



## **XTX Markets Limited - Consideration of the interests of key stakeholders**

The board of directors (“the Board”) is committed to ethical business conduct and expects the highest standards of integrity to be followed by the Directors and all employees. The Directors are satisfied that they have acted in accordance with their S.172(1) duty and have taken decisions likely to promote the success of the company for the benefit of its members as a whole, having regard (amongst other matters) to factors (a) to (f) of S.172(1) of the Companies Act. The Chair of the Board reminded the Board, as a standing agenda item, at each Board meeting of their S.172(1) duty and that it should be a consideration for any decisions that they take. Discussed below are some examples of how the Board have had regard to the matters set out in sections 172(1)(a)-(f) when discharging their section 172 duties.

The Board’s primary objective is promoting the success of the Company in the interests of its stakeholders. The Company aims to use its leading technology to help promote more fair and efficient financial markets.

The Board regularly assesses the effectiveness of the Company’s governance arrangements and its long term value creation strategies. In arriving at these decisions the Board has assessed the likely consequences of any decision in the long term, the need to foster the Company’s business relationships with suppliers, and other counterparties, the impact of the broader Company’s operations on the broader community and the desirability of the Company maintaining a reputation for high standards of business conduct.

Examples of specific stakeholder considerations undertaken by the Board during 2020 included, but were not limited to, the critical analysis and assessment of major strategic decisions, for example the handling of the COVID-19 issue, the movement of employees to XTX Markets Technologies Limited and the Company’s Brexit strategy.

### *Shareholders:*

The Board, ensures that shareholder views are understood prior to decision-making. It therefore considers other companies in the wider XTX Markets group (the “Group”) to be important stakeholders and gives consideration to any operational or financial interaction between them. Considering the long-term success of the Group, the board approved paying £174.6m (2019: £83.6m) in interim dividends to the immediate parent in line with the treasury policy of the XTX Group which seeks to optimise the capital base of the Group entities.

Prior to the employees moving across to a related entity, the Board took an active role in some of the key decisions implemented by the senior management of the Company with the focus on the interests of the employees. All the relevant technology equipment was provided to the employees to enable a seamless transition to remote working that was required as a result of the Covid-19 pandemic. Training and development opportunities such as management training were provided throughout the year. In order to improve both physical and mental health and wellbeing of the employees, appropriate resources and access to the relevant professional health experts at no cost to the employees were put in place.

Further, after the success of the first employee engagement survey in 2019, a further comprehensive employee survey was undertaken at the end of 2020 at the direction of the Board and the findings were a consideration in subsequent decisions the Board took.

### *Suppliers*

The Board promotes a policy of paying the suppliers of the Company with no undue delays in order to foster the Company’s business relationships with suppliers. The Company’s standard payment terms are 30 days from the date of the invoice. According to the published payment practices data for 2020, the average time taken to pay a supplier of the Company was 16.5 days (2019:16.5 days).

*Regulators and market standards:*

The Company is directly authorised and regulated by the FCA and fully complies with the relevant rules and guidelines in all respects. The broader Group is encouraged to take an open and co-operative approach to the regulator and positively embraces the FCA's 11 principles of business.

The Brexit impact on the Group was seamlessly managed through the incorporation of a French legal entity, XTX Markets SAS and repositioning the trading book appropriately.

The Company continued to participate in various industry initiatives to improve governance and market conduct behaviour including chairing the Fixed Income, Currencies and Commodities Markets Standards Board (FMSB) Statement of Good Practice for Trading Platforms and participating in various Global Foreign Exchange Committee (GFXC) Working Groups in respect of the Global FX Code; the Company has signed a Statement of Commitment adhering to the FX Global Code and is committed to conducting its foreign exchange market activities in a manner consistent with the principles of the Code.

Decisions were taken also in line with good business standards and when taking decisions, the Board take into account the views of industry codes, regulators, exchanges and counterparts.

*The wider community:*

The Board is also keen to support the wider community in which the Company operates, with a particular desire to support charitable causes in healthcare and the promotion of mathematics education. The Board approved donations of £13.8m to charities during 2020 lead by a £10m donations to NHS Charities Together to provide financial support to local NHS Charities supporting frontline NHS staff and volunteers fighting the adverse impacts of Covid-19 (Coronavirus). The other charities the Company supported included Great Ormond Street children's hospital charity, Kings College Maths school, Dravet syndrome UK charity as well as the Trussell Trust to support food supplies to those in need due to Covid-19.