all outstanding long-term incentive awards as of December 31, 2017. It does not include DSUs that executives received because they chose to defer their short-term incentive award. See page 51 for more information and a list of all outstanding DSUs.

#### Option-based awards

The value of unexercised in-the-money options is the difference between the option's exercise price and $70.44 (the closing price of a TMX Group share on TSX on December 29, 2017).

#### Share-based awards

We calculate the market or payout value of share-based awards that have not vested, or have vested but are not paid out or distributed, by multiplying the number of units by $69.59 (the fair market value of a TMX Group share on TSX for the 30 days before December 31, 2017). PSUs assume performance below threshold and a payout of $0. For share-based award where we know what the payment is (for example, awards that vested and were paid in January 2018), we have included actual payments known.

<table>
<thead>
<tr>
<th></th>
<th>Grant date</th>
<th>Number of securities underlying unexercised options</th>
<th>Share option exercise price</th>
<th>Share option expiration date</th>
<th>Value of unexercised in-the-money options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>Nov 17, 2014⁴</td>
<td>135,000</td>
<td>$53.00</td>
<td>Nov 16, 2024</td>
<td>$2,360,200</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2015</td>
<td>107,822</td>
<td>$47.12</td>
<td>Feb 11, 2025</td>
<td>$2,514,609</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2016</td>
<td>116,970</td>
<td>$40.14</td>
<td>Feb 22, 2026</td>
<td>$3,544,191</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2017</td>
<td>101,236</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2017¹</td>
<td>108,814</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td>Feb 14, 2013</td>
<td>6,957</td>
<td>$55.39</td>
<td>Feb 13, 2020</td>
<td>$104,703</td>
</tr>
<tr>
<td></td>
<td>Feb 13, 2014</td>
<td>8,671</td>
<td>$50.15</td>
<td>Feb 12, 2021</td>
<td>$175,935</td>
</tr>
<tr>
<td></td>
<td>Feb 12, 2015</td>
<td>9,920</td>
<td>$47.12</td>
<td>Feb 11, 2025</td>
<td>$233,334</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2016</td>
<td>9,987</td>
<td>$49.14</td>
<td>Feb 22, 2026</td>
<td>$302,606</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2017</td>
<td>13,994</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>Feb 26, 2013</td>
<td>105,645</td>
<td>$54.10</td>
<td>Feb 25, 2020</td>
<td>$1,726,239</td>
</tr>
<tr>
<td></td>
<td>Feb 13, 2014</td>
<td>20,517</td>
<td>$50.15</td>
<td>Feb 12, 2021</td>
<td>$416,290</td>
</tr>
<tr>
<td></td>
<td>Feb 12, 2015</td>
<td>12,659</td>
<td>$47.12</td>
<td>Feb 11, 2025</td>
<td>$295,208</td>
</tr>
<tr>
<td></td>
<td>Aug 14, 2015</td>
<td>7,188</td>
<td>$46.63</td>
<td>Aug 13, 2025</td>
<td>$171,146</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2016</td>
<td>29,508</td>
<td>$40.14</td>
<td>Feb 22, 2026</td>
<td>$894,092</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2017</td>
<td>29,077</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>Nov 16, 2015²</td>
<td>82,759</td>
<td>$47.68</td>
<td>Nov 15, 2025</td>
<td>$1,883,595</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2016</td>
<td>38,054</td>
<td>$40.14</td>
<td>Feb 22, 2026</td>
<td>$1,153,036</td>
</tr>
<tr>
<td></td>
<td>Feb 23, 2017</td>
<td>27,097</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
<tr>
<td>Jay Rajarathnam</td>
<td>Feb 23, 2017</td>
<td>12,278</td>
<td>$72.23</td>
<td>Feb 22, 2027</td>
<td>$0</td>
</tr>
</tbody>
</table>
1 **Lou Eccleston: performance options**

*Grant date: November 17, 2014*

Performance conditions were met on November 14, 2016 and January 13, 2017

Vested 25% per year starting on the first anniversary of the grant date:

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

*Grant date: February 23, 2017*

Vesting date: February 23, 2020 if the following performance condition is met: the daily volume weighted average trading price has increased by at least 15% above the exercise price and that price has been sustained for at least 30 consecutive trading days.

If the performance condition isn’t met before the options expire, the options are forfeited.

2 **Nick Thadaney: performance options**

*Grant date: November 16, 2015*

Performance condition was met on November 2, 2016

Vesting 25% per year starting on the first anniversary of the grant date:

- half vest based on time
- the other half vest because the following performance condition was met (November 2, 2016): the daily volume weighted average trading price increased by at least 20% above the exercise price and that price was sustained for at least 30 consecutive trading days.

Share-based awards that vested in January, 2018

3 RSUs and PSUs awarded on February 12, 2015 vested on January 12, 2018. To provide complete disclosure, we show the actual amounts paid out instead of using the standard assumptions at December 31, 2017.

4 7,048 of the RSUs awarded on July 18, 2016 vested on January 31, 2018. To provide complete disclosure, we include the actual amount paid out instead of using the standard assumptions at December 31, 2017.

**Incentive plan awards – value vested or earned in 2017**

The table below includes:

- option-based awards – the gain the named executives would have received if they had exercised all options that vested in 2017 on the day the options vested
- share-based awards – the value of the following RSUs and PSUs:
  - Lou Eccleston, John McKenzie and Jean Desgagné: RSUs and PSUs that were awarded on February 12, 2015 and vested on January 12, 2018 (performance period ended December 31, 2017)
  - Nick Thadaney: the second tranche of a special one-time sign-on RSU award that was granted on September 1, 2015 and vested on September 1, 2017. The first tranche vested in 2016 at a value of $1,503,373.
  - Jay Rajarathinam: the first two tranches of sign-on RSUs that were awarded on July 18, 2016 and vested on January 31, 2017, and July 18, 2017.
- non-equity awards – the short-term incentive award for 2017, paid on February 28, 2018. Jay Rajarathinam’s amount includes a $157,195 short-term incentive award and an additional $250,000 linked to his personal incentive plan (see page 57 for details).

<table>
<thead>
<tr>
<th></th>
<th>Long-term incentive plan (see page 59)</th>
<th>Short-term incentive plan (see page 56)</th>
<th>Non-equity incentive plan compensation — value earned during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Option-based-awards — value vested during the year</td>
<td>Share-based-awards — value vested during the year</td>
<td></td>
</tr>
<tr>
<td>Lou Eccleston</td>
<td>$2,149,016</td>
<td>$2,012,178</td>
<td>$1,051,875</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>$193,488</td>
<td>$185,032</td>
<td>$254,800</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$620,542</td>
<td>$469,476</td>
<td>$306,720</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$766,817</td>
<td>$669,101</td>
<td>$200,000</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>$0</td>
<td>$902,655</td>
<td>$407,195</td>
</tr>
</tbody>
</table>
Retirement benefits

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

Defined benefit

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

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

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

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

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

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

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

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

Defined benefit obligation

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of years credited service</th>
<th>Annual benefits payable at year end</th>
<th>Annual benefits payable at age 65</th>
<th>Opening present value of defined benefit obligation January 1, 2017</th>
<th>Compensatory change</th>
<th>Non-compensatory change</th>
<th>Closing present value of defined benefit obligation December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>John McKenzie</td>
<td>17.3</td>
<td>$150,010</td>
<td>$318,772</td>
<td>$2,081,318</td>
<td>$529,739</td>
<td>$307,744</td>
<td>$2,918,801</td>
</tr>
</tbody>
</table>

Opening present value is the value of the projected pension earned for service up to December 31, 2016, calculated using the actuarial methods and assumptions disclosed in note 25 of our 2017 annual financial statements.

Compensatory change is the value of the projected pension earned for service in 2017, calculated using the actuarial methods and assumptions disclosed in note 25 of our 2017 annual financial statements, plus gains or losses related to changes in compensation levels or actuarial assumptions.

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

Closing present value is the projected pension earned for service up to December 31, 2017, calculated using the actuarial methods and assumptions disclosed in our 2017 financial statements. It represents the actuarial present value of our total obligation to the executive at December 31, 2017.
**Defined contribution**
- non-contributory defined contribution component of the TMX Group registered pension plan
- records kept by Sun Life
- named executives who participate: Lou Eccleston, Jean Desgagné, Nick Thadaney and Jay Rajarathinam

We contribute 15% of each named executive’s salary to the plan every year.

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

The table below shows the amounts accumulated in the defined contribution component of the TMX Group registered pension plan and the non-registered savings plan, at the start and the end of the year. The compensatory change is the amount TMX Group contributed for each executive in 2017.

<table>
<thead>
<tr>
<th></th>
<th>Accumulated value at start of year (January 1, 2017)</th>
<th>Compensatory change</th>
<th>Accumulated value at year end (December 31, 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lou Eccleston</td>
<td>$265,138</td>
<td>$123,750</td>
<td>$422,644</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>$233,961</td>
<td>$67,500</td>
<td>$323,594</td>
</tr>
<tr>
<td>Nick Thadaney</td>
<td>$94,156</td>
<td>$67,500</td>
<td>$174,631</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>$13,686</td>
<td>$40,072</td>
<td>$57,503</td>
</tr>
</tbody>
</table>
# Termination and change of control provisions

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

<table>
<thead>
<tr>
<th>What the executive is entitled to</th>
<th>If he or she:</th>
<th>If his or her employment is terminated:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>resigns voluntarily</td>
<td>retires(^1)</td>
</tr>
<tr>
<td>Salary</td>
<td>Stays on the date of resignation</td>
<td>Stays on the date of retirement</td>
</tr>
<tr>
<td>Short-term incentive</td>
<td>Forfeited</td>
<td>Pro-rated based on time worked during the fiscal year</td>
</tr>
<tr>
<td>Performance share units</td>
<td>Forfeited</td>
<td>Continue to vest according to the vesting schedule</td>
</tr>
<tr>
<td>Restricted share units</td>
<td>Forfeited</td>
<td>Continue to vest according to the vesting schedule</td>
</tr>
<tr>
<td>Share options</td>
<td>Unvested options are forfeited</td>
<td>Unvested options vest according to the original schedule</td>
</tr>
</tbody>
</table>
|                                   | Vested options must be exercised within 30 days of the date of resignation | Vested options must be exercised within 36 months of the retirement date or 90 days from the day the last option vests (whichever is later) | Options granted before September 18, 2015:  
  • Unvested options are forfeited on the date of retirement  
  • Vested options must be exercised within 12 months of the date of death | Vested options must be exercised within 90 days of the date of termination | Vested options must be exercised within 12 months of the date of death |
| Deferred share units               | Canadian employees must file a notice of redemption by December 15 of the year after the year of resignation or retirement | We redeem all DSUs owned by U.S. employees on the date of resignation or retirement | We redeem all DSUs within 90 days of the date of death (for Canadian employees) or 30 days (for U.S. employees) | Canadian employees must file a notice of redemption by December 15 of the year after the year employment is terminated | We redeem all DSUs owned by U.S. employees on the termination date |
| Benefits and perquisites           | Benefits and perquisites end on the date of termination | Retirement benefits continue if applicable. All other benefits and perquisites end on the retirement date | Dependent survivors retain their benefits coverage for two years. Perquisites end on the date of death | Benefits and perquisites continue for the executive’s severance period (see below) | Benefits and perquisites end on the date of termination |

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

We have employment agreements with Lou Eccleston, Jean Desgagné, Nick Thadaney and Jay Rajarathinam. These cover:
- key compensation terms:
  - an annual salary
  - short-term and long-term incentives
  - sign on awards
  - participation in our pension plan [see page 69]
  - other benefits and perquisites
- obligations to own TMX Group equity [see page 51] and post employment ownership requirements
- 12 month non-competition and non-solicitation requirements [also applies to John Mackenzie]
- what they are entitled to if their employment is terminated without cause [see below].

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

### Termination without cause

<table>
<thead>
<tr>
<th>Lou Eccleston</th>
<th>Severance period</th>
<th>Entitlements</th>
</tr>
</thead>
</table>
|               | two years        | Severance: salary and short-term incentive at target for the severance period  
|               |                  | Pension: ends on the date of termination  
|               |                  | Benefits: continue for the severance period  
|               |                  | Short-term incentive: pro-rated to the date of termination with a performance factor of 100%  
|               |                  | Long-term incentive: unvested PSUs, RSUs and options continue to vest for 12 months after the last day of active employment  
|               |                  | Also qualifies for relocation support |

| Jean Desgagné | two years        | Severance: salary and short-term incentive at target for the severance period  
|               |                  | Pension and benefits: continue for the severance period  
|               |                  | Short-term incentive: pro-rated to the date of termination with a performance factor of 100%  
|               |                  | Long-term incentive: unvested PSUs, RSUs and options continue to vest for 12 months after the last day of active employment  
|               |                  | If he secures equivalent alternate full-time employment after a termination without cause:
|               |                  | • severance payments, pension and benefits stop on the effective date of the acceptance of new employment  
|               |                  | • he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period. |

| Nick Thadaney | 18 months        | Severance: salary and short-term incentive at target for the severance period  
|               |                  | Pension and benefits: continue for the severance period  
|               |                  | Short-term incentive: pro-rated to the date of termination with a performance factor of 100%  
|               |                  | Long-term incentive: unvested PSUs, RSUs and options continue to vest for 12 months after the last day of active employment  
|               |                  | If he secures equivalent alternate full-time employment after a termination without cause:
|               |                  | • severance payments, pension and benefits stop on the effective date of the acceptance of new employment  
|               |                  | • he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period. |

| Jay Rajarathinam | Depends on the timing of termination:  
|                 | • within first two years, severance period is one year  
|                 | • between 24 and 60 months, severance period is 14 months  
|                 | • between 60 and 96 months, severance period is 18 months  
|                 | • after 96 months, severance period is calculated on a sliding scale to a maximum of 24 months after reaching 18 years of service | Severance: salary and short-term incentive at target for the severance period  
|                 |                        | Pension and benefits: continue for the severance period  
|                 |                        | Short-term incentive: pro-rated to the date of termination with a performance factor of 100%  
|                 |                        | Long-term incentive: sign-on RSUs vest immediately  
|                 |                        | Also qualifies for relocation support  
|                 |                        | If he secures equivalent alternate full-time employment after a termination without cause:
|                 |                        | • severance payments, pension and benefits stop on the effective date of the acceptance of new employment  
|                 |                        | • he receives a lump sum equivalent to fifty percent of the total severance payments that would have been made during the rest of the severance period. |
What we would pay the named executives if they stopped working with TMX Group on December 31, 2017

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

We calculated the value of PSUs, RSUs, DSUs and options using $69.59, the weighted average trading price of a common share for the 30 trading days immediately preceding December 31, 2017 [or the actual amounts of awards we paid in January 2018].

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

<table>
<thead>
<tr>
<th>What the executive would have received</th>
<th>If he or she had</th>
<th>If his or her employment had been terminated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>resigned voluntarily</td>
<td>retired(^1)</td>
</tr>
<tr>
<td>Lou Eccleston</td>
<td>Cash</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>PSUs, RSUs, DSUs and options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Pension</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$0</td>
</tr>
<tr>
<td>John McKenzie</td>
<td>Cash</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>PSUs, RSUs, DSUs and options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Pension</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$0</td>
</tr>
<tr>
<td>Jean Desgagné</td>
<td>Cash</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>PSUs, RSUs, DSUs and options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Pension</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$0</td>
</tr>
<tr>
<td>Nick Thadaney(^3)</td>
<td>Cash</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>PSUs, RSUs, DSUs and options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Pension</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$0</td>
</tr>
<tr>
<td>Jay Rajarathinam</td>
<td>Cash</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>PSUs, RSUs, DSUs and options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Pension</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$0</td>
</tr>
</tbody>
</table>

1 Only Lou Eccleston has met the age threshold and would be eligible for retiree treatment under our long-term incentive plans.
2 Standard vesting acceleration treatment under long-term incentive plans if an employee dies.
3 Assumes only termination without cause because his position was eliminated in early 2018.
Other information

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

• The indemnification agreements indemnify them from and against liability and costs if there is an action or suit against them related to the carrying out of their duties, with certain limitations.
• Our liability insurance policy includes $60 million for any loss (including defence costs), subject to a deductible of $500,000 for each loss. We paid a premium of $194,200 in 2017. The policy is renewable on May 1, 2018.

Loans to directors and officers
We had no loans outstanding to any directors or officers at any time in 2017, or on December 31, 2017.

Additional IFRS measures
Income from operations before acquisition costs and strategic realignment expenses, and income from operations are important indicators of our ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debts and fund future capital expenditures. While these measures provide additional useful information to investors and analysts, they should not be considered in isolation.

TMX Group Limited (the “Corporation”) Board Charter
1. General
The primary responsibility of the Board of Directors of the Corporation (the “Board”) is to provide governance and stewardship to the Corporation.

All terms used herein and not otherwise defined shall have the meaning given in the Ontario Securities Commission’s amended and restated recognition order recognizing each of the Corporation, TMX Group Inc., TSX Inc., Alpha Trading Systems Limited Partnership and Alpha Exchange Inc. as an exchange dated April 24, 2015, as amended from time to time and Decision of the Autorité des marchés financiers recognizing each of the Corporation, TMX Group Inc. and Bourse de Montréal Inc. as an exchange, and the Bourse de Montréal Inc. as a self-regulatory organization, dated May 2, 2012 as amended from time to time.

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

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

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

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

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

5. Financial Reporting and Management
The Board will:
• Approve the Corporation’s financial statements, and all related management’s discussion and analysis and press releases, and review and oversee the Corporation’s compliance with applicable audit, accounting and financial reporting requirements.
• Approve annual operating and capital budgets.
• Confirm the integrity of the Corporation’s system of internal controls, which include internal control over financial reporting and disclosure controls and procedures [as such terms are defined in National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings].
• Review and assess the adequacy of the Finance and Audit Committee Charter on an annual basis.

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

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

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

9. Codes of Conduct

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

10. The Chair of the Board

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

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

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

11. The Chief Executive Officer

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

The CEO will:

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

How to vote at our 2018 annual and special meeting

Thursday, May 10, 2018
10:00 a.m. (Eastern time)

Design Exchange
234 Bay Street
Toronto, Ontario, Canada

The meeting won’t go ahead unless at least two shareholders attend in person or by proxy.

Who can vote

You can vote your TMX Group common shares if you owned them at the close of business on March 13, 2018. There are some restrictions – see the note on the next page.

How many votes you have

You have one vote for every share you held on March 13, 2018.

To vote common shares you acquired after March 13, 2018, ask our transfer agent to add your name to the voter list at least ten days before the meeting. You’ll need to provide an endorsed share certificate or some other proof that you own the shares.

On March 13, 2018, there were 55,506,188 shares outstanding and eligible to vote.

What you’re voting on

We need a simple majority of votes cast for each item to be approved.

The board recommends you vote FOR these items

- appointing our auditor
- electing our directors
- voting on our approach to executive compensation

Where to read about it

<table>
<thead>
<tr>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>appointing our auditor</td>
<td>6</td>
</tr>
<tr>
<td>electing our directors</td>
<td>7</td>
</tr>
<tr>
<td>voting on our approach to</td>
<td>7</td>
</tr>
<tr>
<td>executive compensation</td>
<td></td>
</tr>
</tbody>
</table>
**Voting restrictions**
No person or company, or combination of people or companies acting together, can beneficially own (directly or indirectly) or exercise control or direction over more than 10% of our common shares (except if approved in advance by the Ontario Securities Commission and Québec’s Autorité des marchés financiers). No person or company can exercise the right to vote more than 10% of the votes attached to our common shares.

As of March 13, 2018, our directors and officers were not aware of any person or company, or combination of people or companies acting together, who beneficially owned (directly or indirectly) or exercised control or direction over more than 10% of our common shares.

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

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

**Questions?**
Contact our transfer agent, TSX Trust Company:
tel  (416) 361-0930 (Toronto area)
tel  1-866-393-4891 (North America)
fax  (416) 595-9593
e-mail  tmxeinvestorservices@tmx.com
How to vote at the meeting
Your name is already registered with TSX Trust Company. Simply come to the meeting and vote.

How to vote at our virtual meeting
1. Log in at https://web.lumiagm.com/ at least 15 minutes before the meeting starts
2. Click on “I have a log in”
3. Enter your 12-digit control number (on your proxy form)
4. Enter the password: tmx
5. Vote!

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

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

1. Appoint someone to be your proxyholder
Charles Winograd, chair of the board, and Lou Eccleston, CEO, will be your proxyholders unless you appoint someone else.

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

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

If you don’t specify how you want your shares to be voted, your proxyholder can vote your shares as he or she sees fit. In this situation, Charles Winograd and Lou Eccleston will vote your shares:
• for each director
• for our auditor
• for our approach to executive compensation.

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

3. Send in your proxy form
Sign and date the form, and mail it to our transfer agent by 10:00 a.m. (Eastern time) on May 8, 2018. You can send it to TMX Trust Company by mail or fax.

How to change your vote
You can change your vote by:
• sending in another properly completed and signed proxy form with a later date
• delivering a letter to the Senior Vice President, Group Head of Legal and Business Affairs, Enterprise Risk Management and Government Relations and Corporate Secretary by 10:00 a.m. (Eastern time) on May 8, 2018 [or, the last business day before the meeting, if it is postponed], stating that you want to revoke your proxy
• any other way allowed by law.
How to vote at the meeting
1. Nominate yourself as proxyholder by writing your name in the space provided on the proxy or voting instruction form. Do not fill out your voting instructions.
2. Sign the form and send it to your intermediary. Your intermediary will appoint you as proxyholder.
3. Come to the meeting and vote.

How to vote at our virtual meeting
1. Nominate yourself as proxyholder by writing your name in the space provided on the proxy or voting instruction form. Do not fill out your voting instructions.
2. Sign the form and send it to your intermediary. Your intermediary will appoint you as proxyholder.
3. Get a control number by contacting TSX Trust Company at TMXEInvestorServices@tmx.com by 10:00 a.m. (Eastern) on May 8, 2018.
4. Log in at https://web.lumiagm.com/ at least 15 minutes before the meeting starts.
5. Click on “I have a log in.”
6. Enter your 12-digit control number.
7. Enter the password: tmx.
8. Vote.

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

How to vote by proxy
1. Complete the proxy or voting instruction form, indicating your voting instructions on each item.
2. Sign the form and send it to your intermediary by 10:00 a.m. (Eastern time) on May 8, 2018, following the instructions on the form. Your intermediary is required to follow your voting instructions.
3. If you change your mind and want to vote at the meeting, contact your intermediary to see if this is possible and what steps you need to take.

How to change your vote
Contact your intermediary for information.

Three ways to vote
1. in person at the meeting
2. at our virtual meeting
3. by proxy, using the proxy or voting instruction form your intermediary sent you.

About your voting materials
Your intermediary sent you this circular and a proxy or voting instruction form unless you told them not to send you voting information. If we sent you these materials directly, your intermediary gave us your name, address and information about your securities holdings in accordance with securities regulatory requirements. By choosing to send these materials to you directly, we have assumed responsibility for delivering them to you and for following your voting instructions.
Please vote at our 2018 annual and special meeting of shareholders

Thursday, May 10, 2018
10:00 a.m. (Eastern time)
Design Exchange
234 Bay Street
Toronto, Ontario, Canada