



# Corporate Responsibility

Short report 2017/2018

# SIX Corporate Responsibility

**As an infrastructure service provider in the securities business, in payments and in the financial information business, SIX is the backbone of the Swiss financial center.**

**SIX has formulated three strategic sustainability principles that encompass its responsibility as a business and to society.**



 Wherever you see this pictogram you will find additional information and graphics online at [six-group.com/responsibility](https://six-group.com/responsibility)

# Focusing on the Essential

## 1

### 1. SIX contributes to the stability and security of the Swiss financial center

We ensure that our systems function stably and smoothly.

We develop innovative services for the long-term competitiveness of the Swiss financial center.

We protect our data and keep it in a safe place.

We strive for appropriate general conditions that make economic sense.

## 2

### SIX is a fair and responsible employer

We support the personal fulfillment of our employees and foster their potential.

We respect the diversity of our staff. We share a common vision and work together constructively.

We promote the health of our employees.

We adhere to employment rights and human rights.

## 3

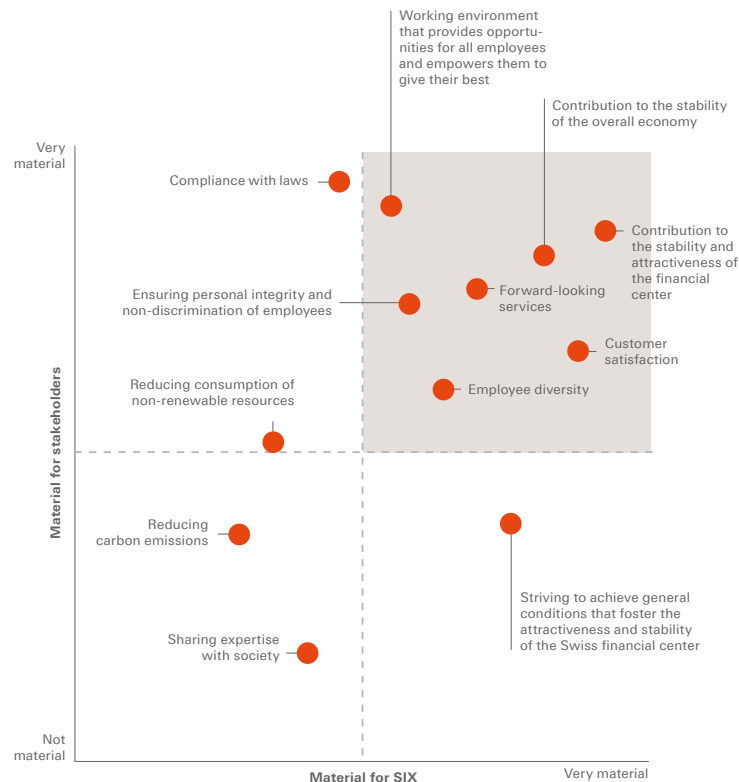
### SIX is committed to the good of society and protecting the environment

We make responsible use of natural resources and play our part in protecting the climate.

We involve ourselves in corporate volunteering projects for the good of the environment and society.

We promote financial knowledge among the interested public.

## Materiality Matrix



In 2015, in dialog with representatives of various stakeholder groups, SIX identified material aspects for the sustainability of the company. The materiality matrix summarizes the results, with the highest priority accorded to the gray-shaded quadrant.

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# 1



2017

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## Stability and Security of the Swiss Financial Center

SIX provides its customers with services in the securities business, in payment transactions and in the financial information business. It sets international standards with its stable and secure infrastructure. To ensure that this remains the case in the future, SIX works constantly to optimize its systems and services.

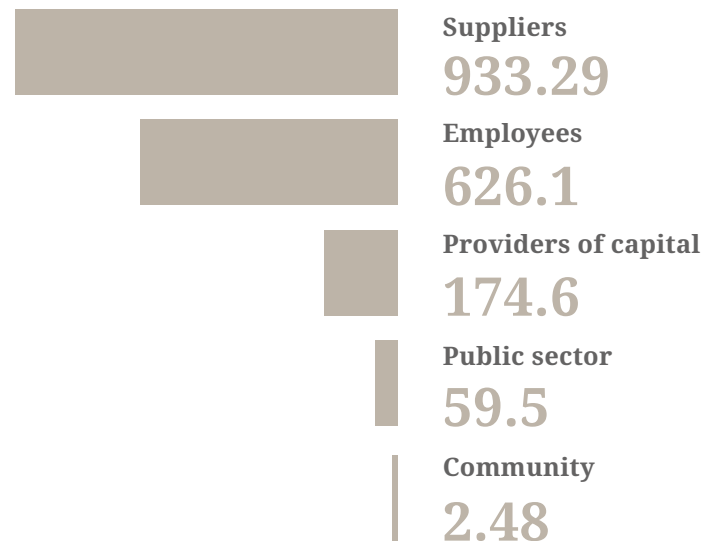
# Directly Generated and Distributed Value

The value generated directly by SIX includes the operating income, the financial result, the interest income and the share in profit of associates. It benefits all the company's stakeholder groups: suppliers, employees, providers of capital, the public sector and the community.

**Direct value generated in 2017**  
**CHF million**


**1,971.40**

**Value distributed CHF million**

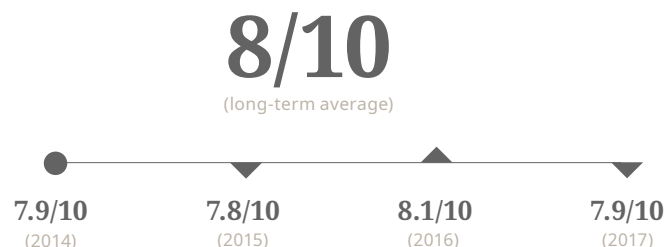


**Value retained in 2017**  
**CHF million**

**175.43**

Basis for data: figures and consolidated entries pursuant to the consolidated accounts in the Financial Statements 2017 and internal information. 

# Customer Satisfaction: Stable, at a High Level



In 2017, customer satisfaction fell by 0.2 points to 7.9 points compared with 2016. However, over the last four years customer satisfaction has remained almost constant at a high level of around eight points. That is a very good score in the financial sector.

Source: telephone survey of 400 (2014) to 880 (2017) customers in Europe, Asia and the United States. Customers in all business areas of SIX were surveyed by GfK Switzerland.

# Time-limited Recognition of Equivalence by the EU



At the end of December 2017, the European Commission recognized the equivalence of the Swiss legal and supervisory framework for trading venues with that of the EU, for a period of one year. For this period the Swiss stock exchange was granted the status of "equivalent third-country trading venue". According to the decision it meets all the requirements of the EU MiFID II directive. This means that in 2018 the Swiss market remains open to access for European securities traders. Switzerland is seeking to obtain indefinite recognition of the equivalence of its legal regime. SIX is working closely with the regulators.

# Innovation

SIX fosters the development of innovations within the company. In 2017, employees entered a total of 108 innovative project proposals on the internal online platform “Innohub”. The most promising projects include, for example, “Deal Pool”, a web-based tool that automates the issuing of bonds, and “Tax Cube”, a data feed that enables portfolio managers to take account of tax aspects when making investment decisions. ☞

## **SIX promotes fintech in Switzerland and has set up a venture fund to the value of CHF 50 million for this purpose.**

In November 2017, within the context of its strategic realignment, SIX decided to establish an innovation unit with Group-wide responsibility – the Innovation & Digital business unit. In addition, SIX has launched a venture fund worth CHF 50 million with a view to fostering innovation in the Swiss financial center and stepping up collaboration with start-ups and fintech firms. The F10 association, an incubator and accelerator set up by SIX, has been providing support since 2015 for the development of start-ups that have the potential to open up new perspectives for the customers of SIX and thus for the Swiss financial center.

CHF M  
25027

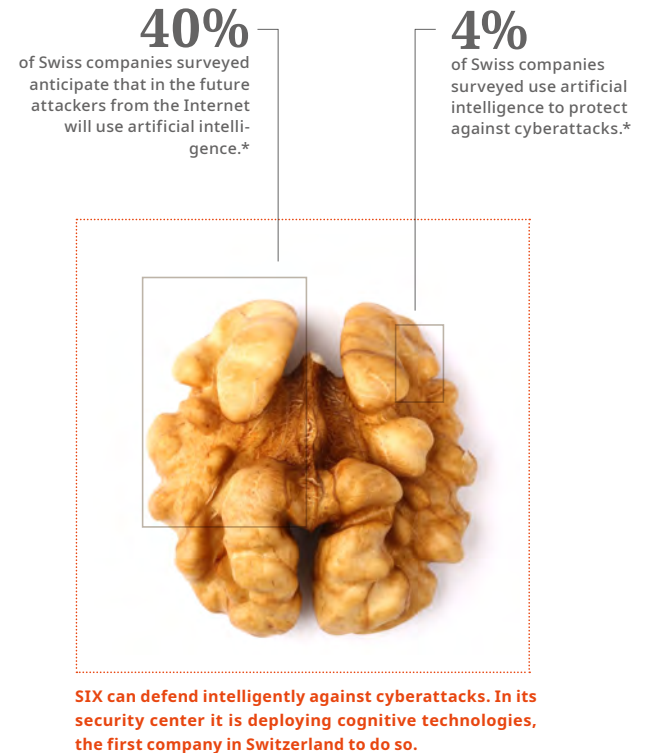
## **By 2027, SIX wants to offer 80% of all bills for private individuals in Switzerland in digital form.**

In 2017, SIX made further progress in driving forward the development of its infrastructure for digital bills. The new eBill service makes electronic payments via e-banking even more direct, swift and transparent. The banks benefit from more efficient processing. Companies can accelerate the process of digitalization in their business and bills are settled more quickly. Consumers enjoy greater convenience and have an overview of their expenditure. Credit Suisse was the first bank to make the move and has been using the new platform since April 2018. ☞

# The Financial Industry is a Favorite Target for Hackers and Cyberattacks

SIX accords utmost importance to protection against cyberattacks, because any disruption of its infrastructure could cause huge damage not only to the company itself but also to the entire financial center and the Swiss economy in a very short time.

New technologies offer opportunities and risks:  
**artificial intelligence**



\*Source KPMG: 60 Swiss companies were surveyed between January and March 2018



# Cybersecurity for the Swiss Financial Center

At the end of 2017, SIX launched Switzerland's first Security Operations Center (SOC) to use cognitive technologies. SIX aims in this way to protect its own systems, while it is also making the SOC available to banks and insurers through the provision of Managed Security Services (MSS). Furthermore, SIX promotes the exchange of information at national and international level: the Cyber Defense Team at SIX plays an active role in security communities, committees and expert groups. The objective is to strengthen the Swiss financial center and to provide it with optimum protection against cyberattacks.

The SOC is the first security center in Switzerland to use cognitive technologies to protect against cyberattacks:



4 m

elements of security information are added each hour to the knowledge base of IBM Watson, the self-learning system that is used in the SOC.



2,800

potential security incidents were analyzed by the Cyber Defense Team in the SOC during the first three months of operation. That equates to around 30 new potential danger situations per day.



10


potential phishing e-mails are dealt with each day by the Security Operations Team at SIX. Colleagues throughout the company forward them to the SOC.



120

threat intelligence-sharing alerts were communicated to third parties by SIX in the first three months of the SOC's operation.

## Using the Latest Findings from Research

Thanks to a partnership with ETH Zurich, SIX benefits from the latest research findings on information security. A working group at the Zurich Information Security and Privacy Center (ZISC), for example, is conducting research on a secure and reliable Internet architecture which prevents hacker attacks and eavesdropping. In the evaluation of new authentication methods, SIX is working with the ETH spin-off Futurae. Another working group at ZISC is concerned with the early identification of refined network attacks. 

## The Protection of Personal Data is a Top Priority

The protection and security of data are a top priority for SIX. In 2017, the forthcoming introduction of the General Data Protection Regulation for the European Union (EU GDPR) required extensive preparatory work: since 25 May 2018 all activities for the processing of personal data have had to be consistently recorded and stored. Employee training was aimed at sensitizing employees for the demands of the new regulation. Every employee at SIX works with personal data only where it is absolutely necessary.



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# 2



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## Responsible Employer

SIX is a responsible employer: it respects and protects the diversity and personal integrity of its employees. SIX creates a working environment that provides opportunities for employees and empowers them to give their best.

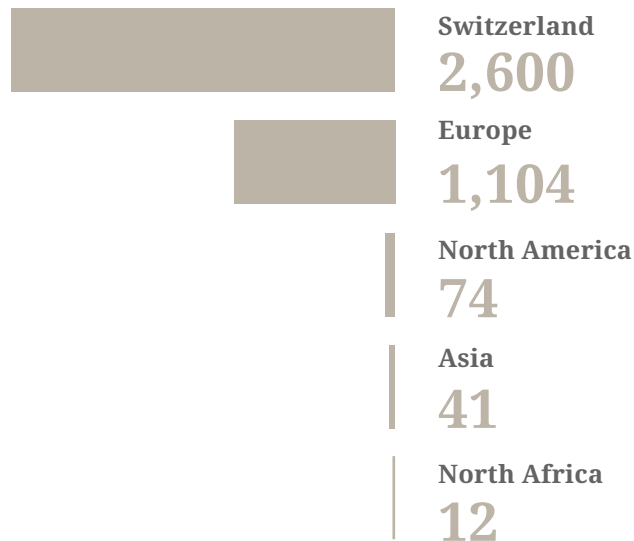
# Working Globally for the Swiss Financial Center

More than 3,800 employees in 31 cities around the world work every day to ensure that the services of SIX are successful, stable and secure. They share a common attitude towards business and life at SIX: the SIX Spirit. It fosters a culture of openness and mutual trust and it encourages all employees to take ownership and drive innovation.

## Employees

3,831

## Number of employees:



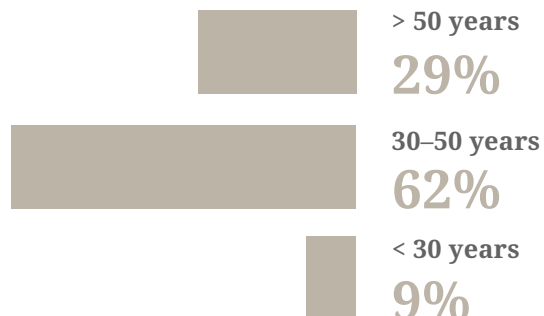
## Locations

31

# Workforce Structure

At the end of 2017, SIX employed a total of 3,831 staff with an average age of 44. In the years to come SIX wishes to increase the share of well-educated young employees, to achieve a more balanced gender ratio and to strengthen further the internationalization of its staff.

## Average age at SIX: 44 years



## Women account for one-third of the workforce at SIX



### PROPORTION OF WOMEN

Staff

**40%**

Executive Board  
and middle management

**18%**

Board of Directors

**20%**

# Occupational Health Management

In 2017, 127 employees made use of the option of a preventive medical examination, 161 underwent dermatological screening and 264 attended the two events in the "Fit for Thoughts" series. A total of 750 employees currently have discounted membership of the fitness club in the SIX building at Hardturmstrasse, Zurich.




# Corporate Volunteering in Three Countries

On the Social Days, employees at SIX get together to work for charitable and environmental causes for a day – in 2017 the scheme was extended to two locations of SIX outside Switzerland for the first time, London and Luxembourg. At these latter locations, SIX supported Age UK Lewisham and Southwark, and the national collection and sorting center for Red Cross Luxembourgeoise and Caritas Luxembourg. In Switzerland, the focus was on the environment with conservation work in the Jurapark Aargau. ☒



# Strategic and Organizational Realignment of SIX

In November 2017, the Board of Directors decided to make strategic and organizational adjustments to take account of an altered business environment and place the company in an optimal position for the future. The realignment is adopting a systematic focus on infrastructure services for shareholders and the financial center in the areas of securities, payment services and financial information. These areas represent the core business of SIX. Furthermore, the newly created “Innovation & Digital” business unit will drive innovation within the company.

The card processing business, which includes merchant acquiring and international card processing (former SIX Payment Services) will be incorporated as part of a strategic partnership with the European leader Worldline. SIX will receive a 27% stake in Worldline. The current management and over 1,300 employees of SIX Payment Services in Switzerland, Luxembourg, Austria, Germany, Poland and other locations in Europe will become part of Worldline’s organization. The transaction is expected to close during the last quarter of 2018. 





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Café  
WEST

SCHWEIZER  
FINANZ  
MUSEUM

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# 3



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2017

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## Society and Protection of the Environ- ment

As a company that operates internationally, SIX believes it has a responsibility towards society as a whole and to the communities in which it is located. By imparting specialist knowledge and through voluntary action SIX makes a significant contribution in this respect. To protect the environment, SIX is reducing its consumption of non-renewable resources and its CO<sub>2</sub> emissions.

# Binding Standards for Suppliers


SIX operates worldwide and obtains goods and services from more than 1,700 suppliers in 24 countries. It takes care to fulfill its responsibility towards society in the places where it does business. It tries to make responsible use of natural resources at all locations.

**Suppliers**

1,700

In 2017, SIX purchased goods and services to the value of CHF 933.29 million from more than 1,700 suppliers in 24 countries. The majority of this was accounted for by services.

## Code for Suppliers

In 2017, SIX introduced a Code for Suppliers, which sets down binding guidelines for suppliers in matters of business ethics and compliance as well as labor standards and environmental protection. All suppliers and the providers they use are bound by the Code for Suppliers and must behave in accordance with its terms. 

**Countries**

24

5

# Positive Net Environmental Effect of Location Consolidation

By moving into Hard Turm Park in mid-2017, SIX reduced its four legacy Zurich locations to two buildings in Zurich-West: the new Hard Turm Park building is situated very close to the building on Hardturmstrasse that continues to be used.

Savings in energy consumption per year from 2018




Waste 2017

+ 165 t

There was a one-off increase in the volume of waste as a result of the 2017 relocation.

# The Relocation to Hard Turm Park Has a Direct Effect on the Environment and Climate

Comprehensive environmental data for 2017 for the Swiss locations including prior-year comparison can be found at [six-group.com/responsibility](https://six-group.com/responsibility) 



## Waste

Before moving to Hard Turm Park SIX cleared up. This meant that the waste figures were significantly higher in 2017 as a one-off. In comparison to the average volumes of waste in recent years, an estimated 140 metric tons of additional general waste and around 25 tons of additional electrical and electronic waste were generated.



## Heating

Hard Turm Park is more energy-efficient than the previous buildings. It is well below the threshold under current thermal insulation rules. The area being used in the new building is also smaller than the total area occupied previously. Hard Turm Park uses only district heating, while the previous buildings were all heated with natural gas. According to calculations by the Energy Agency of the Swiss Private Sector (EnAW) in Zurich, this means that from 2018 SIX is saving natural gas equivalent to 1,635.7 mWh per year. In contrast, SIX will in future consume around 397.6 mWh per year. This means that in net terms SIX will be saving around 300 tons of CO<sub>2</sub> per year from 2018.



## Water

In its former buildings in Zurich SIX consumed around 16,700 m<sup>3</sup> of water per year. At Hard Turm Park a maximum of only 9,000 m<sup>3</sup> is anticipated, according to an extrapolation. This is mainly due to the modern technology of the Hard Turm Park building. Furthermore, with the relocation SIX has reduced the number of data centers that need to be maintained. Thus, from 2018 SIX expects to achieve a reduction in water consumption of at least 7,000 m<sup>3</sup> compared to previous years.



## Electricity

There are savings in lighting, which is now dependent on natural light, controlled by movement sensors in all rooms and consists only of LED lights. In cooling, air conditioning and ventilation, specific electricity consumption is lower for refrigeration. Room ventilation is controlled by presence detectors and interior air quality is measured by CO<sub>2</sub> sensors. The calculation by the EnAW envisaged savings of 612.9 mWh per year from 2018. According to the energy provider EWZ, the electricity used is entirely CO<sub>2</sub>-neutral and from renewable energy sources.

# At the End of June 2017, the Swiss Finance Museum Opened at Hard Turm Park

The museum combines historical exhibitions with modern multimedia installations. The highlights of economic history boasted by the museum include one of the world's largest and most important collections of securities, which enables visitors to trace the development of the modern financial economy from the 16th to the 21st century. Also on display is a simplified version of the training program that prepares stockbrokers for working on the Swiss stock exchange. Visitors obtain a direct insight into the modern reality of the Swiss financial market infrastructure.

## “Urban Honey”



On the roof at Hard Turm Park SIX has set up three beehives, offering a home to the endangered Black Bee. In 2017, SIX auctioned 30 pots of the “Urban Honey” the bees produced to its employees. It donated the proceeds, which came to almost CHF 1,400, to the “Swiss Friends of Mellifera Bees Society”.





Innovation in 48 hours: SIX Hackathon in Zurich



"Corporate beekeeper" Thomas Frei on the roof of Hard Turm Park in Zurich-West



Part of the exhibition of the Swiss Finance Museum



Motivated team: employees participating in the SIX Social Days 2017



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