

A woman with curly hair, wearing a light-colored long-sleeved top and a necklace, stands on the edge of a modern building. The building features a prominent geometric design with a series of parallel lines creating a zigzag pattern. The background is a clear blue sky. The overall composition is dynamic, with strong diagonal lines from the building's architecture.

Paving the Way for Sustainability in the Swiss Financial Center

SIX

Introduction

- The Swiss financial center aims to be a global leader in sustainable finance, supporting the transition to a sustainable and prosperous economy.
- Achieving a sustainable economy requires cross-industry collaboration and unified action to overcome challenges and seize opportunities that drive real impact.



Four Areas of Attention for the Swiss Financial Center



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Advancing Sustainability and Economic Growth Through Collaborative Efforts



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Increasing Transparency and Trust Enables the Redirection of Financial Flows into a Sustainable Economy



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Enhancing Access to Reliable ESG Data and Innovating New Sustainability Solutions



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Maintaining Secure Infrastructure by Mitigating Threats and Complexities

Advancing Sustainability and Economic Growth Through Collaborative Efforts



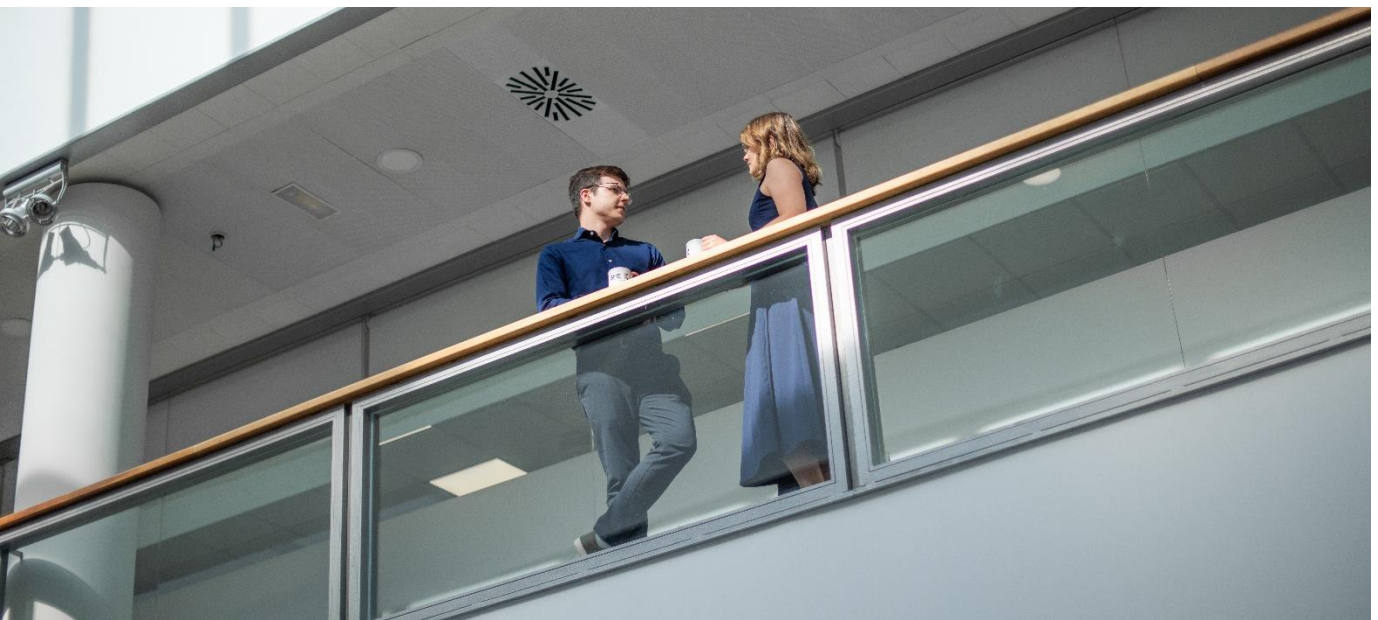
A key challenge is increasing societal acceptance of sustainability while ensuring economic growth and competitiveness. Advancing sustainability and enhancing societal efficiency requires collaborative efforts that extend beyond individual companies. This approach can even encourage companies to move beyond traditional competitive behavior to prioritize collective progress. Embracing collaboration fosters shared knowledge and resources and drives impactful solutions for a sustainable future. Each initiative committed to collaboration adds significant value and contributes to collective advancement.



Increasing Transparency and Trust Enables the Redirection of Financial Flows into a Sustainable Economy



Fostering environmental and social impact for a sustainable and climate-resilient economy requires the identification of investments that truly make a difference. This is a challenge. The financial sector needs more guidance, standardization, and transparency to effectively redirect financial flows. By enhancing clarity around sustainability and climate strategies, stakeholders can better evaluate their credibility and effectiveness, ultimately unlocking opportunities for genuine progress.

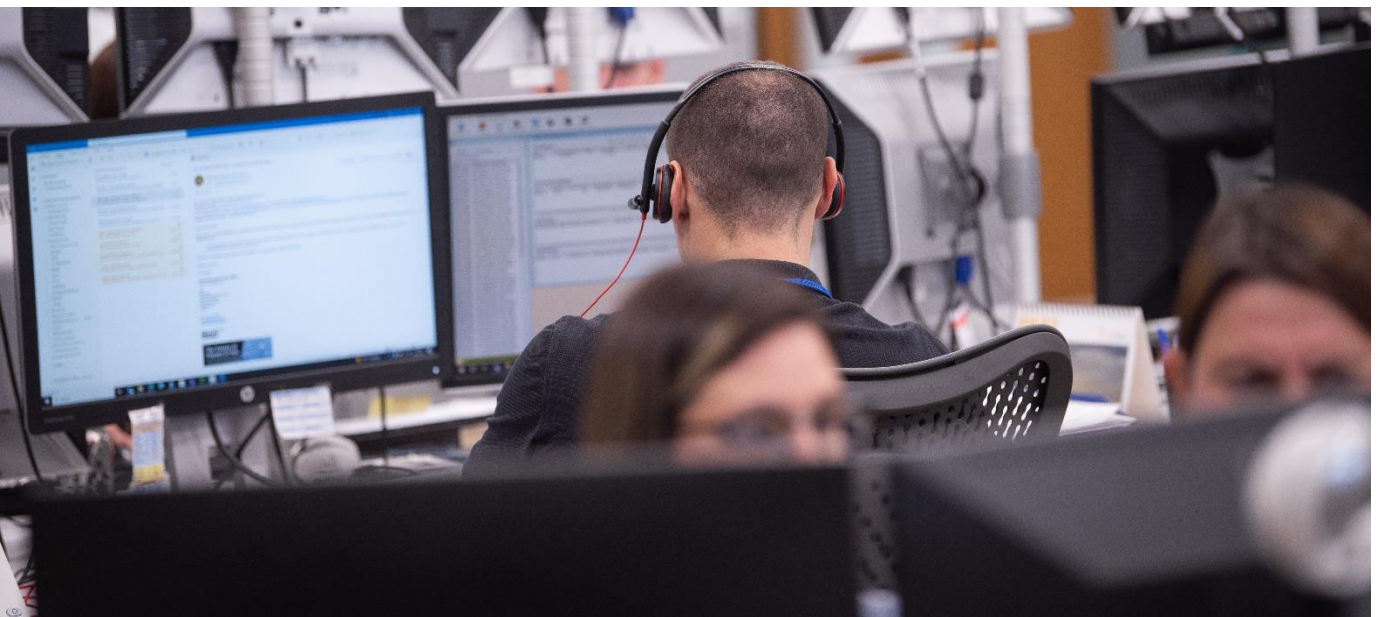


Access to Reliable ESG Data and Solutions Has Become Critical



In today's landscape of increasing regulation and focus on sustainability, Environmental, Social, and Governance (ESG) data and services are essential. Only reliable insights into companies' and investors' sustainability performance and metrics enable informed decision-making and compliance with regulatory requirements.

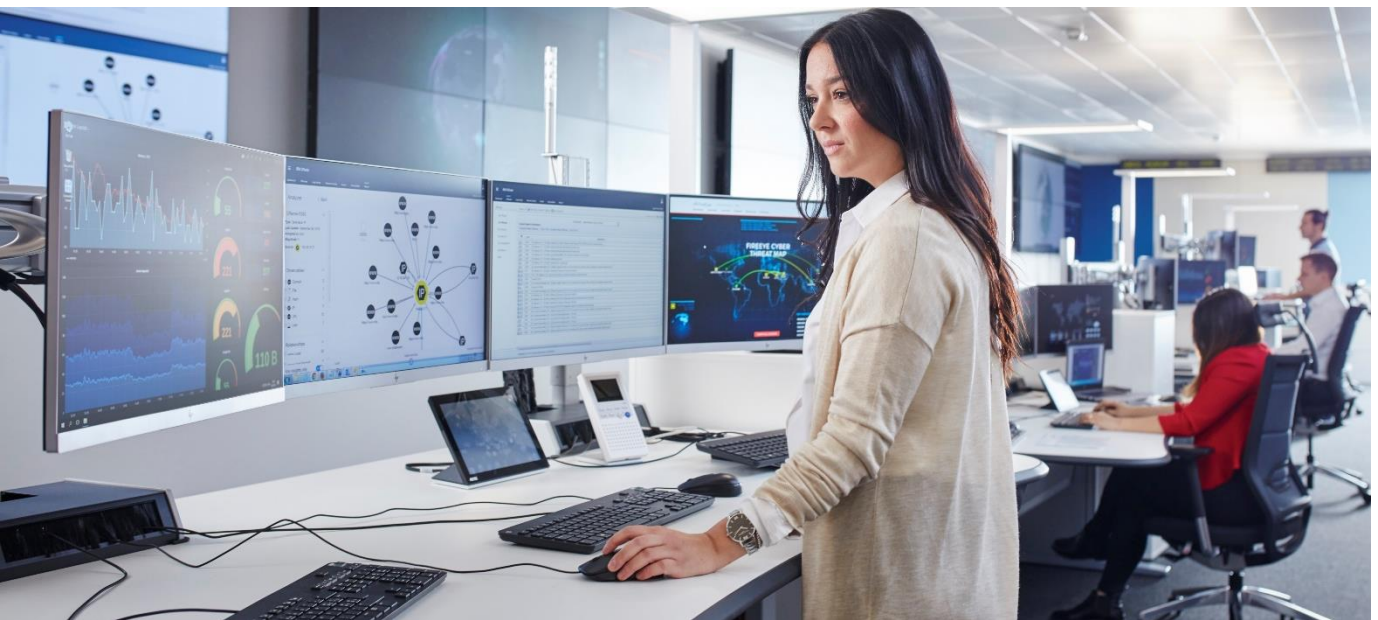
Access to robust ESG frameworks, including digital disclosure and reporting solutions, helps financial participants navigate regulatory complexities, fosters trust among consumers and investors, and drives decision-making.




Maintaining Secure Infrastructure by Mitigating Threats and Complexities



Smooth and stable handling of securities and payments is fundamental to the Swiss economy, as it is for all major financial centers. However, this is challenging due to increasing complexities in global financial markets, heightened cybersecurity risks, and evolving regulatory demands. Any disruptions could lead to severe credit and liquidity issues, potentially jeopardizing the stability of not only the Swiss financial system but also broader international markets. Ensuring resilience in these operations is crucial for maintaining trust and stability in the financial sector.





Our Role as SIX & How SIX Addresses the Four Areas of Attention

Our Role in the Swiss Financial Center



The central role of SIX as an infrastructure provider is to help **secure economic stability**.

This reflects a broad understanding of the Company's role, including supporting start-ups and small and medium-sized enterprises (SMEs).

As SIX, our position at the interface between the financial markets and the economy allows us to **help shape the transition to a sustainable economy** while providing and operating stable and secure infrastructures for the Swiss financial center.

SIX is user-owned and user-governed. Our structure and purpose supports sustainable choices that benefit our stakeholders and promote market stability.

At its core, our sustainability agenda is about creating long-term value for our clients and a positive impact for the communities we serve. It is an agenda we are uniquely positioned to deliver – we are where the economy and global financial markets intersect.



Advancing Sustainability and Economic Growth Through Collaborative Efforts



How SIX Contributes to Advancing Sustainability across Switzerland



Guidance for Issuers

SIX aims to support its issuers in Switzerland with guidance on implementing regulatory ESG disclosure requirements and meeting the expectations of public investors. Every year, SIX offers comprehensive training (webinars, conferences, events) to meet these needs.

Tools for SMEs

Switzerland has a high proportion of SMEs. SIX offers platforms that provide SMEs with access to the capital market. In Switzerland, we launched Sparks, a stock exchange for SMEs, and support SMEs by offering guidance on sustainability reporting and through tailored events and training sessions.



Fostering Sustainable Innovation in Payment Solutions

SIX fosters innovation to create products and services that positively impact the sustainability goals of our clients and their end users. Two solutions are specifically offered in Switzerland:

- **Low-emission billing:** 95% of Swiss financial institutions already offer and actively promote the fully digital, and therefore completely paperless, invoicing system eBill from SIX. eBill emits only a fraction of the greenhouse gasses compared to paper invoices and currently reaches more than half of Swiss households, covering more than 3 million users.
- **“Greener” Bancomat:** SIX is a provider of bancomat solutions for the Swiss financial center and a long-standing partner to the banking community. Its “greener” bancomat solution empowers customers to reduce the power use of their bancomats by switching to energy-saving mode on a schedule of their choice. Depending on the bancomat model, energy savings can be as much as 95%, which reduces bank’s carbon footprint.

Advancing Sustainability and Economic Growth Through Collaborative Efforts



How SIX Contributes to Advancing Sustainability across Switzerland



Policymaking & Engagement in ESG-Related Committees

SIX actively engages in policymaking. Via direct contact or industry groups, SIX is in contact with government officials, legislators and policymakers, competent authorities, and other relevant stakeholders throughout different jurisdictions.

With regards to ESG, SIX advocates at national and international levels for the harmonization of regulatory requirements and reporting standards. The goal is to reduce complexity for reporting companies while making the sustainability impact of investments more transparent to investors.

SIX collaborated on the development of the federal government's Swiss Climate Scores and is actively promoting their adoption among market participants.

In Switzerland SIX participates in ESG-related committees and working groups, including but not limited to:

- Swiss Sustainable Finance (SSF)
- Future of Sustainable Data Alliance (FoSDA)
- Sustainable Stock Exchanges (SSE)
- Swiss Banking Association: Expert Commission Sustainable Finance
- Economiesuisse: Expert Commission Sustainable Finance



Financial Literacy & Research

SIX is the main sponsor of the "Schweizer Finanzmuseum" and supports financial literacy initiatives in Switzerland as part of the company's sustainability strategy.

In addition, SIX works together with universities and regularly publishes studies targeted at the financial community such as the "Future of Finance Study" which is published on a yearly basis.

Increasing Transparency and Trust Enables the Redirection of Financial Flows into a Sustainable Economy



How SIX Enhances Transparency for Investors



Sustainable Bonds

In addition to increasing transparency, sustainable investments are needed to transform the economy and to deliver on climate, environmental, and social sustainability goals. As a major asset class they can play an integral role in directing investments towards positive climate and social impact. The market for green, social, sustainability and sustainability-linked bonds is growing steadily due to growing demand (bottom-up) and increased legislation and standards (top-down drivers).

SIX has been a trading venue for green bonds since 2014, when the European Investment Bank listed the first green bond on SIX. Raiffeisen Schweiz followed in 2019 with the first sustainability bond and Novartis in 2020 with the first sustainability-linked bond in Switzerland. In fall 2021, the Central American Bank for Economic Integration (CABEI) listed the first social bond on SIX.



ESG Indices

The Swiss ESG Indices from SIX allow the measurement of the Swiss equity and CHF-bond markets in terms of ESG by including companies that meet certain ESG criteria and have an established sustainability profile. The indices enable investors to choose and compare traditional and ESG-related strategies. Further, the ESG indices indirectly promote companies that operate sustainably. Thus, SIX offers a measurement to realign the Swiss economy long-term along more sustainable criteria. The Swiss and global indices from SIX are efficient tools for assessing the Swiss capital market versus geographies.

Increasing Transparency and Trust Enables the Redirection of Financial Flows into a Sustainable Economy



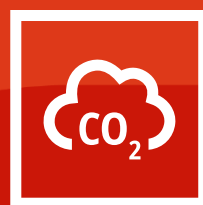
How SIX Enhances Transparency for Investors



Climate Equity Flag

SIX 1.5°C Climate Equity Flag: In 2024, SIX extended its successful track record in voluntary sustainability-related bond flags to equity securities. The newly launched 1.5°C Climate Equity Flag provides additional recognition for companies whose entire value chain contributes to limiting global warming to 1.5°C.

The Flag provides companies with empirical evidence that their climate transition plan is credible. This evidence is particularly useful in mitigating greenwashing risks, as claims of 1.5-degree alignment without a credible transition plan have already been dismissed as “greenwashing.” The Flag is based on established sustainability principles, recognized targets, and emerging consensus, enabling investors to easily understand and compare performance on climate criteria.



Voluntary Carbon Market (VCM)

SIX is engaged in the carbon removal market with a strategic investment into Carbonfuture, a leading provider of durable carbon removal credits. Carbonfuture covers the entire value chain of the voluntary carbon market and connects the buy-side with the sell-side, making it unique in the industry. Using its data-driven digital infrastructure, it provides monitoring, reporting, and verification (MRV+) services to ensure the integrity, transparency, and reliability of CDR credits. This strategic investment marks the entry of SIX into the growing carbon removal market and an expansion into a new asset class, supporting our clients on their journey towards achieving net zero emissions targets.

In addition, SIX seeks to establish a “Swiss Carbon Task Force (SCTF)” with various stakeholders along the value chain, including the Swiss Government. The aim is to develop a pilot for a high-integrity Carbon Credit Platform with a “Swiss finish.”

Enhancing Access to Reliable ESG Data and Innovating New Sustainability Solutions



How SIX Makes a Difference with Data and Solutions

- SIX is a leading global provider of financial information with core expertise in reference and regulatory data sets, especially corporate actions data.
- To address increasing demand for high-quality ESG data, SIX developed an **ESG Data Hub**. This service supports customers as they factor ESG criteria into investment decisions, monitor sustainability risks of investment portfolios, and report on ESG aspects to investors and authorities.
 - The ESG Data Hub eliminates the challenge of sourcing high-quality data from multiple third-party providers by acting as a single access point for a variety of fundamental ESG and specialist data sets.
 - In addition, SIX sources proprietary ESG data directly from product manufacturers and compliant with EU regulations, linked to the European ESG Template (EET).
 - In 2024 SIX has enhanced its ESG Data Hub offering by adding climate data sets. With this offering, SIX supports its clients with climate factor reporting and climate-related investment and risk decisions.
- Launched in 2024 in partnership with Greenomy, the **SIX SME Sustainability Assessment Solution** enables SIX banking clients to measure the sustainability performance of their SME clients, and to assess climate and sustainability risk trajectories linked to their loan books in line with regulatory requirements for banks and issuers.



Maintaining Secure Infrastructure by Mitigating Threats and Complexities



How SIX Contributes to the Security and Stability of the Swiss Financial Center

- SIX operates systemically important infrastructures, playing a crucial role in ensuring the smooth and stable handling of securities and payments within the Swiss economy:
 - **SIC** (Swiss Interbank Clearing) is used by financial institutions to clear all payments of large amounts and some of their retail payments in Swiss francs.
 - **SECOM** (Settlement Communication System) fully automates the processing of national and international securities transactions and mitigates the risk involved.
 - **SIX x-clear** acts as the central counterparty for trades on the stock exchange and thereby reduces counterparty risk.
- **Vulnerability Disclosure Program:** SIX takes the threat of cyberattacks very seriously and considers them to pose a significant risk. With strict security guidelines and a strong cyber defense, we protect assets such as data centers, confidential information, and our own property as well as that of third parties. Our collaboration with security researchers is a valuable additional measure to identify and mitigate existing vulnerabilities in a timely manner.
- The **Secure Swiss Finance Network** (SSFN) replaced the communication network, Finance IPNet. The SSFN is a controlled and secure network launched jointly by the Swiss National Bank and SIX. The new network allows connected users in the Swiss financial center to communicate securely with SIX and other financial market infrastructures, and with each other. The SSFN is based on the SCION technology developed by ETH Zurich, which delivers a new level of security, performance, and functionality in data exchange processes.



A sample of our sustainability publications



Future of Finance Study

**2024 SIX Sustainability Handbook for
Issuers**

**Scaling Climate Risk Disclosures for
Investors**

**Corner Stones for Growth Report with
ESG chapter**

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