

The WFE's 11th Sustainability Survey

Exchanges confirm a strong and expanding commitment to play an active role in promoting sustainable finance



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Executive summary

The **WFE Sustainability Survey for 2024** is the eleventh annual edition of this comprehensive review of WFE members and affiliates, including stock and derivatives exchanges, from developed to frontier markets. The survey aims to capture the progress and achievements of the exchange industry in its engagement with Sustainability issues as well as the challenges it faces in achieving its sustainability goals. A total of 57 exchange groups responded to the survey.

Key highlights include:

- **Broad participation in sustainability initiatives:** Engagement in sustainability initiatives continues to deepen, with the average number of initiatives per exchange rising from 9.7 to 10.5. Three exchanges reported involvement in as many as 17 initiatives.
- **Transition planning and climate action:** 22 respondents reported having published or developing transition plans, with most focusing primarily on climate-related factors in the first instance.
- **Motivations and barriers:** Investor demand, market reputation, and regulatory pressure remain top drivers of sustainability engagement. The most cited obstacle is the lack of reliable data, followed by lack of resources, business and economic concerns and the changing political landscape.
- **UN SDGs integration:** 75% of exchanges that responded engage with at least one of the UN Sustainable Development Goals (SDGs), particularly Goals 5 (Gender Equality), 8 (Decent Work), 12 (Responsible Consumption), 13 (Climate Action) and 17 (Partnerships).
- **Gender equality progress:** According to respondents, female representation averages 25% on boards, 32% in senior management, and 42% across workforces. Approximately 41% (23/56) of respondents have gender targets. The survey also shed light on gender equality in businesses listed on stock exchanges. 20 (41.67%) of the 48 stock exchanges that responded to the question on issuers reported that they track the representation of women on the boards of their listed companies. Meanwhile, 30% (15/50) of respondents have or intend to set targets to encourage more boardroom diversity.
- **Robust sustainability disclosure frameworks:** 68% of exchanges report carbon emissions, with 72% of those covering all three GHG scopes. The GRI and the ISSB standards garner the highest level of support, but only by a small percentage have implemented the standards in their own requirements and practices so far.
- **Combating greenwashing:** Nearly half of respondents' jurisdictions have legislation addressing greenwashing. Several respondents have designations that comply with the WFE's Green Equity Principles, which provide a pioneering global framework for credible green equity classification.
- **Sustainability products and market innovation:**
 - 82% of responding exchanges offer sustainability-related products, predominantly green bonds and sustainability indices.
 - Dedicated listing segments for sustainable bonds are common, as are sustainability-themed derivatives and carbon markets.
 - Exchanges are increasingly designing products to support low-carbon transitions and enhance transparency.

The 2024 survey reflects strong and expanding commitments among exchanges to play an active role in promoting sustainable finance. Despite ongoing challenges, exchanges continue to innovate and collaborate, further embedding sustainability into the fabric of global capital markets.

1. Introduction

Welcome to the 11th edition of the World Federation of Exchanges Annual Sustainability Survey.

2024 saw the stage set for some significant shifts in sustainable finance and regulation, with increasing regional and jurisdictional divergence.

Across the board, sustainability saw increased media and political attention in 2024, with prevailing sentiment varying widely from jurisdiction to jurisdiction. In the US, for example, 2024 heralded strong critical headwinds that have all but halted sustainability initiatives at the federal level, though some States continue to progress State-level regulation where they have the power to do so. Meanwhile, increased attention on the burdens posed to companies in light of political and economic challenges in the EU has prompted a reconsideration of the ambition, timing and specific requirements of sustainability-related regulation. As a result, the EU is now considering plans to simplify sustainability regulation and reduce burdens considered to be disproportionate via its proposed 'Omnibus' package.

Despite the shifts in media and political sentiment, however, companies and investors globally have continued to look for the opportunities presented by the transition towards more sustainable business models throughout 2024, and regulators made significant progress on sustainability regulation and initiatives. Several jurisdictions took steps towards advancing their plans to adopt the International Financial Reporting Standards Foundation (IFRS) Sustainability Disclosure Standards (also known as the 'ISSB Standards') or domestic equivalents tailored towards national sustainability priorities, while others made new commitments to do so.

Given their critical role in enabling effective capital markets and supporting broader economic health, exchanges have a unique and important role to play in the global transition to a more sustainable economy. It is in this context that **this year's Sustainability Survey reports the highest level of WFE member engagement in sustainability initiatives and transparency to date**. Not only is the level of engagement high, but it is also the most sophisticated that it has ever been, with many members now starting to move beyond the first phase of their sustainability strategies and climate-first approaches, aided by initiatives such as the International Sustainability Standards Board (ISSB) and the Taskforce for Nature related Financial Disclosures (TNFD) Framework.

The 2024 Sustainability Survey results demonstrate exchanges' continued commitment to the transition to a more sustainable economy through initiatives such as encouraging transparency amongst listed issuers, supporting listed issuers in building their capacity and capabilities in relation to sustainability initiatives, and providing the market with 'green' and 'sustainable' products, building on themes that have been observed in previous WFE Survey reports.

2. Survey methodology

As in previous years, a questionnaire was sent to all WFE member exchanges and affiliates, along with a scaled-back version for derivatives-only exchanges. Responses were collected through an online survey tool between January and March 2025, and **responses referred to the 2024 calendar year**.

Respondents were directed to different questions depending on their answers, and they could skip some questions. Hence, the response rates for different questions vary. The total number of responses for each question is noted throughout.

A total of **57 exchange groups** participated in this year's survey.¹ Of these, 54 are WFE members (of which three are derivatives-only exchanges) and three are WFE affiliates.

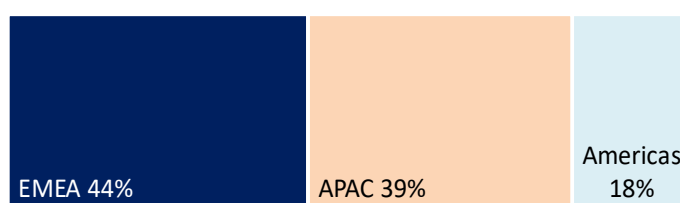
Similar to last year, exchanges located in the Europe, Middle East, and Africa (EMEA) region accounted for the larger share of respondents (45%), as shown in **Figure 1**.

In terms of market capitalisation the whole sample constitutes 73% of global market capitalisation (end 2024). Within the sample, 42.25% corresponds to the Americas region, 43.45% to the APAC region and 14.30% to the EMEA region.

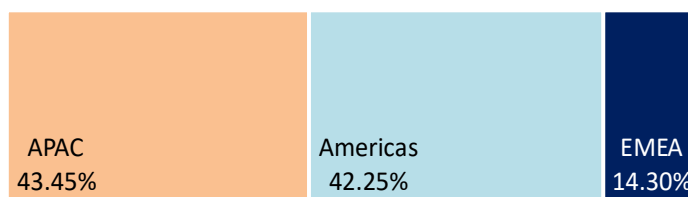
Throughout the survey, figures are rounded to the nearest integer or, when additional precision is useful, to one decimal place. Because of rounding, percentages may not always add up to 100%. When expressing local currency in US dollars (USD) we use conversion rates as of March 2024.

Figure 1. Percentage of survey respondents

By region



By market capitalisation (end of 2024)*



**Stock exchanges only.*

The total market capitalization of stock exchanges in the sample is USD 83.78 trillion (end-2024). Source: WFE Database

¹ The complete list of respondent exchanges and exchange groups can be found in **Annex 1**. Some exchange groups include more than one exchange.

3. Survey results

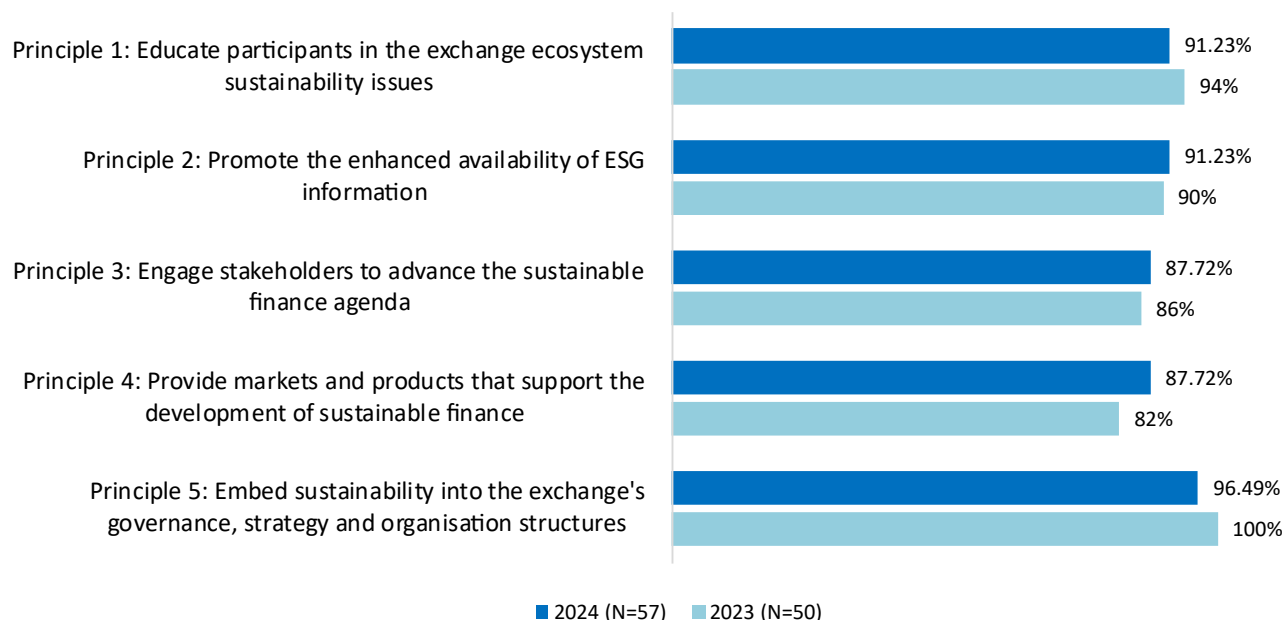
3.1. Exchanges and sustainability

WFE Sustainability Principles

The **WFE Sustainability Principles** outline how WFE member exchanges aim to foster sustainability within their markets. Since their introduction in 2018, the WFE has been monitoring exchanges' engagement with these Principles and assessing their progress.

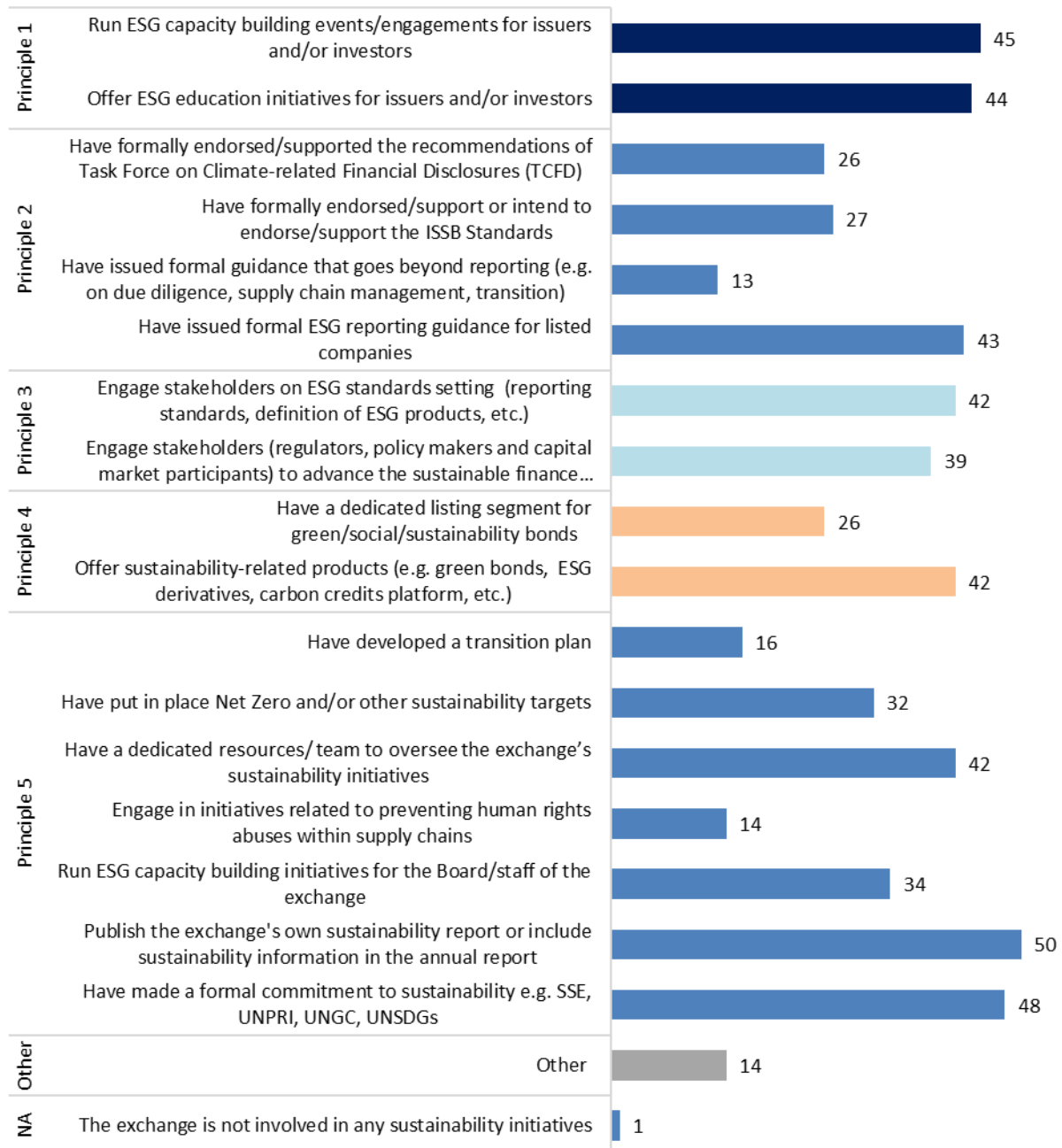
Like last year, **Principle 5** attracts the most engagement, reaching 96.49% this year (Figure 2).

Figure 2 Percentage of exchanges engaged with each of the WFE Sustainability Principles



To provide a concrete measure of involvement with each Principle, a set of initiatives corresponding to the different Principles has been defined and used as benchmarks (details on the mapping can be found in **Annex 2**). The survey requests exchanges to disclose their engagement with the main sustainability initiatives. The results are presented in **Figure 3**.

Figure 3. WFE Sustainability Principles and exchanges' most common ESG initiatives*



*Multiple answers allowed. N=57. See Box 1 for initiatives included under "Other".

This year's survey results reveal a persistent strong commitment across all initiatives, with 29 participants engaged in at least 12 initiatives, compared to 18 exchanges last year. Three respondents (**the Stock Exchange of Thailand, Hong Kong Exchanges and Clearing (HKEX)** and the **Singapore Exchange**) reported that they participated in 17 initiatives. In addition, exchanges saw an average increase in the implementation of sustainability initiatives, as the mean number of initiatives per exchange rose from 9.7 (last year) to 10.5.

In **Box 1** we report some of the initiatives reported under each Principle.

Box 1: Initiatives related to the WFE Sustainability Principles

Principle 1: Educate market participants about sustainability issues

Exchanges commonly hosted capacity-building workshops and sustainability-focused training, and issued educational materials, including podcasts and guidance on topics such as green bond issuance. Notable examples include:

- **The New Zealand Exchange (NZX)** launched a podcast series that covered sustainability topics.
- **Japan Exchange Group (JPX)** published a survey to evaluate Task Force on Climate-related Financial Disclosures (TCFD) disclosures and published the first set of SX (Sustainability Transformation) Brand companies in collaboration with the Ministry of Economy, Trade and Industry.
- **SIX** updated its *Sustainability Handbook* for issuers, complemented by a redesigned interactive digital platform to support listed companies in navigating sustainability challenges.
- **The Pakistan Stock Exchange (PSX)** held a range of investor awareness and education sessions, including in-person sessions, webinars, articles and blogs, many of which were published on the PSX 'Knowledge Center'. These initiatives primarily targeted investors and prospective investors, and focused on topics such as the ISSB Standards, gender equality in global capital markets and climate-related financial disclosures to help participants understand the significance of sustainability issues.

Principle 2: Promote the enhanced availability of ESG information

Respondents' efforts focused on creating centralised sustainability data platforms and tools. Highlights include:

- **Shenzhen Stock Exchange (SZSE)** launched a *Sustainable Finance Service Zone*, offering access to sustainability-related information and resources. The Zone includes a Sustainable Financial Products section that allows users to search for information and announcements on sustainable financial instruments such as fixed-income products, infrastructure REITs, funds, and indices listed on the SZSE. Additionally, the SZSE established incentive mechanisms such as rewarding companies who published sustainability disclosures by speeding up the approval process for them.
- **JPX** released a Sustainability Information Search Tool that aggregates sustainability disclosures from listed firms.
- **SIX** launched a new climate data service offering on its ESG Data Hub that identifies, aggregates, normalises and distributes climate data sets from leading providers. SIX also introduced the *1.5°C Climate Equity Flag* to help investors identify issuers committed to limiting global warming in line with the Paris Agreement.
- **The Athens Stock Exchange (ATHEX)** updated its ESG Reporting Guide to reflect EU CSRD, Taxonomy and SFDR requirements as well as the UN SDGs.
- **Taiwan Stock Exchange** expanded its ESG InfoHub dashboards that compare listed companies on sustainability metrics from covering 7 topics to 20, and nearly tripled its metrics from 29 to 97.
- **The Stock Exchange of Thailand (SET)** developed a carbon management tool (*SET Carbon*) to help Thai issuers quantify emissions.
- **PSX** launched its ESG Primer - a guide to ESG highlighting risks and rewards, international practices and standards on ESG reporting, and how to write a good quality sustainability report. PSX formed an ESG Task Force with the Pakistan Institute of Corporate Governance and representatives from the Securities and Exchange Commission of Pakistan to develop and launch a coherent, systematic and realistic framework backed by regulatory support and tools to encourage companies and

financial institutions to voluntarily adopt ESG standards and guidelines. PSX also worked with the State Bank of Pakistan to draft the Green Taxonomy for Pakistan.

Principle 3: Engage stakeholders to advance the sustainable finance agenda

Respondents reported multilateral collaborations and stakeholder initiatives at both domestic and global levels.

Examples include:

- **Dar es Salaam Stock Exchange (DSE)** entered MoUs with local NGOs and civil society to align private sector sustainability practices with civil society.
- **SET** built an ESG expert pool across sectors.
- **JPX** hosted a roundtable in collaboration with the Net-zero Data Public Utility (NZDPU) bringing together financial institutions and listed companies. It also announced a partnership with the Tokyo Metropolitan Government on trial trading of green hydrogen.
- **Hong Kong Exchanges and Clearing (HKEX)** partnered with GFANZ to promote the net-zero transition in Asia.

Principle 4: Provide markets and products that support the development of sustainable finance

Many respondents had expanded sustainable debt and carbon market offerings, and introduced ESG indices, bonds, and climate-linked instruments. For example:

- **Johannesburg Stock Exchange (JSE)** launched a *Sustainability Segment* that makes it easier to list and trade sustainability-related instruments and provides a platform for companies and other institutions to raise funds for activities directed at sustainable development. JSE also partnered with the International Finance Corporation to support issuer transitions.
- **HKEX** scaled *Core Climate*, a carbon credit marketplace, and launched *STAGE*, a dedicated sustainable finance repository.
- **JPX** added GX Credits to its carbon market, piloted green hydrogen trading and started joint provision of a linked service for spot and futures trading related to electricity.
- **SZSE** issued CNY 274bn in sustainable bonds and launched 75 sustainability indices.
- **The Egyptian Exchange (EGX)** launched a regulated voluntary carbon market.
- **SET** partnered with FTSE Russell to provide a global sustainability scoring framework for Thai issuers, leading to a prospective new ESG index in the near future.
- **Luxembourg Stock Exchange (LuxSE)** offered gender-focused bonds and its database, LGX Datahub, served as the data provider for an OECD sustainability-linked bonds study.
- **The National Stock Exchange of India (NSE)** group company NSE Indices Limited launched multiple sustainability-themed indices. Based on these there are various mutual fund schemes that have been floated by asset management companies offering investors the opportunity to invest. Additionally, the Securities and Exchange Board of India (SEBI) has structures for Green, Blue, Yellow and Transition Bonds, and is working on enlarging this space to include a broader range of instruments, i.e. ESG Securities.

Principle 5: Embed sustainability into the exchange's governance, strategy and organisation structures

Respondents emphasised internal strategy integration, governance structures, and board-level accountability. Several respondents published sustainability-related disclosures and had updated their sustainability frameworks and strategies. Highlights from the responses detailing 2024 developments include:

- **Malta Stock Exchange** set up 'Green Teams' with the aim of educating employees on sustainability matters.
- **JSE** is working on adding risk appetite statements and tolerance metrics on sustainability and climate change to its risk appetite and tolerance framework.
- **SZSE** launched its Work Plan for Building a Sustainable Exchange (2024-2027) and sustainability taskforce to promote cross-sector collaboration.
- **JPX** published a climate transition plan.
- **The Taiwan Futures Exchange (TAIFEX)** and the **NSE** secured third-party assurance of their sustainability disclosures.
- **The Athens Stock Exchange (ATHEX)** conducted its first Double Materiality Assessment and, based on its findings, developed a new sustainability strategy with four key pillars: Sustainable Markets, Our People, Information Security & Data Protection, and Climate Change. The Board of Directors approved new sustainability targets for the Group that, together with the sustainability strategy, will serve as a framework for the Group's commitment to addressing key sustainability considerations, ensuring the achievement of measurable outcomes that drive long-term value creation, mitigate risks, and contribute positively to societal well-being.
- Several exchanges, including **JPX**, the Philippine Stock Exchange (**PSE**), **NSE**, and **LuxSE** continued to align with and publish reports detailing their progress against the Net Zero Financial Service Providers Alliance (NZFSPA) and/or Science Based Targets initiative (SBTi) frameworks. In November 2024, **Kazakhstan Stock Exchange (KASE)** joined the NZFSPA Exchange Group.

Exchanges' initiatives to reduce their carbon footprint

As exchanges increasingly embed sustainability into their governance and operations, many are also taking direct action to address their own environmental footprints. These efforts reflect a growing recognition that leading by example enhances credibility, supports climate targets, and aligns internal practices with the broader sustainable finance agenda.

In their responses, exchanges highlighted a number of initiatives that they are pursuing to reduce their carbon footprint:

- **SIX** received official validation from the **SBTi** for its emissions reduction targets in 2024. **SBTi** confirmed that the targets meet the **SBTi** Corporate Net Zero Standard.
- To reduce its Scope 1 and 2 emissions, **NSE** has set up its own wind and solar power plants to provide power to their buildings, made energy efficiency upgrades to its office space such as introducing a thermal energy storage system and occupancy sensors, and introduced water and waste management systems including a sewage treatment plant, a rainwater harvesting system and composting and recycling systems in its buildings.
- The Pakistan Stock Exchange (**PSX**) reduced its total energy consumption from 20,728 Gigajoules (GJ) in 2023 to 20,580 GJ in 2024. **PSX** replaced all lights with LEDs and designated a team to make sure that lights are not left on. **PSX** also records its water consumption and discharge, and aims to promote reuse of water, including by storing water from ablution areas and use it for watering its gardens.

These actions demonstrate how exchanges can align operational practices with broader climate commitments and serve as models for issuers and stakeholders seeking to reduce their own carbon impacts.

Sustainability targets

What sustainability targets (including Net Zero, gender, diversity, etc) do exchanges have in place?

The survey responses reflect a strong diversity in both the approach to sustainability targets and the level of formality in structuring targets and tracking systems. While a significant number of exchanges align themselves with recognised global frameworks, a large proportion are tailoring their sustainability strategies to suit specific business models and regional contexts. The use of key performance indicators (KPIs) is widespread, demonstrating a commitment to measurable, accountable sustainability practices.

Most respondents had a Net Zero target in place. Of those respondents, the majority had adopted 2050 targets and interim targets in line with international initiatives such as the Race to Zero Partner Initiative's Net Zero Financial Service Providers Alliance, the Glasgow Financial Alliance for Net Zero and the Science Based Targets initiative. Other respondents had based their targets on the national Net Zero targets in their jurisdiction or developed their own science-based targets based on jurisdictional priorities.

Some respondents reported having targets relating to sustainability factors beyond climate. The most common sustainability targets, after Net Zero targets, related to gender diversity and equity. Other sustainability targets reported by respondents included targets relating to social equity, good governance, and environmental issues beyond climate (i.e. issues such as nature and biodiversity). Several respondents noted their support for the UN Sustainable Development Goals.

The sustainability targets reported by respondents are grouped thematically below:

- **Climate Commitments:** 28 exchanges reported having climate targets, often committing to achieving net-zero emissions by 2050 or earlier. 8 respondents reported having set specific targets relating to Scope 3 emissions.
- **Gender diversity:** Ten exchanges reported having targets related to gender diversity. Several respondents had based their gender-related targets on the Women in Finance Charter, while others had developed their own based on global best practice, national requirements and jurisdictional and business priorities.
- **Other:** 5 respondents reported having sustainability targets beyond climate and gender. Those respondents reported targets relating to social equity, good governance, and environmental issues beyond climate (i.e. issues such as nature and biodiversity).

Several respondents noted their support for the UN Sustainable Development Goals in their response, and additionally highlighted that they had made commitments to produce sustainability reporting, often in line with IFRS S1 and S2.

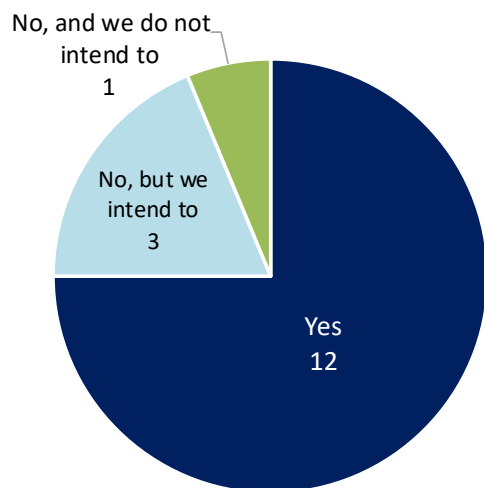
One respondent reported that they do not currently have any sustainability goals but intend to begin work on their sustainability strategy next year. 25 respondents did not respond to this question.

Exchanges' transition plans

We asked whether the respondent intends to develop a transition plan, where they do not already have one. Out of 40 respondents to this question, 22 (55%) intend to develop a transition plan, while 18 do not. 12 exchanges have already published a transition plan (**Figure 4**).

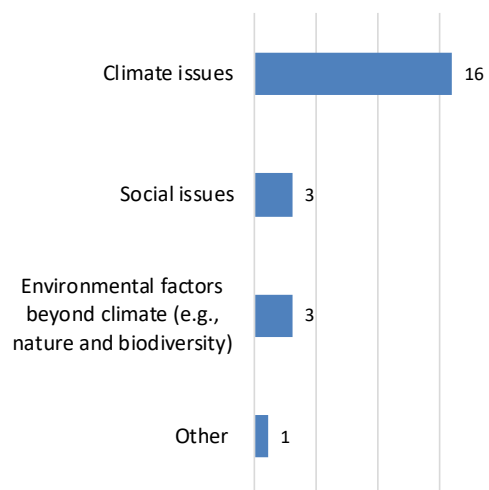
With regards to the sustainability factors reflected in transition plans, all 16 respondents confirmed that their focus is on factors mainly related to climate (**Figure 5**).

Figure 4 Has the exchange published its transition plan?



N=16

Figure 5 Sustainability factors reflected in the transition plan



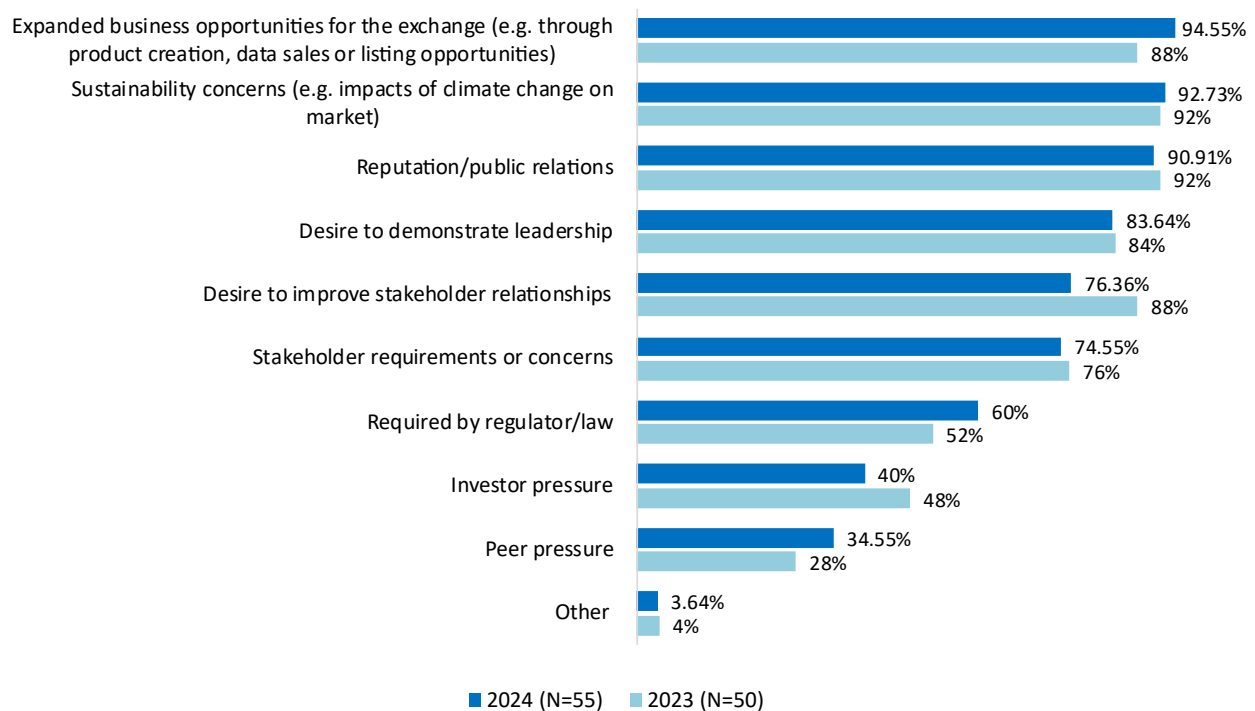
Multiple answers allowed. N= 16

Sustainability initiatives: motivations and concerns

The survey gathered data on exchanges' primary motivations for pursuing sustainability endeavours and the obstacles they face in advancing their sustainability objectives.

Figure 6 ranks the primary motivations for exchanges to engage in sustainability initiatives according to the motivations reported by respondents.

Figure 6. Motivations for sustainability involvement



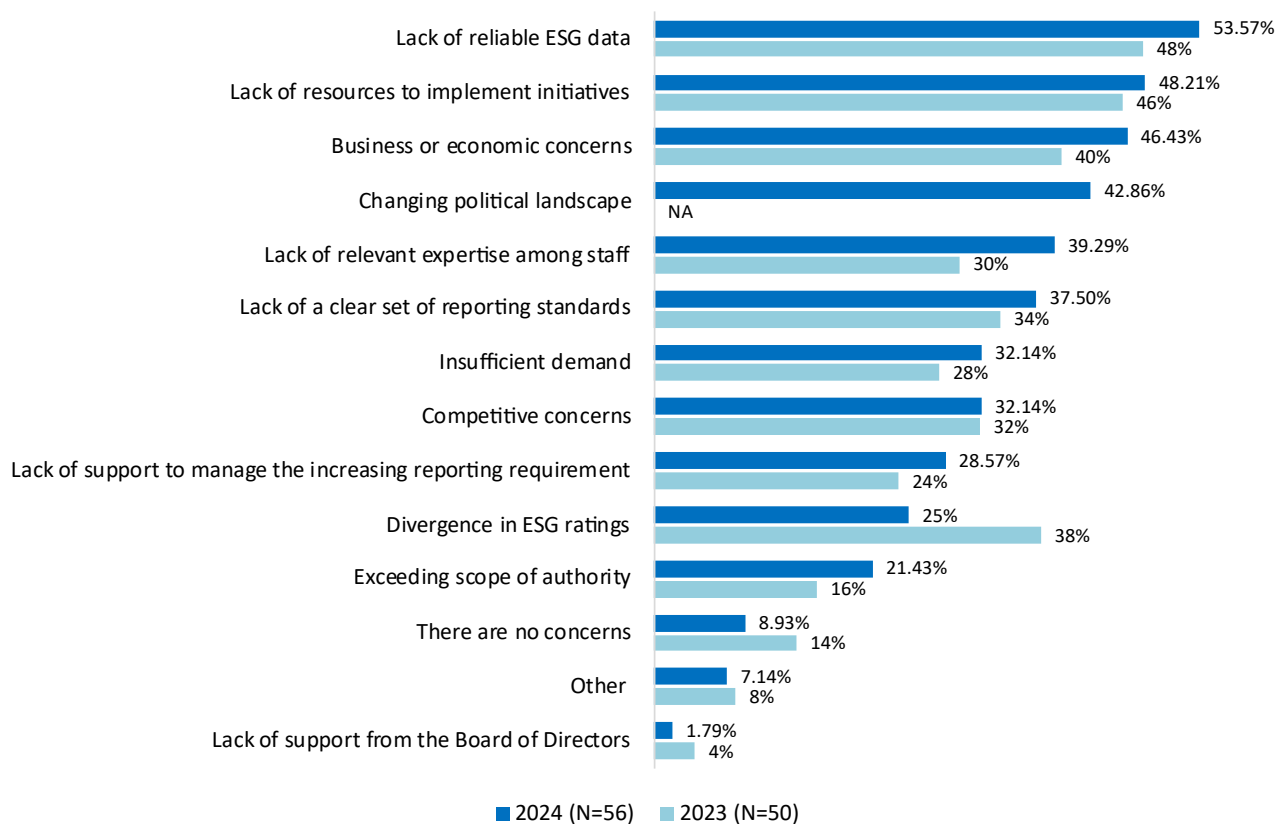
**Multiple answers allowed.*

Other motivations included variations on the primary ones, such as accelerating the process to become the leading, sustainable and globally connected marketplace in the region, and increasing international investor demand.

Upon examining the challenges exchanges encounter in their sustainability endeavours, lack of reliable data is the main concern (**Figure 7**).

“Changes in the political landscape” is among the top five concerns, with some respondents stressing the risk that progress made in areas such as diversity, inclusion and climate change, could be rolled back.

Figure 7. Concerns around sustainability efforts*



*Multiple answers allowed.

Among “Other” concerns, respondents mentioned the decrease in funding from the global North to support Africa’s sustainability efforts and agenda, the lack of standardization, greenwashing reputational or legal risk, and ESG information fatigue.

The balance between E, S and G

Table 1 displays the average relative efforts of exchanges to environmental, social and governance factors, expressed as percentages. These scores were calculated for all participants and across regions. While in APAC and EMEA, Governance attracts the most effort on average, in the Americas region environmental efforts garnered the most focus.

Table 1. ESG efforts breakdown (average percentages)

Region	N	Environmental (%)	Social (%)	Governance (%)
All	48	33	30	37
Americas	10	37	31	32
APAC	14	33	28	39
EMEA	24	31	32	38

Exchanges in ESG indices

We track how many listed exchanges are included as a constituent of one or more indices tracking their sustainability performance.

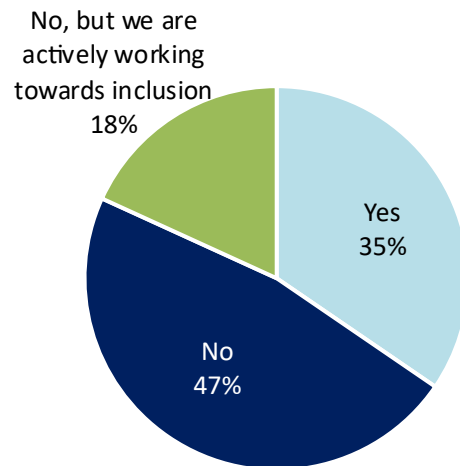
Being included in such indices underscores the exchange's commitment to sustainability initiatives.

In 2024, 19 (35%) respondents were incorporated in at least one sustainability/ESG index, a percentage similar to that of 2023. 18% of exchanges are actively working towards inclusion, which shows an increase from 12% last year.

Exchanges are often incorporated in more than one index. Of the 19 exchanges included in a sustainability index, five are included in at least five indices.

Some of the main indexes cited by exchanges can be found in Appendix 3.

Figure 8. Exchanges' inclusion in ESG Indices

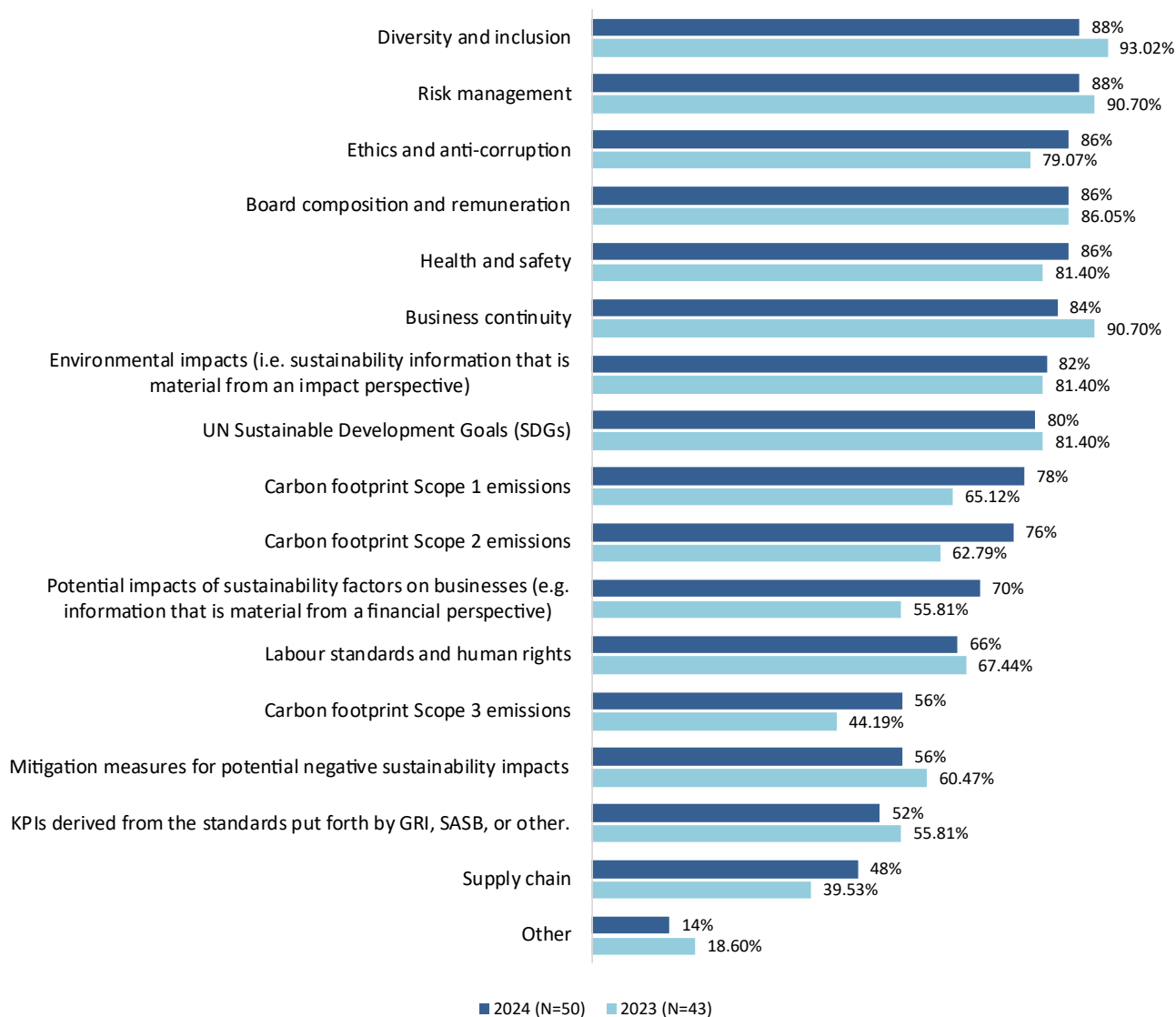


N=55

Sustainability factors in exchanges' reporting

Disclosing information that demonstrates a company's impact on sustainability and the added value it provides across different sustainability factors is crucial for assessing its sustainability footprint. Sustainability reporting can take multiple forms, such as being integrated into the annual financial report or existing as a standalone document. And it could cover all or just a portion of sustainability factors. The survey examined the primary sustainability factors addressed in the reports. **Figure 9** presents the coverage of reporting across 16 different sustainability factors

Figure 9. ESG factors reported by exchanges in their sustainability/annual report*

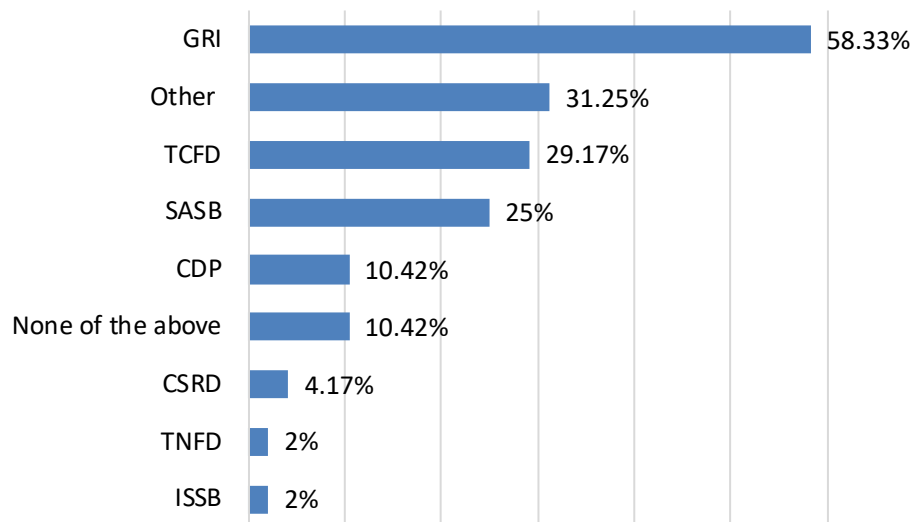


*Multiple answers allowed. N=50. "Other" reported factors include Global Financial Alliance for Net Zero (GFANZ)'s Net Zero Financial Services Providers Alliance (NZFSPA) commitments guidance for stock exchanges, gender equality actions (e.g., signing the Luxembourg Women in Finance Charter, MoU with UN Women), poverty alleviation, impact on the local community, promoting and providing financial education to the public, developing ESG-aligned products and services, and supporting wider awareness for investors, exchange members, employees and other stakeholders.

Reporting frameworks used by exchanges

The survey also collected information about the reporting frameworks exchanges are aligning with. The most popular option was the GRI (**Figure 10**).

Figure 10. Reporting frameworks that exchanges report against



Multiple answers allowed. N=48.

The "Other" category included: GHG Protocol, JSE's Sustainability and Climate Change Disclosure Guidance, FTSE Russell's ESG ratings methodology, NZFSPA framework for Stock Exchanges, TSE Standards, XRB's Aotearoa New Zealand Climate Standards, SGX-Securities Trading (ST) Listing Rules 711A and 711B, and Practice Note 7.6 Sustainability Reporting Guide, the World Federation of Exchanges (WFE) Sustainability Principles, the Malaysian Code on Corporate Governance (MCCG) of Securities Commission Malaysia, ESG Reporting Code, Listing Rules in Hong Kong, Business Responsibility and Sustainability Reporting (BRSR) as notified by the Securities and Exchange Board of India, ESRS, ATHEX ESG Reporting Guide.

12 exchanges report KPIs from multiple standards, selecting additional KPIs from standards such as the WEF Stakeholder Capitalism Metrics, IFRS S1 and S2, the TSE Standards, Science Based Targets initiatives (SBTi), and other local standards.

Exchanges' carbon emissions reporting

Scope 1, Scope 2 and Scope 3 are terms utilised in the domain of Greenhouse Gas (GHG) inventories and are integral to corporate sustainability reporting. These terms have been outlined by the Greenhouse Gas Protocol, a globally recognised international standard.

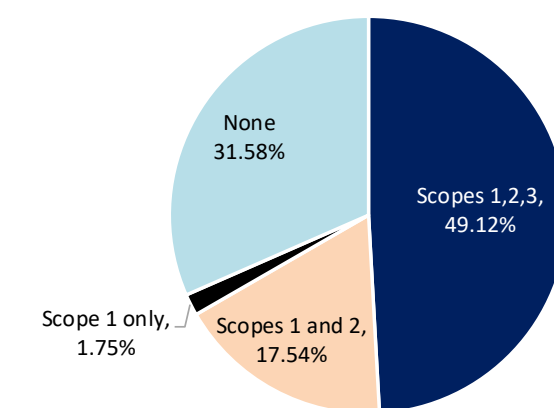
Scope 1 encompasses all direct GHG emissions from sources that are owned or controlled by the organisation. For instance, emissions from company-owned vehicles, factories, or any other operational facilities. This scope allows for a clear assessment of the direct environmental impact an organisation has through its immediate activities.

Scope 2 includes GHG emissions resulting from the generation of purchased electricity, steam, heating, and cooling that the organisation consumes. Although these emissions are not directly controlled by the organisation, they are a consequence of the organisation's energy use. Scope 2 emissions represent organisations' indirect impacts on the environment through their consumption of energy.

Scope 3 covers all other indirect emissions not included in Scope 2. These emissions occur in the value chain of the reporting company and incorporate both upstream and downstream emissions. These could be emissions from the extraction and production of purchased materials, outsourced activities, waste disposal, and the use of sold products and services, among others. This scope provides a broader perspective on the organisation's indirect environmental footprint across its value chain.

The coverage of the exchanges' sustainability reports has increased since last year: out of 57 respondents, 39 (68.42%) report their carbon footprint emissions, compared to 65% in the previous year. Of those exchanges reporting, 28 cover all three scopes, which represents 72% (28/39) and is higher than the percentage observed last year (68%). See **Figure 11**.

Figure 11. Carbon footprint emissions reporting



N=57

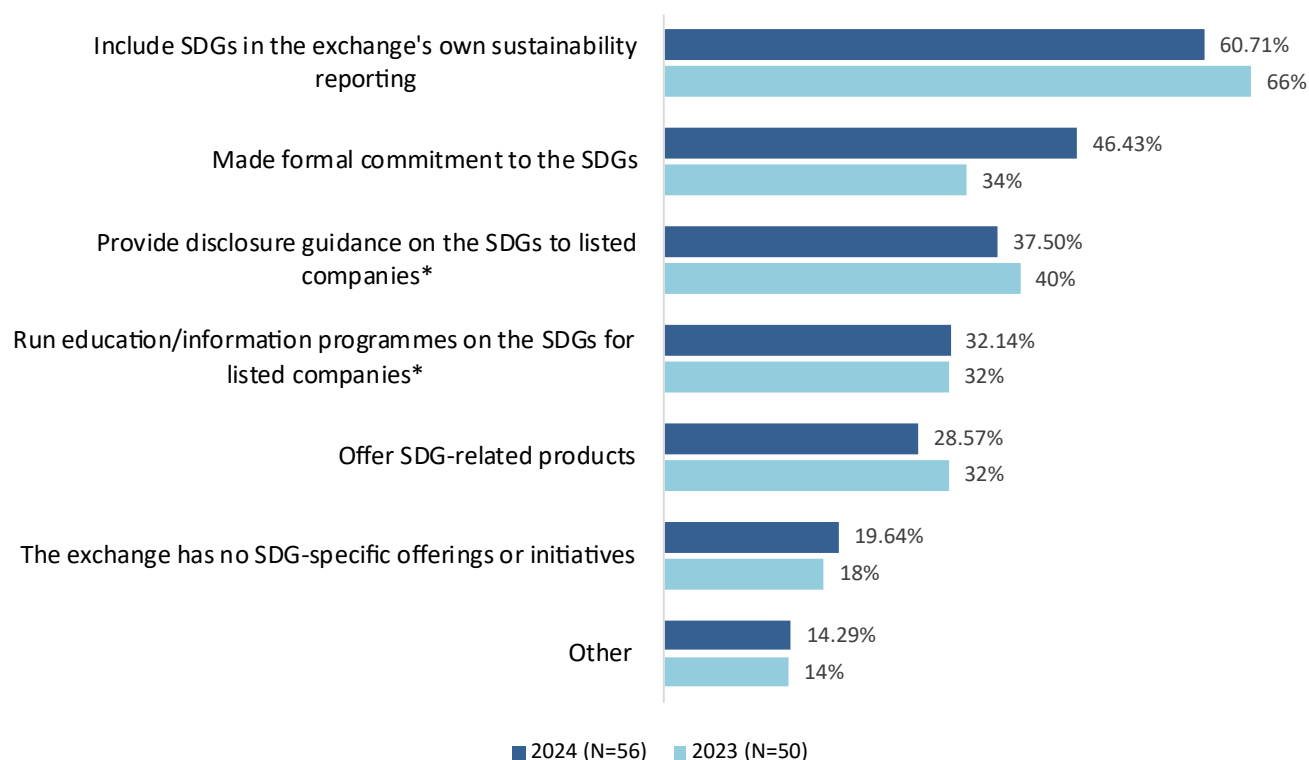
3.2. Engagement with the UN Sustainable Development Goals (SDGs)

The United Nations have established 17 Sustainable Development Goals (SDGs)² which the WFE members are strongly engaged in promoting and achieving.

The WFE Sustainability Survey collected information concerning exchanges' initiatives related to the UN SDGs. The summary results are presented in **Figure 12**.

² For more information on the UN Sustainable Development Goals, see <https://sdgs.un.org>.

Figure 12. Number of exchanges with initiatives related to each UN SDG *



*Multiple answers allowed.

*These do not apply to derivative-only exchanges.

The "Other" category included initiatives like Ring the Bell for Gender Equality, Financial Literacy and Climate; donations to charitable activities, poverty relief programs (CFFX), or creation of ESG indices.

SDG-related products

In the survey, 15 respondents reported offering SDG-related products. Highlights include:

Tel Aviv Stock Exchange (TASE), in collaboration with SFI Group, launched Israel's first-ever joint impact fund to advance social and environmental outcomes.

The Pakistan Stock Exchange (PSX) is working towards the launch of an ESG index that would not only provide visibility to investors but also incentivise companies to adopt sustainable practices in order to be included. PSX also issued sustainable bonds related to gender, green action and a sovereign domestic green sukuk. Additionally, PSX integrated SDG-linked disclosure into its Top 25 Companies Awards So that listed firms are encouraged to report on at least five SDGs in their Annual Reports. Looking ahead, PSX is exploring the development of carbon markets as a key strategy to meet its climate goals, attract green investments and transition toward a low-carbon economy.

The CFFEX (China Financial Futures Exchange) operates poverty relief programs, advancing SDG 1 (End poverty in all its forms everywhere) and contributes to broader social development goals through targeted interventions.

The Johannesburg Stock Exchange (JSE) offers green, social and sustainability bonds, all of which can be mapped to an SDG should the issuer wish to do so. They also have ESG ETFs and indices, where many of the indicators assessed relate to the SDGs.

Shenzhen Stock Exchange (SZSE) has launched bonds and ABS products covering targets such as clean water and sanitation facilities, affordable clean energy, climate action, underwater and rural revitalisation bond. In terms of index products, SZSE has launched 20 sustainability indices covering the SDGs.

The Luxembourg Stock Exchange (LuxSE) listings include Green, Social, Sustainability and Sustainability-linked Bonds with direct relevance to the SDGs. LuxSE encourages SDG-related disclosures for products listed on their exchange and promotes disclosure efforts made by issuers. LuxSE's LGX Datahub also provides SDG-related data.

Deutsche Börse (DB) lists sustainability indices and ratings utilising the SDGs as a framework or reference, and measures contributions to SDGs.

The Stock Exchange of Hong Kong (HKEX) lists green, social and sustainability-related bonds and Sustainability-themed ETFs that relate to the SDGs.

The Toronto Stock Exchange (TMX) ESG Data Hub measures and economically sizes impacts on the UN SDGs. Impacts are calculated at the company and location level, providing a granular and context-specific picture that allows investors to understand and compare impacts within and across sectors.

The National Stock Exchange (NSE) has a number of bonds relating to the SDGs as well as a Social Stock Exchange (SSE) segment.

The Taipei Stock Exchange has a number of SDG-related indices, ETFs, ETNs, and bonds.

Priority SDGs among exchanges

As in previous years, exchanges were questioned about their work on the SDGs. This year, 43 (75%) of the surveyed exchanges indicated engaging with at least one of the UN SDGs. Six SDGs, numbers 5, 8, 12, 13, 4 and 17, have consistently ranked as the top priorities since 2021, although their precise ranking has varies slightly.

Goal 5: Gender Equality continued to attract the most engagement, as indicated in **Table 2**. Goal 4: Quality Education appears near the top of the ranking for the first time, with the same percentage as Goal 12: Responsible Consumption and Production.

Table 2. The six SDGs attracting higher engagement from exchanges

SDGs	2024 (N=42)	2025 (N=43)
Goal 5: Gender equality	86%	85%
Goal 8: Decent work and economic growth	86%	85%
Goal 13: Climate action	82%	80%
Goal 17: Partnerships to achieve the goal	75%	74%
Goal 12: Responsible consumption and production	64%	63%
Goal 4: Quality Education	46%	63%

Gender Equality

Driven by the UN SDGs and the desire of exchanges to advance gender equality, the WFE initiated the collection of gender-related data in its 2020 survey. **Table 3** presents this year's average proportion of female members in the boards, senior management, and workforce of exchanges.

Table 3. The average percentage of female representation

Region	N	Board (%)	Senior Management (%)	Workforce (%)
All	56	24.98	32.30	41.79
AMERICAS	12	27.42	33.42	40.75
APAC	21	20.57	26.73	39.86
EMEA	23	27.74	35.65	42.35

Notably, across all categories and regions, there was an increase in female representation compared with 2023. The largest increase was at Board level in EMEA, which increased from 22.8% in 2023 to 27.74%.

When asked whether the exchange had **targets in place** to increase female representation, 23 (41.07%) of 56 respondents indicated that they had such targets, a percentage similar to last year's. Among these 23 exchanges, 13 are in the EMEA region, seven are in the Asia-Pacific region, and three are in the Americas region

In addition, the survey sheds light on gender equality in businesses listed on the stock exchanges. Of the 48 stock exchanges that responded, 20 (41.67%) **track the representation of women on the boards of their listed companies**. 15 (30%) of 50 respondents have **set or are looking to set targets to encourage more diversity within boardrooms**. Of 54 respondents, 50 (92.59%) offer **paternity leave**. Four respondents also measure what percentage of their listed firms offer paternity leave.

Box 2: Initiatives on gender equality

In 2024, over 110 exchanges participated in the 'Ring the Bell for Gender Equality' initiative in celebration of International Women's Day. This event, coordinated by the World Federation of Exchanges (WFE), International Finance Corporation (IFC) of the World Bank Group, the Sustainable Stock Exchanges Initiative (SSE), United Nations Global Compact, and UN Women, aims to raise awareness of the importance of gender equality and women's empowerment.

Other initiatives to improve gender equality included the following:

Bahrain Bourse formed a partnership with the Diversity on Board Program. It also created an internal Equal Opportunities Committee and partnered with the Supreme Council for Women.

The Saudi Exchange aims to be a leading advocate and performer in gender equality in the MENA region. It is also working on sustainability-focused training and specialised leadership programs for women, crafted in collaboration with global training institutes.

The **Palestine Exchange (PEX)** supports gender pay equity assessments and inclusive policies, and encourages listed companies to adopt gender-sensitive policies and report on gender diversity metrics.

The Indonesia Stock Exchange conducts regular surveys to inform specific programs to address identified gender equality gaps internally, such as implementing hybrid working arrangements to offer more flexibility for employees. It also collaborates with other institutions to promote gender equality to listed companies and exchange members.

Japan Exchange Group (JPX), in conjunction with the Ministry of Economy, Trade and Industry, publishes an annual list of listed companies that have shown excellence in promoting women's participation in the workplace. In 2023, the Tokyo Stock Exchange (TSE) revised its listing rules to require companies to strive to appoint at least one female executive by 2025 and aim for 30% female executives by 2030.

The Toronto Stock Exchange (TMX) set quantitative targets with respect to gender representation in its workforce and at executive levels, which it monitors using both qualitative and quantitative indicators, and built partnerships with organisations that promote diversity to offer education, training and events for employees. TMX's employee-led ED&I Council has been developing and supporting the execution of programs and policies that support a diverse and inclusive workforce through advocacy, awareness-building and communicating with employees.

Bursa Malaysia established its DEI Policy to cultivate a workplace culture that embraces and values diversity across age, ethnicity, gender and other dimensions of identity that promote inclusivity, equal opportunity and mutual respect for all employees.

SIX achieved its target of 25% women in management by end-2024, reinforcing its commitment to gender diversity.

The Singapore Exchange (SGX Group) advocates for Women on Boards in Singapore through the Council for Board Diversity, where its CEO is co-chair. SGX's Listing Rulebook requires issuers to maintain and disclose a board diversity policy that addresses gender and other relevant aspects of diversity. Issuers must also describe their board diversity policy and details such as diversity targets, plans, timelines and progress in their annual reports.

The Warsaw Stock Exchange (GPW) provides an Inter-University Educational Programme to prepare candidates for positions on management and supervisory boards, taking into account the specificity of companies listed on GPW and corporate requirements. It hosts regular meetings for programme participants with listed companies in selected industries and has developed a marketplace of development programmes with a broad spectrum of training and courses.

Dubai Financial Market launched a first-of-its kind eBoard platform in the region, in collaboration with the Dubai Women Establishment. The online platform aims to increase awareness of Board positions available and enables interested parties to submit and track their application online.

The Pakistan Exchange (PSX) tasked its HR department with ensuring that consistent salary ranges are in place across genders at all times, i.e. at the time of hiring, increments and promotions, and ensuring that a consistent remuneration package is awarded to all employees irrespective of gender. PSX also runs awareness sessions on workplace harassment, ensures that at least one female candidate is included for every open management position, and has set a minimum gender diversity ratio for management staff.

Most respondents to this question reported an ambition to be a leading advocate and performer on gender equality in their jurisdiction or region. They cited internal strategies that take a holistic approach to gender and broader DEI initiatives, encompassing areas such as recruitment, flexible working arrangements, career

progression and family support. Exchanges also broadly reported efforts to promote gender equality and equity with listed issuers, including through listings rules and initiatives led by the UN Sustainable Stock Exchanges initiative and the Women's Empowerment Principles.

3.3. Transparency and reporting

ESG disclosure: demand and drivers

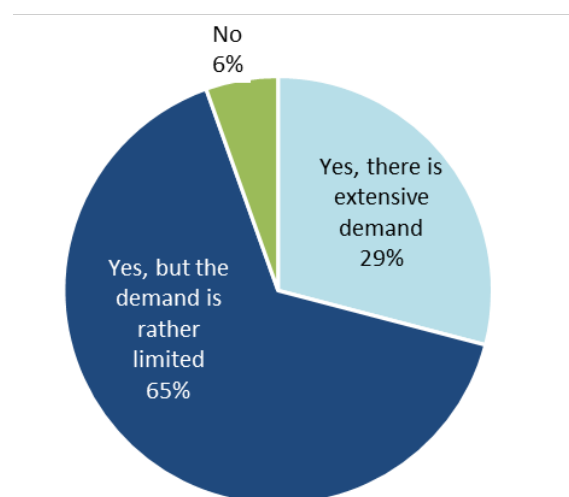
Regarding investor demand for sustainability disclosure, the proportion of exchanges acknowledging such demand within their jurisdiction has remained robust at 94%, mirroring trends from the previous three years. However, the characteristics of this demand diverge from those of the previous year (see **Figure 13**), with 30% of respondents noting a substantial demand for sustainability disclosure (compared with 45% last year), while 64% indicated a more limited interest within their respective jurisdictions (against 51% last year).

On the question of whether exchanges believe that requiring companies to disclose sustainability information would adversely affect their business, 78.43% believe that it would not, compared with 25.49% that think it would.

The survey investigated the primary drivers influencing sustainability disclosures. In 50 cases, it was reported that companies listed on the exchange are encouraged/required to disclose sustainability information. With regards to who encourages/requires companies to disclose sustainability information, **Figure 14**

illustrates a detailed breakdown of the responses gathered. The findings reveal that exchanges remain the foremost proponents of sustainability disclosure, with the number of exchanges requiring sustainability disclosure increasing from 12 last year to 17.

Figure 13. Investor demand for ESG disclosure



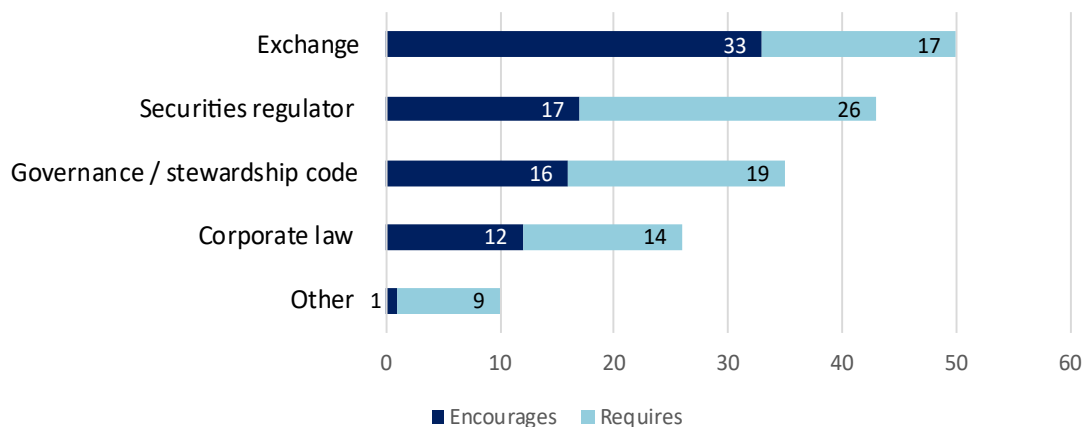
N= 55

Sustainability disclosure: reporting formats

Ensuring the availability of high-quality, consistent, and comparable sustainability information, which caters to the best interests of all stakeholders, stands out as a primary challenge reported by exchanges. To monitor the evolution of reporting methodologies, we compiled data on the reporting standards and formats endorsed by exchanges. **Figure 15** presents the responses from exchanges regarding their preferred disclosure format. The findings indicate that exchanges typically refrain from imposing specific requirements on issuers, affording companies the flexibility to select their preferred format, with "any format" receiving the highest overall preference.

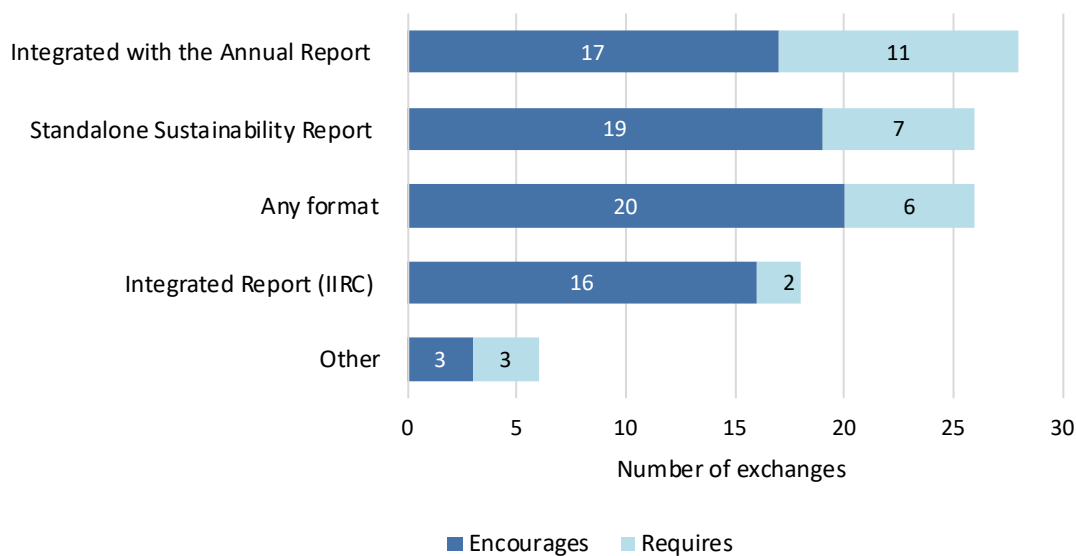
Compared with previous years, a standalone sustainability report is no longer the most favoured option among the predefined formats, with the integrated report now being the most favoured. Other reporting formats include specific formats or platforms developed by the exchange or securities regulators.

Figure 14. Drivers of ESG disclosure*



*Multiple answers allowed. N=50

Figure 15. Reporting format encouraged/required by exchanges*



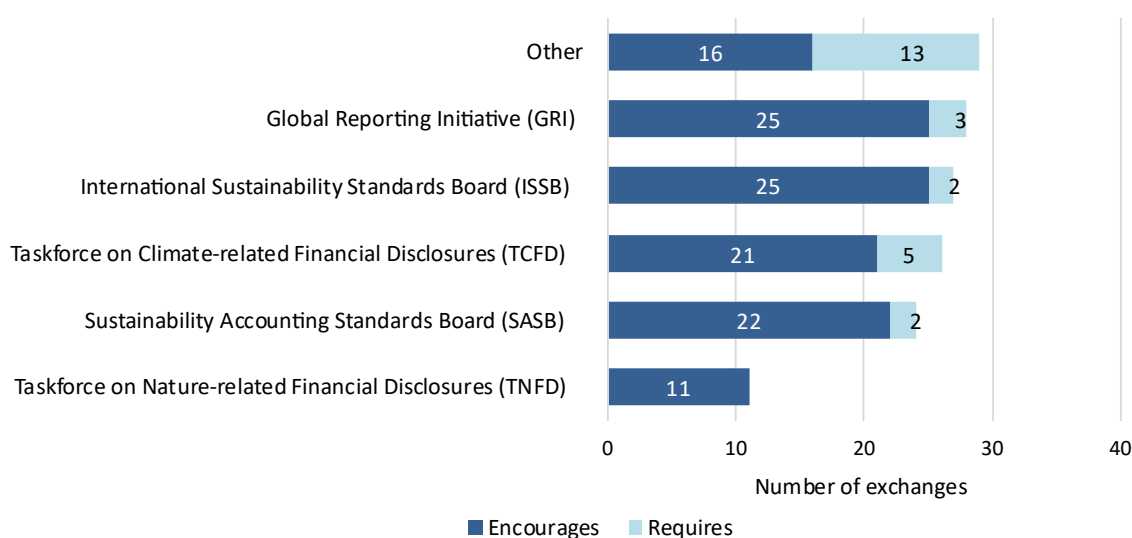
N=48. *Multiple answers allowed.

Sustainability disclosure: reporting standards

Distinguishing from reporting formats, which dictate how sustainability information is presented, reporting standards encompass the rules governing what sustainability information is reported. Typically, accounting standards-setting bodies develop sustainability standards. Prominent sustainability reporting standard setters include the **Global Reporting Initiative (GRI)**, the **International Sustainability Standards Board (ISSB)**, the **Task Force on Climate-Related Financial Disclosures (TCFD)** established by the Financial Stability Board (FSB), the **Sustainability Accounting Standards Board (SASB)**, and the **Taskforce on Nature-related Financial Disclosures**. These organisations have published standards and frameworks that provide guidelines for companies to consistently measure and report their sustainability performance, facilitating comparability and transparency across different organisations.

Figure 16 illustrates the reporting standards and frameworks either encouraged or required by exchanges. As in 2023, a lack of consensus regarding the required or recommended reporting standards among exchanges persisted. The GRI and the ISSB standards garner the highest level of support. Notably, the “Other” category comes out on top, increasing from 18 in 2023 to 29 in 2024, and comprises the most enforced standards by exchanges.

Figure 16. Reporting standards that listed companies are encouraged or required to use by exchanges*

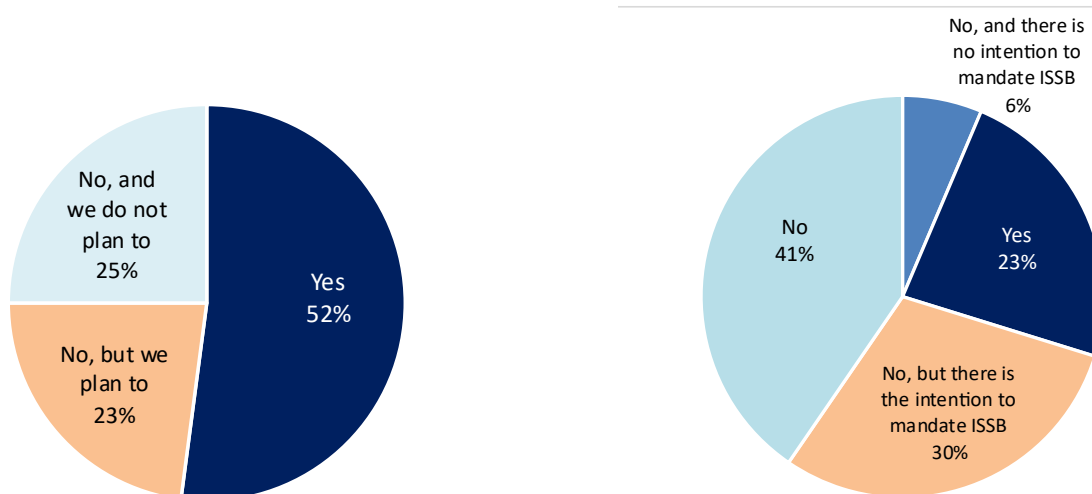


*Multiple answers allowed. N=48

Within the “Other” category respondents mentioned the exchange’s own reporting guidelines, local regulator’s guidelines, OECD Due Diligence Guidance for Responsible Minerals Supply Chains, ISO 14001 for environmental management systems, ISO 45001 for Occupational Health and Safety, ESRS standards, and EU CBAM reporting for aluminum.

In response to the interest in the TCFD Recommendations and the ISSB Standards, the survey collected data on the primary organisations advocating for these standards. **Figure 17** and **Figure 18** show the proportion of exchanges including the recommendations of the TCFD Recommendation and ISSB Standards, respectively in their reporting guidance or reporting requirements for listed companies. These figures showcase the extent to which the TCFD Recommendations and ISSB Standards either are or will be included in reporting guidance or requirements for listed companies by exchanges and/or by local regulatory authorities.

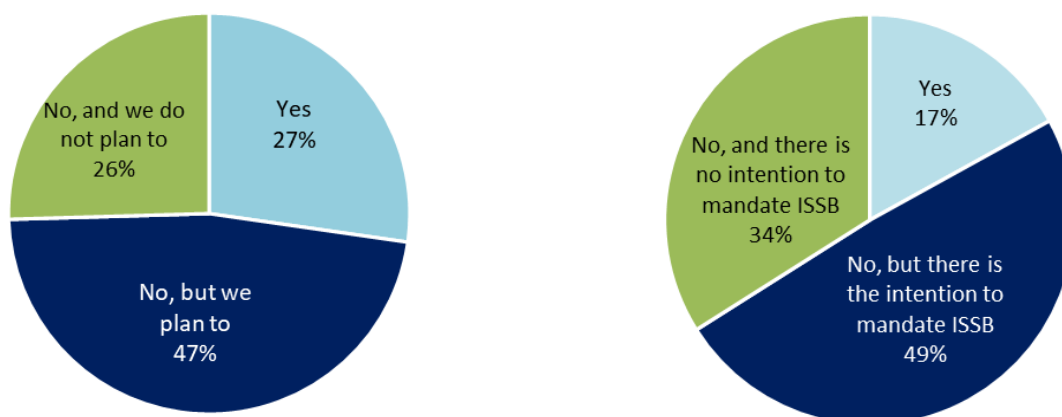
Figure 17. Including the TCFD Recommendations in reporting guidance or requirements for listed companies



The graph shows the percentage of responses to the question: *Has your exchange included the recommendations of the TCFD in the reporting guidance or reporting requirements for listed companies?* N=48.

The graph shows the percentage of responses to the question: *Have the authorities in your jurisdiction mandated corporate disclosure against the TCFD framework?* N=49.

Figure 18. Including the ISSB Standards in reporting guidance or requirements for listed companies



The figure represents the responses to the question: *Has your exchange included the recommendations of the ISSB in the reporting guidance or reporting requirements for listed companies?* N=55

Support for the creation of the ISSB: *Have the authorities in your jurisdiction mandated corporate disclosure against the ISSB framework?* N=53

When queried about their stance on supporting the ISSB, a striking **90% (45/50)** of respondents expressed their **support for the ISSB**, marking an increase from the 83% observed in the previous year. This increase underscores

the growing recognition and endorsement of the ISSB's efforts to establish comprehensive and consistent sustainability disclosure standards across industries and jurisdictions. However, the popularity of other reporting standards has remained high, supported by ongoing work to ensure interoperability between standards. Furthermore, nature and biodiversity reporting in line with the TNFD Framework is relatively new but is gradually being incorporated across existing reporting standards, including the ISSB Standards. As such, the picture here will continue to evolve.

BOX 3: Spotlight on implementation of ISSB Standards in Hong Kong

In December, the Hong Kong Government published a Roadmap (www.fstb.gov.hk/fsb/en/publication/report/docs/FSTB_Roadmap2024_eBooklet_EN.pdf), which provides a well-defined pathway for large publicly accountable entities to fully adopt the ISSB Standards by 2028. The Hong Kong Institute of Certified Public Accountants has published the final Hong Kong Sustainability Disclosure Standards (HK Standards) on a full-alignment basis with the ISSB Standards.

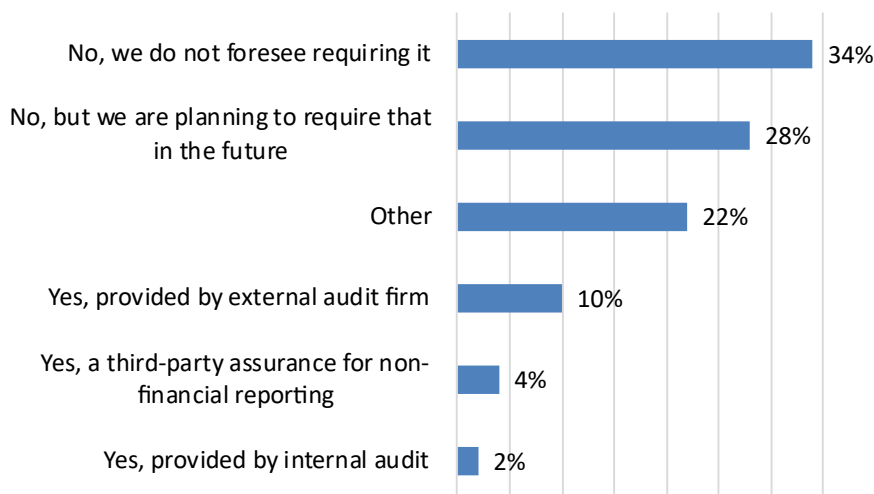
HKEX's new climate requirements, which were developed based on the IFRS S2, came into effect on 1 January 2025, adopting a phased implementation approach. The new climate requirements in the Listing Rules are an interim step for companies to start climate reporting early in accordance with provisions of the ISSB Standards.

According to the Hong Kong Roadmap, HKEX will conduct a review in 2027 when the first reports based on the new climate requirements become available. It will also launch a market consultation on making sustainability reporting in accordance with the HK Standards mandatory. Subject to consultation feedback, it is expected that the HK Standards will apply to the first batch of listed companies in respect of reports for financial years beginning on or after 1 January 2028. The consultation will also seek feedback on requiring assurance for all or part of the sustainability disclosures and the approach on phasing-in such requirements to enhance the credibility and reliability of sustainability disclosures.

Sustainability disclosure: requiring assurance or verification

The findings indicate that 34% (17 out of 50) of respondents do not currently require verification of sustainability disclosures or do not anticipate implementing such a requirement in the future. This marks an increase from the previous year's figure of 28.9%. Among the respondents, five exchanges require verification of issuers' ESG data by external audit firms, while two rely on third-party assurance for non-financial reporting. Additionally, 14 exchanges have expressed their intention to implement such a requirement in the future.

Figure 19. Exchanges requiring assurance or verification of listed companies' sustainability data/disclosure

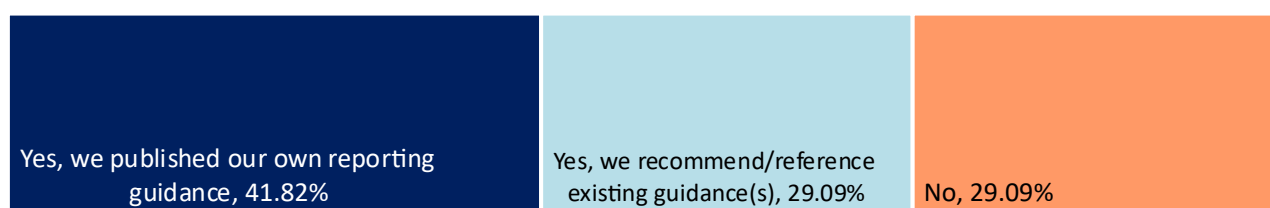


N=50

Sustainability disclosure: guidance on materiality

In aiding listed companies with sustainability disclosure, stock exchanges often offer sustainability reporting guidance. The survey findings unveiled that 71% (39 out of 55) of respondents have provided companies with guidance on issues deemed material for disclosure—four more exchanges compared to the previous year. Out of these, 23 exchanges have developed and published their own reporting guidance, while 16 exchanges have recommended or referenced existing guidance documents.

Figure 20 Does the exchange guide companies on which issues are material for disclosure purpose?



N=55

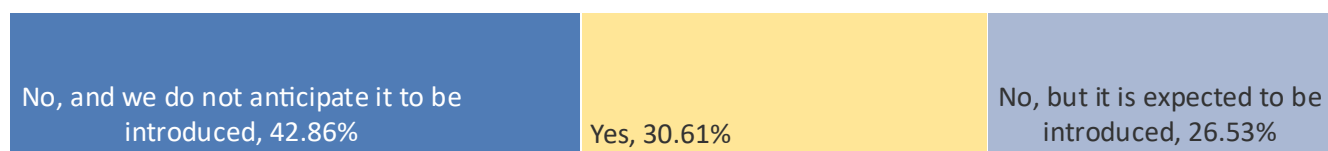
Sustainability disclosures: combating greenwashing

Greenwashing refers to the practice of conveying a false impression or providing misleading information about the environmental benefits of a product, service, or company's practices. It involves exaggerating or misrepresenting the environmental attributes of a product or organisation to appeal to environmentally conscious consumers. Greenwashing can take various forms, such as using misleading images, labels or certifications, making unsubstantiated environmental claims, or diverting attention from harmful practices through superficial gestures.

Sustainability disclosure serves as a crucial tool for combating greenwashing by promoting transparency and accountability in corporate practices. Though sustainability disclosures, companies can demonstrate their genuine commitment to sustainability and stakeholders can assess companies' actual environmental and social impact, enabling them to hold companies to account and reducing the likelihood of greenwashing or misleading marketing tactics. Standardised reporting also helps ensure consistency and comparability across industries, making it easier for stakeholders to evaluate and contextualise companies' sustainability performance accurately.

To gauge regulatory efforts to address greenwashing issues, we introduced a question regarding anti-greenwashing regulation in respondents' local jurisdictions (**Figure 21**).

Figure 21. Greenwashing legislation. Is there specific sustainability labelling legislation in place in your jurisdiction to address greenwashing?



N=49

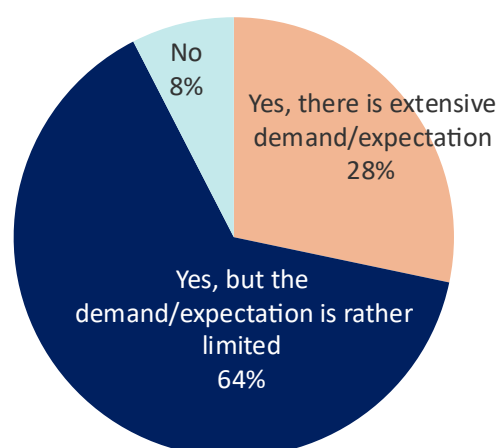
3.4.Sustainability products

Demand for ESG products

The survey enquired about the demand for sustainability products within individual markets. The results, as summarised in **Figure 22**, shed light on the widespread interest in sustainability investments among investors.

To understand how exchanges are addressing investor demand, we gathered data on the sustainability products that are offered by exchanges. In 2023, 41 exchanges offered sustainability-related products, representing 82% of all respondents, a similar level compared to last year.

Figure 22. Investor demand for ESG products



N=56

Sustainability product offering

Figure 23 outlines the distribution of products offered by exchanges. Similar to the previous year, green bonds (including green sukuk) maintained their position as the most sought-after sustainability products, with 38 respondents offering them.

Sustainability products categorised as "Other" include sustainability indices, commercial papers, renewable energy infrastructure funds, gender-focused bonds, green DLT bonds and greenhouse gas emission allowances.

The survey also gathered data on how sustainability-related bond markets are structured across different exchanges, as depicted in **Figure 24**. Notably, 59% of exchanges offering green bonds/sukuk have established a dedicated listing segment for them. Furthermore, exchanges frequently provide trading services for these products, with 22 exchanges offering trading for green bonds/sukuk, 16 offering social bonds/sukuk, 17 offering sustainability bonds/sukuk, and 10 offering sustainability-linked bonds/sukuk.

Figure 23. Number of exchanges offering different types of sustainability products*



*Multiple answers allowed. Segments in light blue indicate Sukuk products

Box 4 Examples of Sustainability Products introduced in 2024

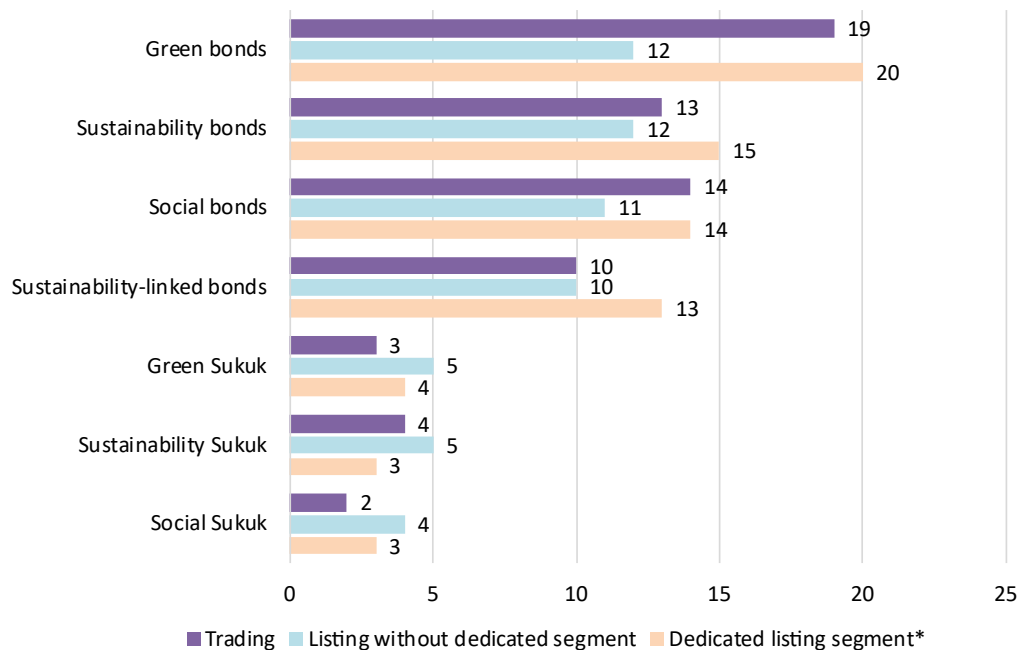
SIX: The ESG and Sustainability indices for the Nordic equity, Spanish equity, Swiss bond and Swiss equity market were expanded by further Swiss ESG Bond indices in response to client demand in 2024. The ESG index offering attracted new clients from the asset management industry who launched further index funds and pension fund mandates on the Swiss equity and bond ESG index families and subscribed to ESG index data.

SIX also provides a platform for various types of sustainable bonds, adhering to international standards (ICMA) and promoting transparency in the financial markets. It supports green, social, sustainability, and sustainability-linked bonds, financing environmental and social projects while ensuring accountability with external ESG ratings.

The London Metals Exchange (LME): LME introduced a low-carbon nickel offering and mandated EU CBAM emissions reporting for aluminium.

The Australian Securities Exchange (ASX): ASX launched three new Environmental Futures contracts and one Gas Futures contract.

Figure 24. Sustainability-related bond markets*

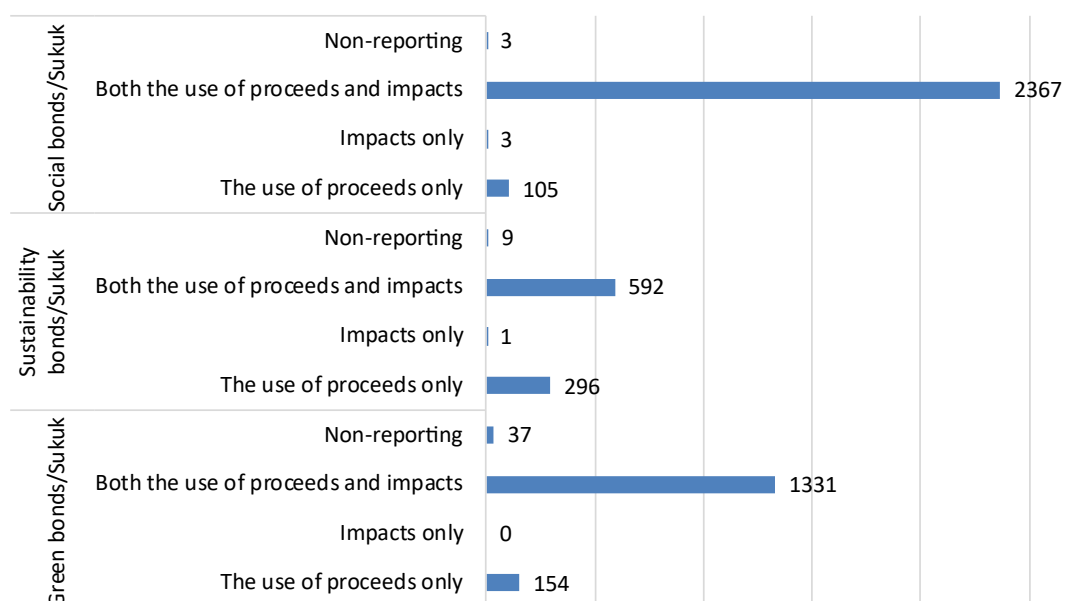


*The three options (trading, listing without a dedicated segment, and dedicated listing segment) are not mutually exclusive.

Sustainable bonds reporting

Figure 25 provides information on the range of sustainable bonds offered by exchanges.

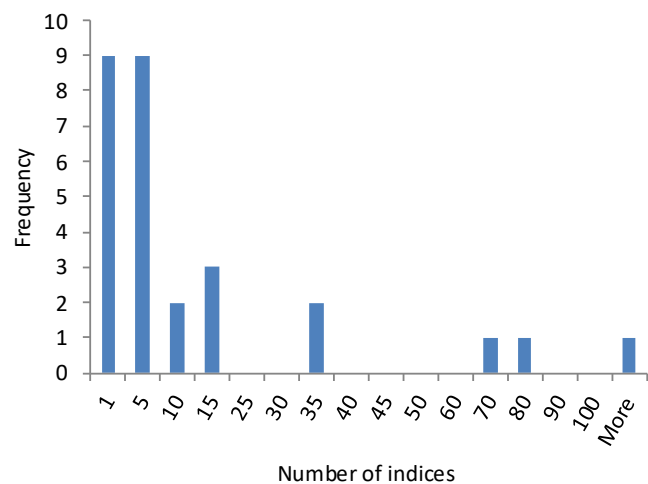
Figure 25. Number of bonds/Sukuk listed in the market that report on proceeds and impacts



Exchanges offering sustainability indices

There are 28 exchanges offering sustainability indices. Most of them offer between 1 and 5 indices, but others offer many more, up to 147 (Figure 26).

Figure 26 Distribution of exchanges according to the number of indices offered

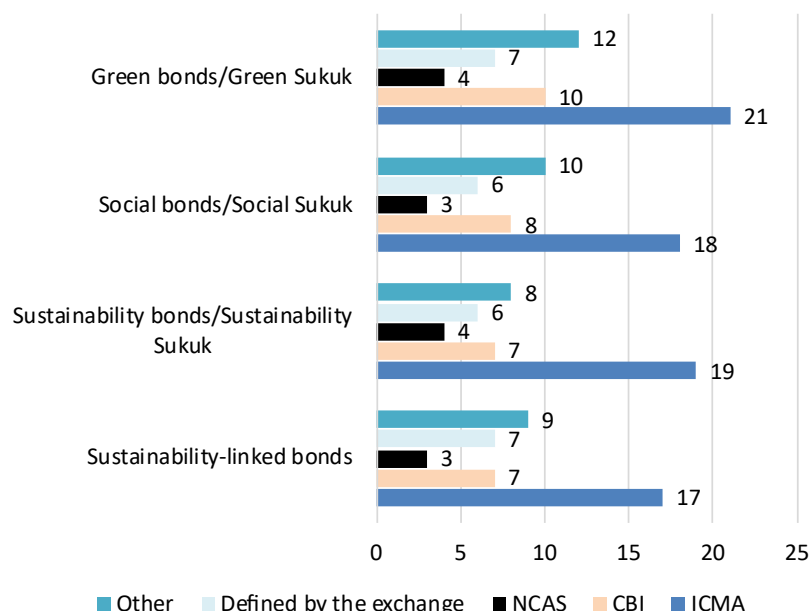


N=28

Sustainability standards and definitions adopted by exchanges

In addition to gathering data on the demand for, and availability of, sustainability products, the survey also investigated the sustainability standards and definitions adopted by exchanges. **Figure 27** presents the standards accepted by exchanges for labelling sustainability products, revealing results that closely mirror those of the previous year. In each category, standards established by the **International Capital Market Association (ICMA)** remain the most widely utilised by exchanges for defining green, social, and sustainability bonds/sukuks, consistent with the findings from the previous year, broadly followed by CBI. Notably, the use of standards set by the **National Competent Authority (NCA)** has increased.

Figure 27. Standards accepted by exchanges for labelling sustainability products*

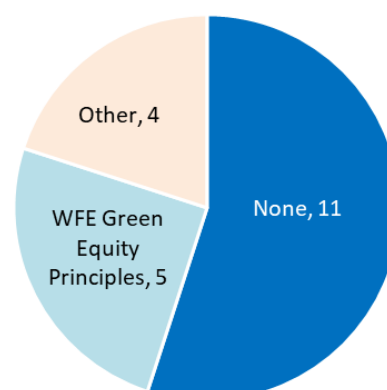


*Multiple answers allowed

WFE Green Equity Principles

Regarding green labelling in the equity space, on March 23, 2023, the WFE introduced its groundbreaking **WFE Green Equity Principles**, marking the first-ever global framework for identifying and designating stocks and shares as environmentally sustainable. These principles serve as a universal guideline for recognising and endorsing shares with green attributes. The implementation of the WFE Green Equity Principles aims to address the issue of greenwashing by establishing clear criteria for issuers across five key pillars: Revenues, Taxonomy, Governance, Assessment, and Disclosure. By adhering to these principles, issuers seeking the WFE Green Classification will enhance their accessibility to capital, provide investors with comprehensive information for informed decision-making, elevate their visibility among sustainability-focused investors, and bolster their commitment to advancing the green economy.

Figure 28 Standards adopted to define Green Equity

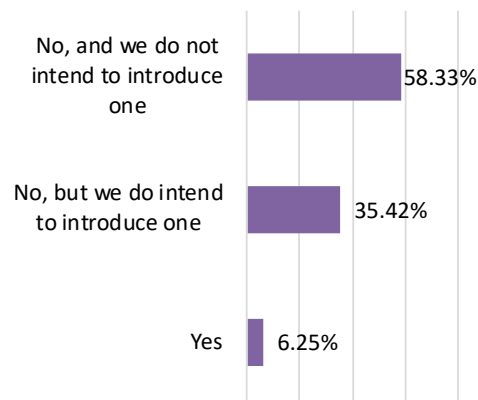


N=20

Transition designation

A transition designation is a voluntary designation for listed companies in the process of transitioning to a sustainable business model and wanting to increase visibility around their transitioning business models and strategies. This designation would complement existing green equity labels, recognising companies that are actively investing in green activities and making progress towards a greener future. In the survey 41.67% of respondents have introduced or are planning to introduce a transition designation (**Figure 29**).

Figure 29 Have you introduced a transition designation?



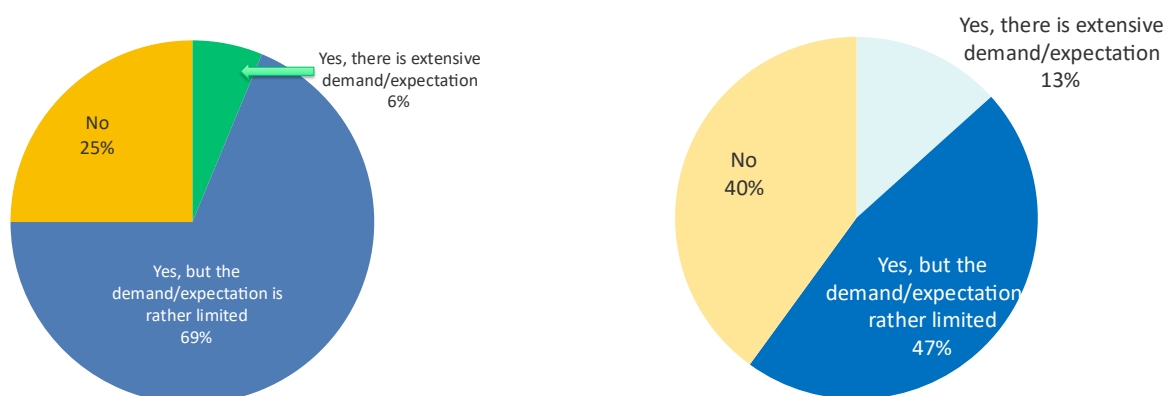
N=48

Sustainable commodities

The introduction of sustainable commodities plays a pivotal role in adapting to evolving risk management needs and facilitating the transition towards a greener and more sustainable economy.

When asked about investor interest in integrating sustainability factors into derivatives contracts, 60% confirmed the existence of such demand, as illustrated in **Figure 30**.

Figure 30. Demand for ESG commodity products and for oversight of sustainable sources



Have you observed any investor demand/expectation for incorporating sustainability elements into the commodity derivatives contracts?

N=16

Have you observed any investor demand/expectation for oversight and understanding on whether the underlying commodity is sustainably produced?

N=17

Sustainable commodities: definitions

There is no single universally accepted definition of a *sustainable commodity*, but the term generally refers to a raw material or primary product that is produced, traded, and consumed in ways that minimise sustainability-related harms and promotes sustainability objectives. In the survey, we ask commodity exchanges which definition they use as well as the type and focus of their sustainability commodity offering.

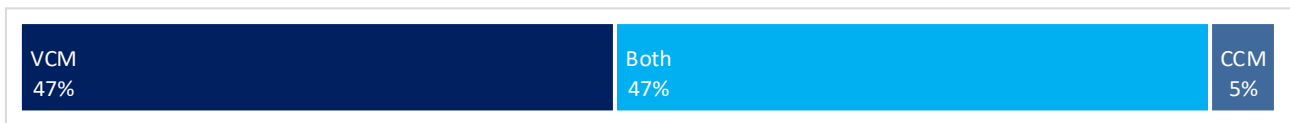
Five exchanges confirmed they referenced existing standards, these included OECD Due Diligence Guidance, ISO 14001, ISO 45001, EU CBAM and Carbon Footprint Guidance,

The product offerings, mostly spot and futures on sustainable commodities, focus mainly on environmental aspects (5 responses), followed by Social (2 responses) and governance (1 response).

Environmental products

When queried about the types of carbon markets within their jurisdictions, 19 respondents confirmed the existence of such markets. Among them, nine exchanges acknowledged the presence of both compliance and voluntary carbon markets in their jurisdictions, nine reported voluntary carbon markets only and one reported compliance market only.

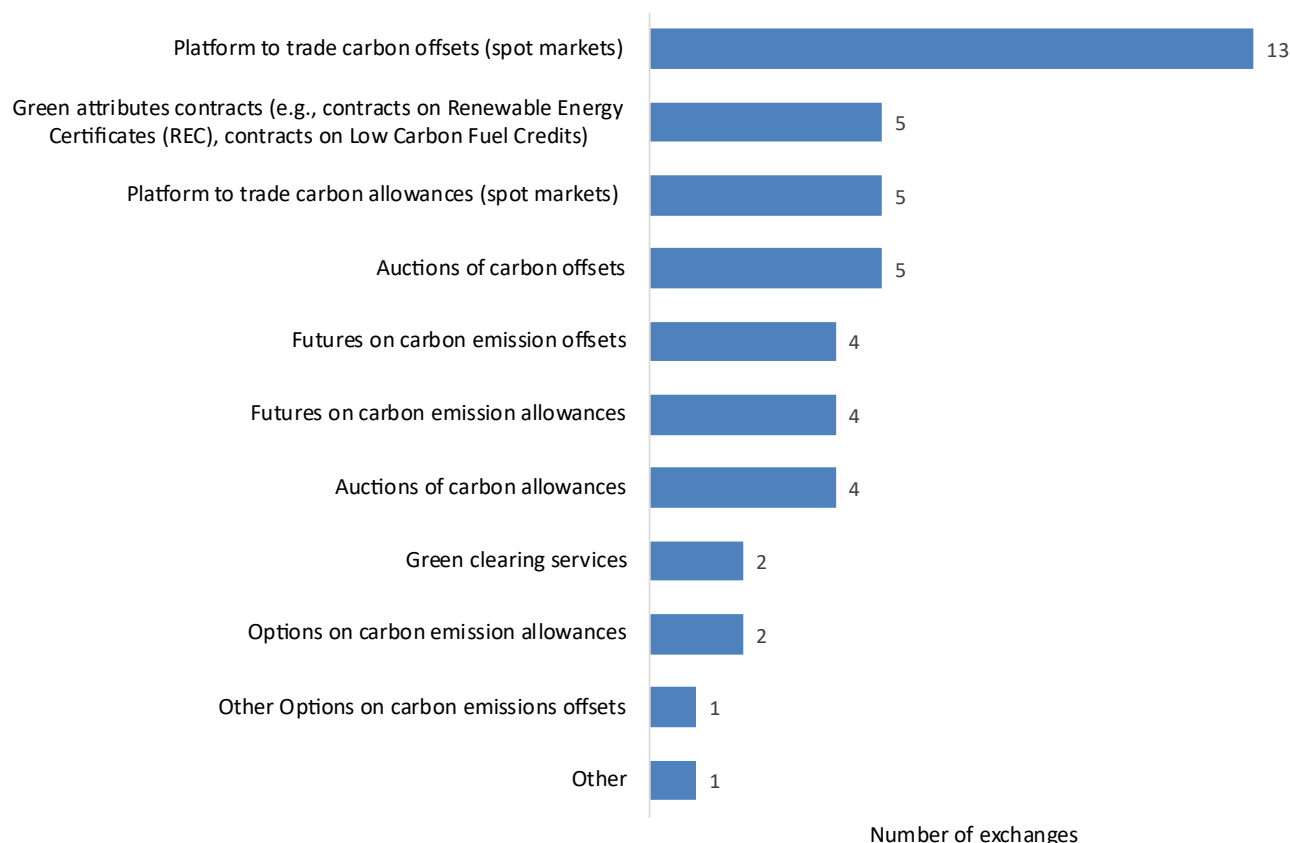
Figure 31 Types of carbon markets available in each jurisdiction



N=19

We also asked exchanges about the environmental products they offer. As shown in **Figure 32**, 13 out of 16 respondents indicated that their platforms facilitated trading carbon offsets through spot markets, followed by platforms for trading carbon allowances and the auction of carbon offsets.

Figure 32. Environmental products offered by exchanges*



*Multiple answers allowed. Carbon emission allowances are typically traded in Compliance Carbon Markets (CCM). Carbon offsets are typically traded in Voluntary Carbon Markets (VCMs). "Others" include Carbon futures ETFs.

N=16

Box 5: Voluntary Carbon Market examples

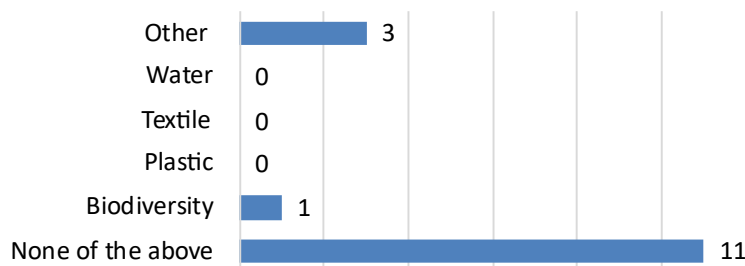
SIX entered the carbon removal market with a strategic investment into Carbonfuture, a leading provider of durable carbon removal credits and monitoring, reporting, and verification services. SIX aims to develop the carbon removal ecosystem in partnership with Carbonfuture, supporting them in scaling their infrastructure solutions by providing high-quality, durable Carbon Dioxide Removal (CDR) credits through their platform. By doing so, SIX aims to support its clients on their journey towards achieving 'net zero' and contribute to the transition to a sustainable economy.

EGX launched its Regulated Voluntary Carbon Market with a trading platform.

Other environmental products

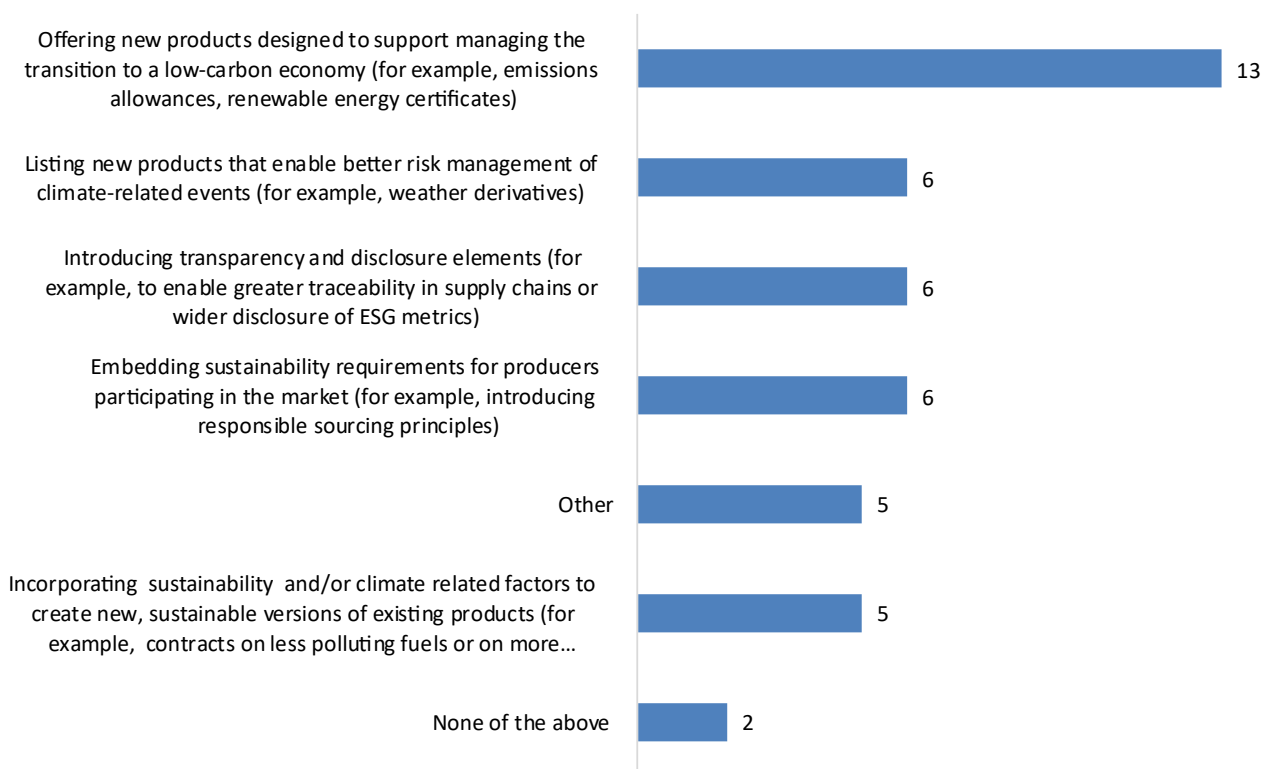
The survey asked exchanges whether they offer or plan to offer offset credits other than carbon credits. The responses show there is currently limited appetite for such products (**Figure 33**). However, exchanges are engaging in other approaches to incorporating sustainability in their product offering (Figure 34).

Figure 33 Does your exchange offer (or plan to offer) offset credits other than carbon offset credits?



N=13

Figure 34. New product design* What approaches, if any, are you taking or plan to take to include (or increase) sustainability in your product offering? Select all that apply



**Multiple answers allowed. N=19*

Box 6: 2024 Updates on other exchange sustainability initiatives

Exchanges worldwide continue to strengthen their sustainability frameworks in line with evolving standards and market expectations. The following 2024 updates highlight progress across disclosure, data infrastructure, product innovation, and capacity-building, aligned with sustainable finance objectives and the United Nations Sustainable Development Goals (SDGs).

The Philippine Stock Exchange (PSE) released its first progress report as a member of the Net Zero Financial Service Providers Alliance. It also launched its first sustainability reporting guidebook for issuers.

The Stock Exchange of Thailand (SET) signed a memorandum with Thailand's Department of Climate Change and the Export-Import Bank to develop an integrated green finance data ecosystem. It also partnered with FTSE Russell to introduce a new sustainability scoring framework for Thai firms, which will replace the SET's current ratings by 2026, supported by capacity-building workshops. The SET additionally collaborated with six universities to develop eight sustainability-related courses, fostering future sustainability leaders, and established an ESG Expert Pool of 350+ sustainability professionals to support market knowledge-sharing. SET's ThaiESG Funds, which promotes sustainable investment funds, has also grown to include 53 funds totalling THB 29 billion (USD 0.85 billion), marking a 462% year-on-year increase.

The Shanghai Stock Exchange's (SSE) issued 147 sustainability indices and 46 green ETFs (exchange-traded funds), while the issuance of SSE green bonds reached RMB 140.3 billion, representing an 8% annual increase. The SSE also released sustainability reporting guidelines and a three-year sustainability disclosure improvement plan, supported by new executive training and digital tools for self-assessment launched on the SSE's Xingqihang platform.

The Taiwan Stock Exchange (TWSE) has issued 10 ESG ETFs, with total assets under management reaching NT\$499.2 billion, represents a compound annual growth rate (CAGR) of approximately 101.9% since 2020, and a 59% year on year increase. TWSE and **Taipei Exchange (TPEX)** also jointly developed a digital ESG platform to support all listed companies in preparing sustainability reports in line with the GRI Standards. To facilitate alignment with the IFRS Sustainability Disclosure Standards, TWSE published example reports and educational materials.

Borsa Istanbul launched Sustainability-themed Debt Securities Indices to track returns on qualifying bonds. It also adopted TSRS 1 and TSRS 2, Turkish versions of IFRS S1 and S2, and updated its Sustainability Guide to support implementation of the IFRS-aligned standards.

The Palestine Exchange (PEX) rolled out a sustainability disclosure framework to enhance transparency while progressing on formal net-zero targets and its gender diversity programmes. It also introduced green bond initiatives and supported social impact projects in education and health.

SIX introduced sustainability indicators into structured products using standards from the Swiss Structured Products Association. It also committed to displaying sustainability data from issuers on its website, enhancing market transparency and harmonisation.

The Toronto Stock Exchange (TMX) launched its Canada Climate Week Xchange (CCWX) initiative to advance climate finance awareness and collaborative action by bringing together a broad coalition of stakeholders including government, industry, indigenous communities, and civil society to support Canada's efforts to reduce greenhouse gas emissions by 2030.

Annex 1: Survey respondents

WFE Members

Americas	APAC	EMEA
B3 - Brasil Bolsa Balcão	Australian Securities Exchange	Amman Stock Exchange
Bolsa de Comercio de Buenos Aires	Bursa Malaysia	Athens Stock Exchange (ATHEX)
Bolsa Mexicana de Valores (BMV)	China Financial Futures Exchange	Bahrain Bourse
Canadian Securities Exchange	Colombo Stock Exchange	Borsa Istanbul
Cboe Global Markets	Hong Kong Exchanges and Clearing (HKEX)	Botswana Stock Exchange
CME Group	Indonesia Stock Exchange	Boursa Kuwait
Bolsa Latinoamericana de Valores (Latinex)	Japan Exchange Group, Inc.	Dar es Salaam Stock Exchange PLC
Nasdaq	Kazakhstan Stock Exchange	Deutsche Börse AG
nuam exchange	Korea Exchange	Dhaka Stock Exchange PLC
SIX Group	National Stock Exchange of India Ltd	Dubai Financial Market
TMX Group Limited	NZX Limited	FMDQ Group
	Shanghai Stock Exchange	Ghana Stock Exchange
	Shenzhen Stock Exchange	Johannesburg Stock Exchange (JSE)
	Singapore Exchange	London Metal Exchange (LME)
	Taipei Exchange	Luxembourg Stock Exchange
	Taiwan Futures Exchange	Malta Stock Exchange
	Taiwan Stock Exchange	Palestine Exchange
	Philippine Stock Exchange	Qatar Stock Exchange
	The Stock Exchange of Thailand	Saudi Tadawul Group (STG)
		Tel-Aviv Stock Exchange (TASE)
		The Egyptian Exchange (EGX)
		Stock Exchange of Mauritius
		Tunis Stock Exchange
		Warsaw Stock Exchange

*nuam exchange integrates the Bolsa de Santiago (BCS), Bolsa de Valores de Colombia BVC) and Bolsa de Valores de Lima (BVL).

WFE Affiliates

Americas	APAC	EMEA
	Baku Stock Exchange	Angola Stock Exchange and Derivatives (BODIVA)
	Pakistan Stock Exchange Ltd.	

Annex 2: Sustainability Principles and corresponding sustainability initiatives

Sustainability Principle	Corresponding Initiatives*
Principle 1: Educate market participants about sustainability issues	<ul style="list-style-type: none"> • Run ESG capacity-building events/engagements for issuers and/or investors • Offer ESG education initiatives for issuers and/or investors • Organise workshops on ESG-related products • Produce guidance notes for green bonds issuance and listings • Offer ESG education initiatives to a wider set of stakeholders (e.g., universities) besides investors and issuers.
Principle 2: Promote the enhanced availability of ESG information	<ul style="list-style-type: none"> • Have issued formal ESG reporting guidance for listed companies • Have formally endorsed/supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) • Translate international guidance material into the local language • Engage with other stock exchanges to enhance the availability of non-financial information of listed companies. • Develop an ESG information platform for investors. • Provide ESG reporting platform for issuers.
Principle 3: Engage stakeholders to advance the sustainable finance agenda	<ul style="list-style-type: none"> • Engage stakeholders (regulators, policymakers and capital market participants) to advance the sustainable finance agenda. • Engage stakeholders in ESG standards setting. • Engage with other stock exchanges to enhance the availability of non-financial information of listed companies.
Principle 4: Provide markets and products that support the development of sustainable finance	<ul style="list-style-type: none"> • Have a dedicated listing segment for ESG-related bonds • Offer sustainability-related products (e.g., green bonds, specialised listing categories, ESG Index or related indices or ratings, carbon trading platform) • Produce guidance notes for green bond issuance and listings.
Principle 5: Embed sustainability into the exchange's governance, strategy, and organisation structures	<ul style="list-style-type: none"> • Publish the exchange's own sustainability report or include sustainability information in the annual report. • Have made a formal commitment to sustainability, e.g., SSE, UNPRI, UNGC, UN SDGs • Have a dedicated resources/ team to oversee the exchange's sustainability initiatives. • Run ESG capacity-building initiatives for the Board/staff of the exchange. • Include ESG issues and risks in the exchange's risk management process. • Engage in initiatives related to preventing human rights abuses within supply chains. • Have put in place net zero targets

**Some initiatives map to more than one Principle.*

Annex 3: Sample of sustainability indices that currently include exchanges as components.

Adasina Social Justice
 ATHEX ESG INDEX
 Bloomberg ESG Coverage Index.
 Bloomberg ESG Data Index,
 Bloomberg ESG Score Universe,
 Bloomberg Gender Equality Index.
 Bloomberg PAB APAC DM ex Japan Large & Mid Cap Index,
 Bloomberg PAB Developed Markets Large & Mid Cap Index,
 Dow Jones Best in Class Emerging Markets,
 Dow Jones Sustainability America Index,
 ESG Quality 45 IDX KEHATI
 ESG Sector Leaders
 Euronext ESG Biodiversity Screened World,
 Euronext Sustainable World 120
 FTSE Blossom Japan Index
 FTSE Blossom Japan Sector Relative Index
 FTSE Developed All CapChoice Index,
 FTSE for good MSCI (TBC)
 FTSE4Good Bursa Malaysia Index,
 FTSE4Good Bursa Malaysia Shariah Index,
 FTSE4Good Index Series
 FTSE4Good US Select Index,
 FTSE4Good,
 Hang Seng Corporate Sustainability Index Series 3.
 HSBC ESG Risk Improvers Index
 ICO2 B3,
 IDIVERSA B3,
 IDX ESG Leaders,
 IDX KEHATI,
 IDX LQ45 Low Carbon Leaders,
 iEdge-OCBC Singapore Low Carbon Select 50 Capped Index,
 IGPTW B3
 ISE B3,
 KASE_ESGB_
 KASE_ESGB_CP –
 KASE_ESGB_Y –
 Morningstar Global Markets Paris Aligned Benchmark PR
 MSCI ACWI Climate Action Index,
 MSCI ACWI Climate Paris Aligned Equity Index
 MSCI Asia ex Japan Climate Action Index,
 MSCI Japan Empowering Women Index
 MSCI Japan Empowering Women Select Index
 MSCI Japan ESG Select Leaders Index

MSCI USA ESG Leaders Index,
MSCI World Climate Action Index,
MSCI World Custom ESG Climate Series A
S&P 500 ESG index
S&P/BMV Total Mexico ESG Index
S&P/Hawkamah ESG UAE Index
S&P/JPX 500 ESG Score Tilted Index Series
S&P/JPX Carbon Efficient Index
S&P/TSX Canadian ESG Dividend Arist FMC Weighted Index (CAD)
S&P/TSX Composite Carbon Efficient Index
S&P/TSX Composite ESG Index
S&P/TSX Composite ESG Tilted Index
Solactive ISS ESG Developed Markets Net Zero Pathway Index,
Solactive ISS ESG Global Markets Net Zero Pathway Custom Index
Solactive ISS ESG Screened Paris Aligned Developed Markets Small Cap Index NTR
Solactive ISS ESG Screened Paris Aligned Global Markets Index,
Solactive L&G Developed Markets Paris-aligned ESG SDG Index,
Solactive USS Developed Markets Ethically Screened CTB
SRI-KEHATI,
TA-125 Fossil Fuel Free Climate Index
TA-Cleantech Index
TA-Maala Index.
Vanguard ESG International Stock ETF iNAV Index