

Broadridge Creates New AI-Driven Digital Execution Platform to Bring Next-Generation Liquidity to Corporate Bonds

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LTX® Platform executes first trades with broker-dealers and their buy-side customers

NEW YORK, June 17, 2020 /PRNewswire/ -- **Broadridge Financial Solutions, Inc.** (NYSE: BR), a global fintech leader, today announced that its new AI-driven corporate bond trading platform, LTX®, has executed its first trades. Broadridge has partnered with Jim Toffey, founder of Tradeweb Markets, to create LTX, which combines powerful artificial intelligence (AI) with a new digital execution protocol that enables broker-dealers to significantly improve market liquidity, efficiency and execution for their buy-side customers.

Built on Broadridge's US Fixed Income post-trade processing platform, which processes over \$6 trillion in notional volume per day across 40+ dealer clients, LTX uses AI (LTX AISM) to help broker-dealers digitize their franchise to maximize liquidity for asset managers while delivering improved transparency, "BestEx" and minimizing information leakage.

"Over the past three years, Broadridge has been working with a number of dealers and their buy-side customers to develop an AI-enabled digital platform creating liquidity, digitizing workflows, and increasing efficiency in corporate bond trading," said Tim Gokey, Broadridge CEO. "We're excited to announce the creation of LTX based on successful trading activity on the platform over the past several weeks. This is the latest example of Broadridge applying next-generation technologies to create powerful industry solutions for broker-dealers and asset managers."

Toffey, CEO of LiquidX, leads LTX alongside Vijay Mayadas, President, Global Fixed Income and Analytics at Broadridge, supported by a world-class team of fixed income sales and trading professionals, technologists and data scientists.

Improving corporate bond liquidity is a critical need, and the LTX platform is rapidly being embraced by leading broker-dealers and asset managers. LTX works by combining powerful AI to locate and connect natural counterparties with a new digital protocol, RFX®, that enables dealers to efficiently aggregate liquidity across multiple counterparties and create trading opportunities in seconds. These new technologies amplify the critical role dealers play, enabling them to solve a key need for the buy-side.

LTX's RFX protocol allows dealers to unlock more value from their data and customer network by smartly identifying and efficiently aggregating liquidity across multiple buyers bidding for their desired amount, which in turn helps improve BestEx for their customers. In addition, LTX AI and the new LTX Liquidity Cloud® provide a more complete view into pre-trade and post-trade liquidity, further enhancing dealers' ability to aggregate liquidity from natural counterparties and better servicing their customers. These new capabilities enable broker-dealers and asset managers to digitize complex processes for more efficient corporate bond trading. Leveraging these next-gen technologies is part of Broadridge's investment in The ABCDs of Innovation® - AI, Blockchain, Cloud and Digital - helping clients and the industry move markets forward into the future.

The total size of the US corporate debt market has grown to nearly \$10 trillion with only a small fraction traded daily and an even smaller fraction traded electronically. Of bonds that do trade, fewer than 25% trade electronically today. The size, complexity and opacity of the market, along with more stringent regulations, have greatly increased the need for buy-side firms and dealers to access liquidity efficiently. According to a Greenwich Associates report published in January 2019, 82% of corporate bond investors found trades above \$15 million in size "very difficult" to execute. LTX's AI, Liquidity Cloud and RFX will directly address these challenges.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE: BR), a \$4 billion global Fintech leader, is a leading provider of investor communications and technology-driven solutions to banks, broker-dealers, asset and wealth managers and corporate issuers. Broadridge's infrastructure underpins proxy voting services for over 50% of public companies and mutual funds globally, and processes on average more than \$7 trillion in fixed income and equity securities trades per day. Broadridge is part of the S&P 500® Index and employs over 11,000 associates in 18 countries.

For more information about Broadridge, please visit www.ltxtrading.com.

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