Exchanges and Sustainability

Results of the 2016 survey of the WFE membership

May 2016

Contents

Letter from the Sustainability Working Group Chair and Vice-Chair

The Sustainability Working Group (SWG) is pleased to present you with this summary of the results from our second annual Environment, Social and Governance (ESG) survey. As you know, the SWG has been tasked with exploring (and, in some cases, helping to create) best practices with regard to sustainability in the capital markets. Our focus thus far has been on corporate disclosure, because significant data gaps still exist, but we also consider financial product creation, index development, and other methods of stimulating sustainable economic development.

These avenues of inquiry are also present in the survey results, which demonstrate the breadth of interest in this topic across diverse economic, regulatory, and social spheres.

We trust that you find such results both informative and actionable, even if only to foster deeper levels of engagement with your key stakeholders. The SWG will continue to act as a research and consultation body for the member exchanges of the World Federation of Exchanges (WFE), and hopefully we can build on these data points -- and track industry progress -- over the coming years.

Regards,
Evan Harvey, Chair (May 2014-May 2016)
Corli LeRoux, Vice Chair (May 2014-May 2016)
World Federation of Exchanges, Sustainability Working Group

1. Executive summary

The results of the most recent WFE sustainability survey clearly demonstrate that WFE exchange members are actively engaged in promoting the sustainable development of their markets.

Some of the highlights from this year's survey are as follows:

- Over 90% of responding exchanges have a sustainability initiative in place, mostly focused on education initiatives for issuers and/or investors.
- Nearly 100% of respondents believe that exchanges should monitor the long-term sustainability of their listed companies and actively participate in developing better ESG reporting metrics.
- Just under 70% of exchanges did not believe that requiring ESG reporting would negatively impact on their business.
- Over 85% of respondents said that some form of ESG disclosure was required in their market.
- The primary reasons cited for exchanges limiting their pursuit of sustainability initiatives include concerns about the inability to enforce, insufficient demand and exceeding the scope of the exchange's authority.

2. Survey overview

At the start of 2016, the WFE conducted the second survey of its membership[1] with a specific focus on sustainability efforts of member exchanges and disclosure requirements initiatives for listed companies. The WFE will conduct an annual sustainability-focused survey with its membership both to create a reliable history of trends in the work of exchanges in this area, as well as highlighting new approaches as the area evolves. As the WFE covered slightly different aspects of exchanges' sustainability efforts and perspectives in the initial survey and this subsequent survey, we focus less on trends in this report rather than building out the baseline for future reports.

The WFE distributed the survey to the full membership of 64 exchanges. Forty-six exchanges responded to the survey, representing just over 70% of WFE members.[2] This number is lower than the response rate to the 2014 survey (where 56 exchanges responded) but this was somewhat to be expected: eight of the WFE's member exchanges are derivatives-only markets and this year's survey – with its focus on disclosure – was heavily skewed towards equity markets (though two derivatives exchanges responded to the more general parts of the questionnaire). In addition, readers will note that the total responses for the various questions do not necessarily total the full number of respondents as exchanges in some instances elected not to respond to every question.

In terms of geographic representation, 43% of responding exchanges were from the EMEA region, 39% from Asia Pacific and 17% from the Americas, very much in line with the distribution of the WFE membership and the responses to the previous survey. Readers can see the questionnaire as well as the full list of responding exchanges in Annex 1 and 2 respectively.

For the purposes of this report, we use the terms 'sustainability' and ESG (environment, social and governance) interchangeably.

[1] The inaugural survey report is available at the following link: http://www.world-exchanges.org/home/index.php/research/wfe-research
[2] The full list of responding exchanges is included in the appendix to this report.

3. Introduction

There have been a number of developments in the last 18 months alone that seem to suggest the increasing confluence of sustainability and financial markets. The range of initiatives that are relevant to exchanges ran from those emphasising enhanced disclosure to those that emphasised the role that markets can and should play in financing the transition to a more sustainable economy. We set out just a few of these below:

- Mark Carney, the Chair of the Financial Stability Board (FSB), announced at the COP21 Paris Climate Change Conference that the FSB had established an industry-led task-force[3] to produce disclosure recommendations for companies to enable investors and others to better assess their exposure to climate-change related risks. This followed Carney's earlier warnings regarding risks to financial markets emanating from climate change.
- The United Nations Environmental Programme Finance Initiative (UNEP-FI) published the results of its 18-month Inquiry into the Design of a Sustainable Financial System. The final report was launched at the Annual Meeting of the Boards of Governors of the International Monetary Fund and the World Bank Group in Lima, Peru on 8 October 2015.
- Also at the above-mentioned event, the Chinese G20 Presidency announced the establishment of the G20 Green Finance Study Group. The Group will focus on "identifying institutional and market barriers to green finance, and options for enhancing the ability of the financial system to mobilize private green investment."[4]
- The Sustainable Development Goals (SDGs) released in September 2015 and the Paris COP21 both contain commitments to building a more sustainable global economy and transitioning to a low carbon economy, with associated, not inconsequential, funding requirements.
- In early 2016, Larry Fink, the CEO of one of the world's largest asset managers, BlackRock, sent an open letter to the CEOs of the world's largest listed companies in which he stated: *"Over the long-term, environmental, social and governance (ESG) issues – ranging from climate change to diversity to board effectiveness – have real and quantifiable financial impacts. At companies where ESG issues are handled well, they are often a signal of operational excellence."*[5]
- In April 2016, the Securities and Exchange Commission in the United States published its consultation on 'Business and Financial Disclosure required by Regulation S-K'. This consultation included a request for comment on 'Disclosure of Information Relating to Public Policy and Sustainability Matters'.[6]

The member exchanges of the WFE recognise (individually and collectively) the importance of ensuring the long-term health and sustainability of the markets that they operate, and the role they can play in financing a more sustainable economy. It is the recognition of these roles that led in part to the establishment of the WFE Sustainability Working Group (SWG) in May 2014, and the growing commitment of WFE members and other exchanges to the Sustainable Stock Exchanges (SSE) initiative[7]. As at publication of this report, the SWG had 21 members representing a meaningful cross-

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[3] Task Force on Climate-related Financial Disclosures. Yeo Lian Sim, from the Singapore Exchange, is one of the Vice-Chairs of this Task Force.
[4] http://climate-l.iisd.org/events/g20-green-finance-study-group-meeting/
[5] https://www.blackrock.com/corporate/en-gb/literature/press-release/ldf-corp-gov-2016.pdf
[6] https://www.sec.gov/rules/concept/2016/33-10064.pdf
[7] The SSE is organized by the UN Conference on Trade and Development (UNCTAD), the UN Global Compact, the UN Environment Program Finance Initiative (UNEP FI), and the Principles for Responsible Investment (PRI). As at March 2016, 32 of the SSE's 37 partner exchanges were WFE member exchanges. http://www.sseinitiative.org/

section of the WFE membership.[8] The WFE members established this group to clarify and shape the industry's view on ESG issues as well as to provide a platform through which member exchanges could learn from one another.

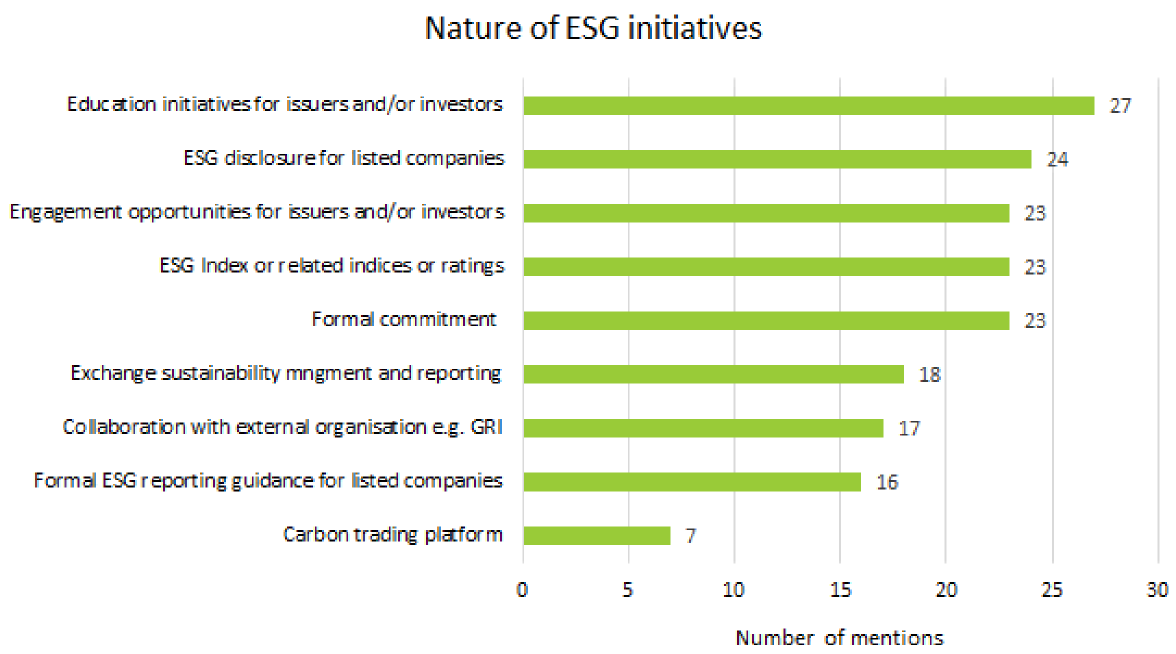
Since its formation, the SWG has, amongst other things:

- launched and published its first survey of the WFE membership on their ESG practices;
- provided input to the SSE initiative to create a Model Guidance on Reporting ESG Information to Investors[9]; and
- produced an Exchange Guidance and Recommendation[10] document which included setting out 33 key ESG performance indicators for exchanges to consider when thinking about sustainability disclosure in their own markets.

4. Analysis of survey results

Mainstreaming sustainability within exchanges

Exchanges have made a great deal of progress in responding to sustainability challenges. Over 90% of responding exchanges have some sort of sustainability initiative in place with the majority taking the form of education initiatives for issuers and/or investors. Formal commitment to sustainability also ranks highly, demonstrating the success of initiatives such as the SSE. In addition to the initiatives listed below, exchanges also noted that they are engaged in listing products such as 'green bonds'.



Nearly 100% of respondent exchanges agreed that exchanges should be concerned with the long-term sustainability of their listed companies[11] and a similarly large number (91%) believe that

[8] The exchanges that participate in the WFE's SWG include some of the largest equity and derivatives exchanges in the world, as well as smaller emerging market exchanges.
[9] Available from http://www.sseinitiative.org/data/publications/
[10] See http://www.world-exchanges.org/home/index.php/news/world-exchange-news/world-exchanges-agree-enhanced-sustainability-guidance

exchanges should actively participate in developing globally accepted metrics or standards for ESG reporting by listed companies. This is unsurprising given the WFE's recent publication of exchange metrics and guidance for ESG disclosure. However, some exchanges cautioned that coming up with a truly globally-accepted standard would be a much longer-term endeavour (even accounting standards, which have been around for much longer, are not completely standardised), and a few exchanges indicated that they would always have a preference for giving issuers more disclosure latitude.

HIGHLIGHTING EXCHANGE SUSTAINABILITY EFFORTS

BM&FBOVESPA: State-Owned Enterprise Governance Program

In September 2015, BM&FBOVESPA launched its State-Owned Enterprise (SOE) Governance Program, aimed at enhancing SOE provision of information and corporate governance structures. The program is constructed around concrete and objective measures that can be implemented in the short or medium term independently of legislation or rule changes.

The measures are grouped into four areas:

- Transparency (Disclosure of Information): the disclosure of information lets investors know the objectives of the controlling state-owned enterprise. This makes the enterprise and thus the investors' risk exposure predictable. The correct and appropriate disclosure of information allows implicit costs to be measured and permits inspection of the management and controllers' activities. As part of this action item, BM&FBOVESPA encourages, for example, the production of a sustainability or integrated report.
- Internal Controls: there must be the adoption of a functional control system that is capable of removing executives and board members that divert company activity away from the stated purpose in order to benefit public policies that go beyond the public interest remit foreseen in the legal authorization.
- Board composition: there must be detailed nominations criteria encompassing the qualification and expertise of Members of the Board of Directors and Executive Board, notably in relation to the state-owned enterprise's strategic areas of activity.
- Obligation of the Public Controlling Shareholder: the federal government bodies must demonstrate their commitment to corporate governance best practice.

The measures have been divided into 'mandatory' and 'optional', separated by distinct considerations depending on significance or the degree of implementation difficulty.

State-owned enterprises that voluntarily adhere to the State-Owned Enterprise Governance Program, implementing the 25 corporate governance measures foreseen in it, will be certified by BM&FBOVESPA in two categories: Category 1 in which all measures are mandatory; and Category 2 in which as well as six mandatory measures, the state-owned enterprise must obtain 27 out of the 37 optional points.

Exchanges also allocate senior responsibility for oversight of sustainability issues. Over 50% of responding exchanges said that either the Board or the CEO was responsible for overseeing the exchange's sustainability projects or initiatives. This result should be interpreted with some caution, however, given the range of sustainability initiatives that exchanges undertake and possible differences in the interpretation of the question.

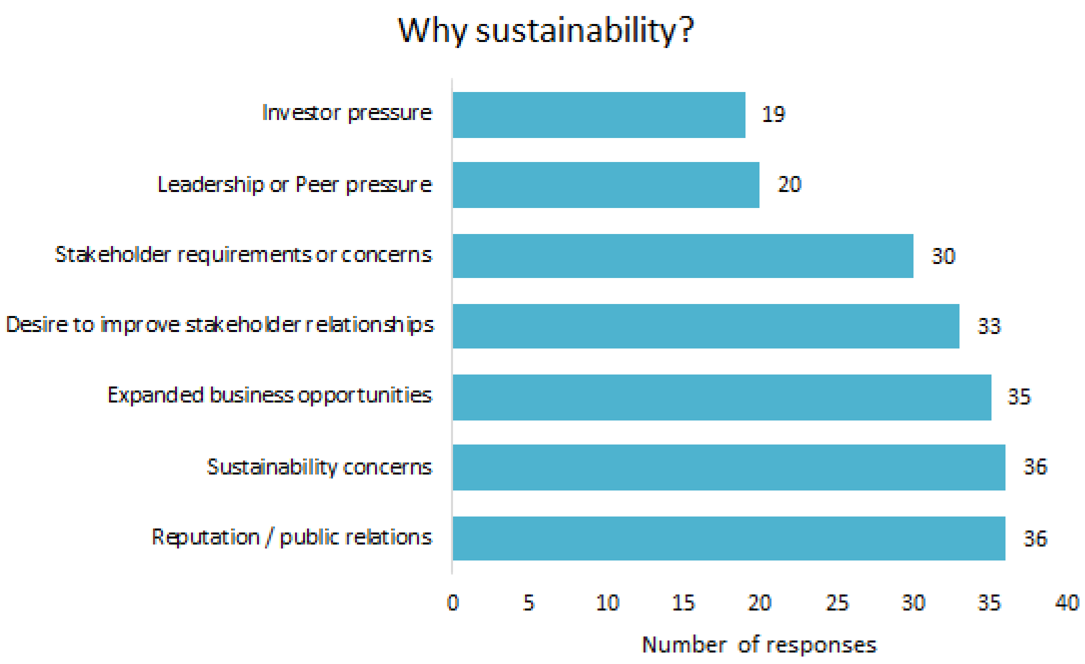
[11] In one instance where the exchange answered 'no' it was a nuanced interpretation of the response where the exchange believed that exchanges should promote disclosure and transparency, but not that exchanges were necessarily primarily responsible for company sustainability.

Making the case for sustainability

When explaining their reasons for introducing ESG intiatives, exchange respondents identified:

- the impact on the exchange's reputation;
- the fact that these initiatives could provide expanded business opportunities; and
- genuine sustainability concerns

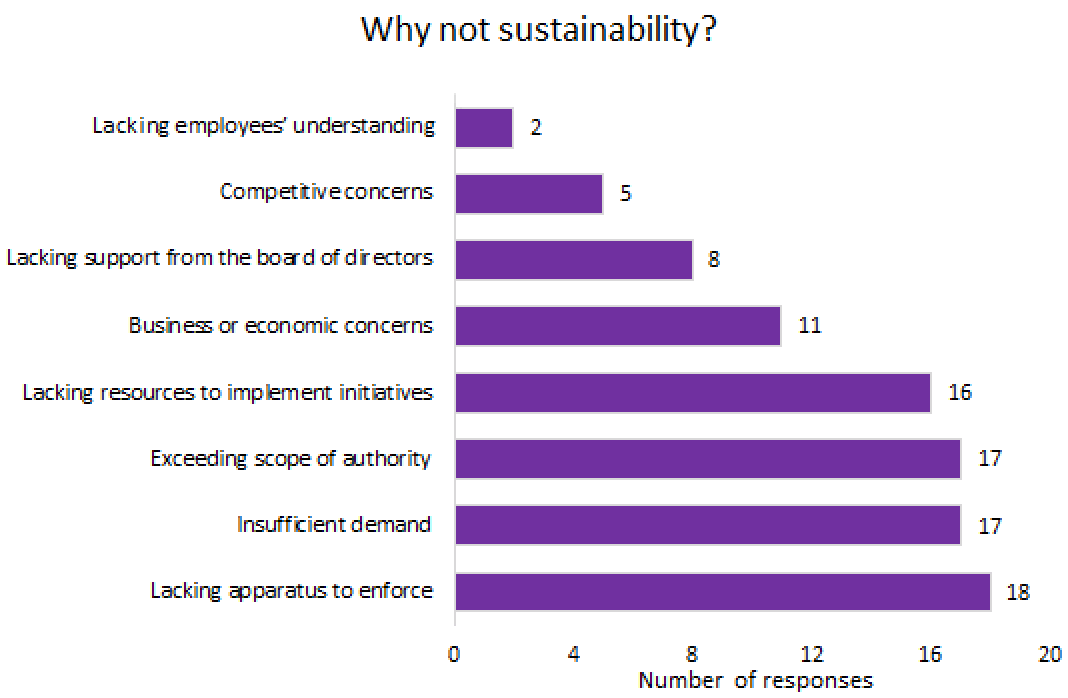
as the three main motivating factors. Interestingly, pressure from investors ranked last (mentioned by just over 40% of responding exchanges).



When asked about factors that may limit their willingness to engage in sustainability related initiatives, exchanges emphasised:

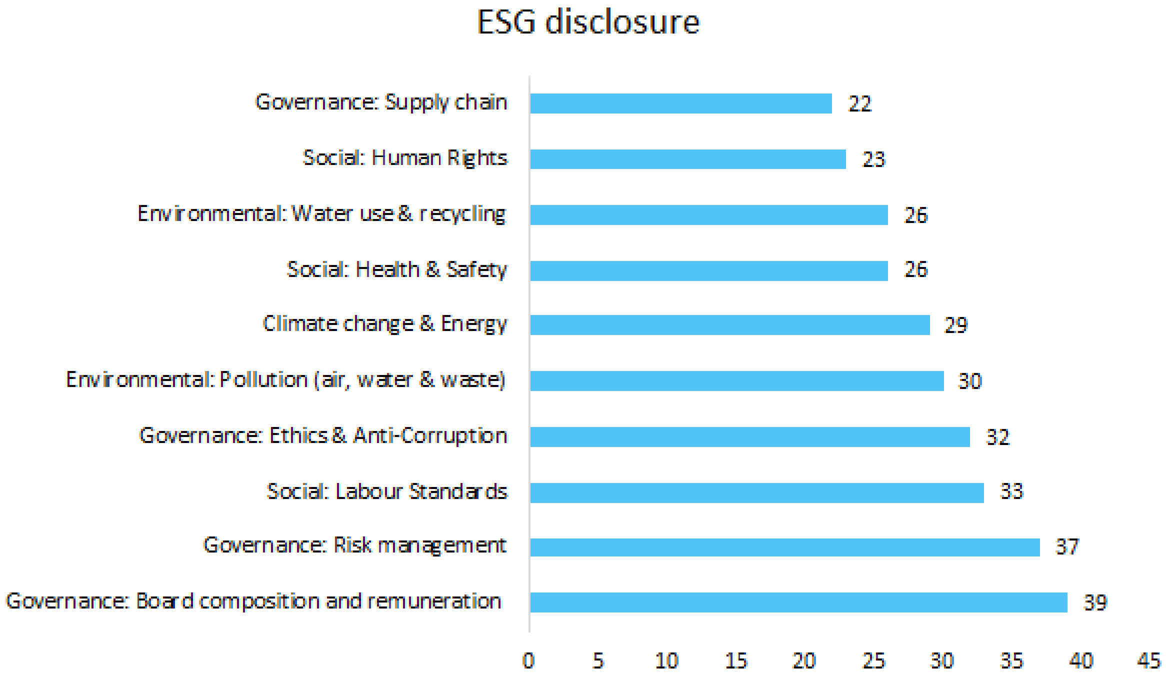
- lack of demand;
- lack of ability to enforce; and
- concerns about exceeding the exchange's authority

as their top three reasons. This concern regarding lack of demand makes sense given that for some exchanges, sustainability equates to requiring greater ESG disclosure from listed companies and just under a third of responding exchanges (13/44) indicated that there was no - or they were not aware of any - investor demand for ESG disclosure in their markets. Thus, exchanges may be unwilling to risk alienating issuers with increased disclosure requirements if they did not perceive that there was sufficient investor demand to justify it.



ESG disclosure

As mentioned, many believe that a central sustainability role for exchanges is to either directly (where they have the regulatory authority to do so) or indirectly, enhance ESG disclosure by listed companies. Of the relevant universe of equity market respondents, 38 (over 85% of respondents) said that some form of ESG disclosure was required in their market. Seventeen respondents said that this disclosure was mandatory, though the exact nature of the disclosure requirement varies from reporting on particular topics such as corporate social responsibility initiatives, to broader ESG reporting. Only two exchanges said that no ESG reporting was required in their market. Twenty-six respondents said that the disclosure was required by the exchange itself. Other sources of disclosure included the securities regulator, corporate legislation, and a corporate governance/stewardship code. Governance information dominated the type of information being disclosed, likely demonstrating that this type of information is by now generally accepted as being investor-relevant.

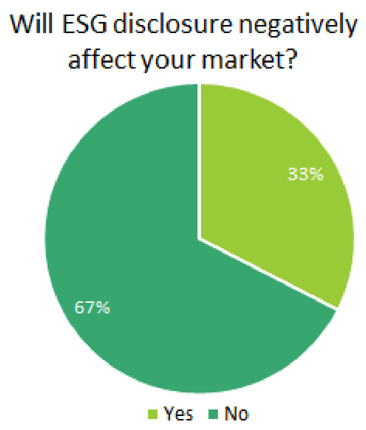


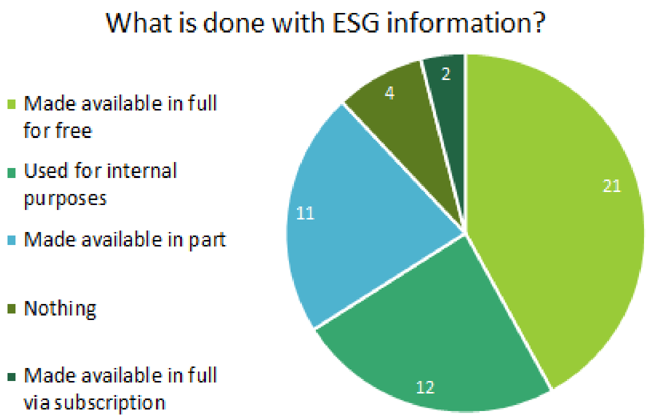
While 39 exchanges responded to the question as to whether or not they believed comprehensive ESG reporting would become mandatory in their markets at some point (with just under 75% indicating that they thought it would), only 26 exchanges were willing to take a view on when this would happen. Thirty percent thought it would be within the next five years, and just under 80% within the next 10 years.

The Campaign to Close the ESG Guidance Gap

In the foreword to the Sustainable Stock Exchanges Initiative Model Guidance for Exchanges, published in September 2015, the SSE noted that "less than a third of stock exchanges around the world provide voluntary guidance to issuers on reporting ESG information". At that time, only 15 exchanges (all WFE members) had published such guidance. Since then (as at May 2016) a further 23 exchanges have committed to publishing guidance by the end of 2016. Included in this group are the Nasdaq Nordic and Baltic exchanges, Oslo Bors, Bolsas y Mercados Españoles, the Kazakhstan Stock Exchange, the Qatar Exchange, Bolsa Mexicana de Valores and the Bourse de Casablanca.

It is noteworthy that despite the increasing prevalence of ESG disclosure requirements, just under a third of responding exchanges thought that requiring mandatory ESG disclosure could have a negative impact on their markets. The concerns raised include issues such as the potentially negative impact of an increasingly onerous compliance burden on the attractiveness of listed markets generally or the competitiveness of one market relative to another, as well as market-specific concerns regarding the impact on small companies.





This does not, however, directly translate to opposition to ESG disclosure *per se* but rather, in some instances, opposition to disclosure that goes beyond information required to enable investors to make informed investment decisions. Thus, in some cases, exchanges that answered yes to this question, expressed support for disclosure as long as it was 'investor-relevant'.[12] For the remaining two-thirds of exchanges that did not believe mandatory ESG reporting requirements would have a negative impact on the markets, the reasons cited included the belief that it would enhance the quality of listed companies, and the attractiveness of the markets and the companies listed on those markets to investors.

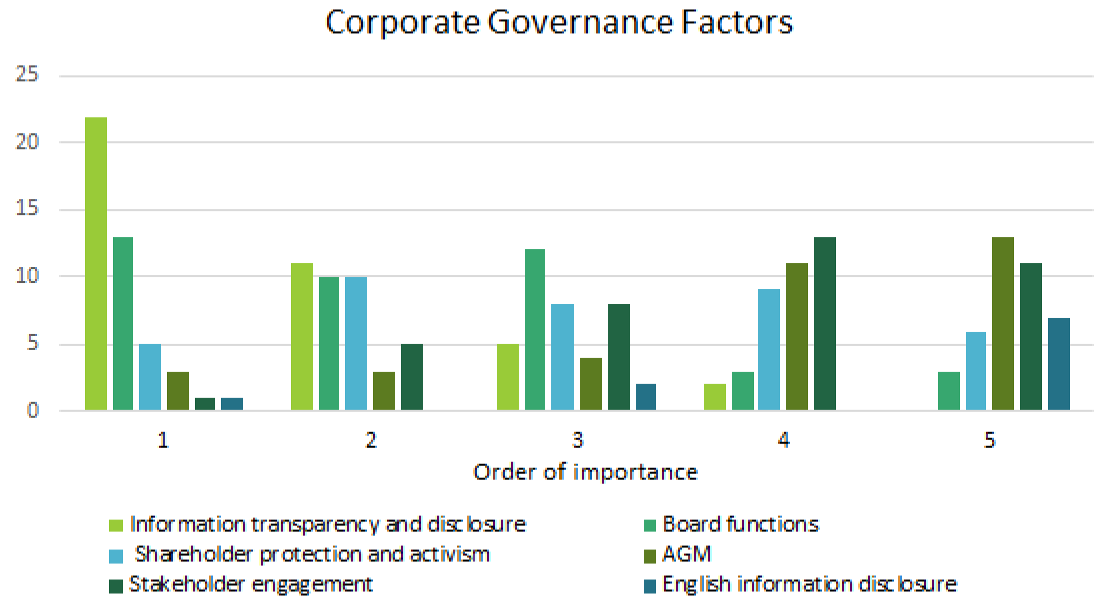
HIGHLIGHTING EXCHANGE SUSTAINABILITY EFFORTS

Promoting Corporate Governance - the National Stock Exchange of India (NSE)

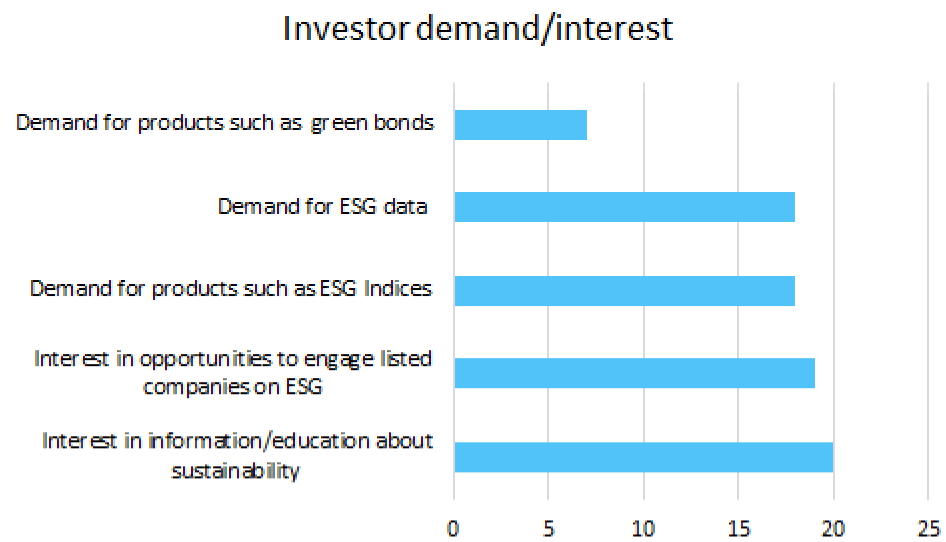
The NSE has continually endeavoured to organise new initiatives relating to corporate governance (CG) in recognition of the important role that stock exchanges play in enhancing the CG standards. To encourage best standards of CG among Indian corporates and to keep them abreast of the emerging and existing issues, the NSE set up a **Centre for Excellence in Corporate Governance (NSE CECG)**. This is an independent expert advisory body comprising eminent domain experts, academics and practitioners. The Committee meets from time to time to discuss CG issues and developments. The 'Quarterly Briefing', a note that offers an analysis of one emerging or existing CG issue, is a product emerging from these discussions. Various issues of 'Quarterly Briefing' can be accessed on the NSE website.

The survey also asked exchanges to rank a range of corporate governance factors according to their perceived importance. The factor regarded as most important (by just over 50% of respondents) was 'information transparency and disclosure'. This seems to support the findings set out above in relation to ESG disclosure, particularly if this is seen through the lens of investor-relevant disclosure. This was followed by 'Board functions', which just under a third of respondents felt was the most important corporate governance consideration. In third place was 'shareholder protection and activism'. These three areas also came out at the top for the second most highly ranked factors. Most respondents ranked stakeholder engagement alongside the AGM as the fourth or fifth most important consideration.

[12] This raises a fairly fundamental debate as to who the target audience is for listed company disclosure. Arguably, the rationale for requiring listed companies to disclose certain types of information that is not required of other companies can only be because of its relevance for investors.



Investor engagement and sustainability 'products'



Two thirds of responding exchanges said they engaged with investors on sustainability related products and/or services with the bulk of the engagement being with investors with a specific interest in ESG-related matters. For those exchanges that do engage, the areas of engagement are related to information sharing and education, data-related products and opportunities to engage listed companies directly on ESG issues. A few exchanges mentioned investor demand for ESG products such as green bonds and it is likely this will increase over time, as more exchanges start to list sustainability-linked instruments (over 75% of the responding exchanges said that they plan to list sustainability-related instruments in the near future).

HIGHLIGHTING EXCHANGE SUSTAINABILITY EFFORTS

Regionalising ESG – the FTSE4Good ASEAN 5 Index

In April 2016, the ASEAN exchanges of Bursa Malaysia, Indonesia Stock Exchange, The Philippine Exchange, Singapore Exchange, and The Stock Exchange of Thailand announced the launch of the FTSE4Good ASEAN 5 Index. The Index assesses companies, listed on one of the five participating exchanges, against over 300 ESG criteria. The inaugural index consists of 47 companies across a range of industries from Financials, Oil and Gas and Telecommunications. The Bursa Malaysia CEO, Datuk Seri Tajuddin Atan, speaking about the launch of the Index said: "The introduction of an ASEAN ESG Index is a key development in the effort to showcase quality companies that are benchmarking their environment, social and corporate governance practices against some of the world's best. The FTSE4Good ASEAN 5 is the start of a new ASEAN Asset class based not only performance, but also on a quality of the companies."

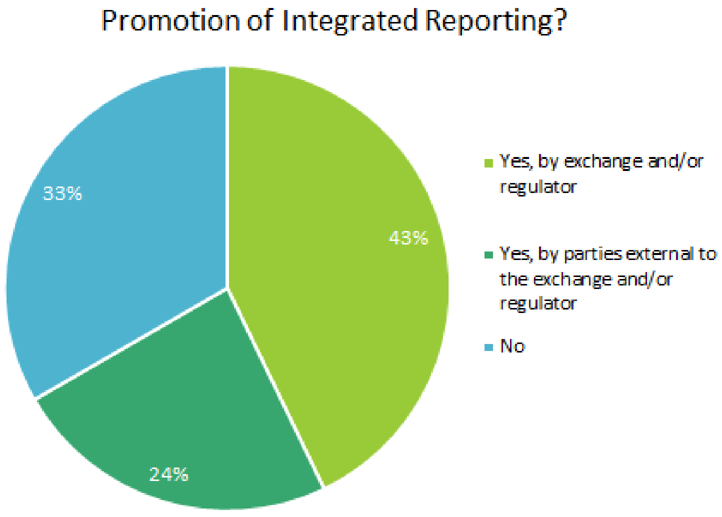
HIGHLIGHTING EXCHANGE SUSTAINABILITY EFFORTS

Luxembourg Stock Exchange and Green Bonds

Luxembourg Stock Exchange recently listed its 100^{th} 'green bond'. The bond was issued by the European Investment Bank (EIB), raising €12.9bn. The exchange listed its first green bond in 2007, the first of its kind, and its market today lists bonds from 20 issuers (ranging from sovereigns and supranationals to development banks and corporates) in 20 different currencies.

Committing to the cause: exchange reporting

Exchanges themselves are grappling with ESG disclosure in relation to their own business practices, and the number of exchanges producing their own sustainability reports is increasing. In the previous survey, only 17 of the 56 responding exchanges (30%) said that they were producing a sustainability report as part of their own reporting. In this year's survey, the number is up to 26 (over 50% of the respondents). The reporting formats range from the GRI reporting framework (the most common) to compliance with domestic frameworks, to some combination of local and international reporting frameworks. Very few exchanges reported alignment with the International Integrated Reporting Commission's <IR> Framework.



This is perhaps not surprising, given the relative newness of the <IR> framework. However, as nearly 70% of the respondents said integrated reporting was being actively promoted in their market (either by the exchange or externally) this may result in a growth in its utilisation as a reporting framework.

Finally, while (as noted in the previous survey report) nearly a third of WFE member exchanges produce a sustainability index (or suite of sustainability indices) only nine of the responding exchanges in this survey indicated that they themselves were part of a sustainability index.

5. Conclusion and next steps

The WFE member exchanges continue to engage with sustainability related issues in their markets while the SWG serves as an ongoing platform for learning, development of standards and advocacy. In relation to the WFE ESG Guidance and Metrics, a number of organisations such as the Sustainability Accounting Standards Board and Ceres as well as individual investors, have already or are in the process of reviewing and providing feedback to the WFE. The SWG will consider this and other feedback and use this to refine these metrics over time.

The WFE is also hosting a working session for exchanges and investors on the sidelines of the UN PRI in Person event in Singapore in September to grapple with some of the core disclosure challenges. This forms part of the SWG's focus on deepening relationships with partners such as the SSE and UNPRI to enhance the dialogue between exchanges and investors. Finally, the SWG members have committed to assisting member exchanges that have, under the SSE 'Closing the Guidance Gap' campaign, committed to producing guidance for their listed companies by the end of 2016. The SWG remains a large and active group within the WFE demonstrating WFE member exchange commitment to the long-term health and sustainability of their markets.

Appendix 1: WFE Sustainability Survey 2015

Part 1: The exchange and perceptions around sustainability

1. Should stock exchanges be proactive about long-term sustainability of their listed companies?

○ Yes ○ No

2. Which of these factors, if any, motivate your involvement in sustainability?
(select all that apply)

- ☐ Expanded business opportunities for the exchange (e.g. through product creation, data sales or listing opportunities)
- ☐ Reputation / public relations
- ☐ Desire to improve stakeholder relationships
- ☐ Stakeholder requirements or concerns
- ☐ Sustainability concerns (e.g. impacts of climate change on market)
- ☐ Leadership or Peer pressure
- ☐ Investor pressure
- ☐ Other, please specify: ____________
- ☐ None of the above

3. Which of these factors, if any, would <u>limit</u> your willingness for involvement in sustainability?
(select all that apply)

- ☐ Business or economic concerns
- ☐ Competitive concerns
- ☐ Exceeding scope of authority
- ☐ Lacking apparatus to enforce
- ☐ Insufficient demand
- ☐ Lacking resources to implement initiatives
- ☐ Lacking support from the board of directors
- ☐ Lacking employees' understanding
- ☐ None of the above
- ☐ Other, please specify: ____________

4. Who is primarily responsible for your exchange's sustainability program or projects?

- ○ Board of Directors
- ○ CEO
- ○ Executive
- ○ Manager
- ○ Other, please specify: ____________

5. What is the nature of the exchange's ESG / sustainability initiatives at present?
(select all that apply)

- ☐ ESG disclosure / sustainability reporting for listed companies
- ☐ Formal ESG reporting guidance for listed companies
- ☐ Education initiatives for issuers and/or investors
- ☐ Events / engagement opportunities for issuers and/or investors
- ☐ ESG Index or related indices or ratings
- ☐ Carbon trading platform
- ☐ Other product offerings (e.g. green bonds, specialised listing categories), please specify: ____________
- ☐ Formal commitment e.g. SSE, UNPRI, UNGC
- ☐ Collaboration with external organisation (e.g. GRI, SASB, IIRC, CDP), please specify
- ☐ Sustainability management and reporting by exchange entity/group

Part 2: Listed companies

6. Do you believe that exchanges should actively participate in achieving globally accepted metrics / standards for ESG reporting by listed companies?

- ◯ Yes
- ◯ No

7. Is there investor demand for ESG disclosure in your market?

- ◯ Yes
- ◯ No

8. Are listed companies expected to disclose ESG information in your market place?

- ◯ Yes, mandatory public disclosure
- ◯ Yes, voluntary public disclosure
- ◯ Yes, comply/explain public disclosure
- ◯ Yes, private dosdosure
- ◯ No
- ◯ Other, please specify ______

9. If yes, who/what requires it?

- ☐ Exchange
- ☐ Securities Regulator
- ☐ Corporate Statute
- ☐ Governance/stewardship code
- ☐ Other, please specify: ______
- ☐ N/A

10. Where information is being disclosed (whether mandatory or voluntary), which of the following ESG themes are generally covered?

(select all that apply)

Environmental

- ☐ Climate change & Energy
- ☐ Water use & recycling
- ☐ Pollution (air, water & waste)

Social

- ☐ Health & Safety
- ☐ Labour Standards
- ☐ Human Rights

Governance

- ☐ Board composition and remuneration
- ☐ Ethics & Anti-Corruption
- ☐ Risk management
- ☐ Supply chain

Other

- ☐ Please specify: ______
- ☐ N/A

11. Does your exchange or regulator gather and/or archive the ESG information or metrics submitted by listed companies?

- ◯ Exchange directly
- ◯ Regulator directly
- ◯ Both exchange and regulator
- ◯ Exchange and/or regulator via service provider or other third party
- ◯ Neither

12. Where information is being collected, what is currently being done with it?

- ☐ Used for internal purposes (e.g. regulation, index assessment, product creation)
- ☐ Made available in full via subscription
- ☑ Made available in full for free
- ☐ Made available in part (e.g. through trends or index results)
- ☐ Nothing
- ☐ N/A

13. Will comprehensive ESG disclosure (e.g. beyond governance) eventually become mandatory in your market (whether at exchange or regulator level)?

◯ Yes ◯ No

14. If yes, when would that likely happen?

- ◯ Within 1-4 years
- ◯ Within 5-10 years
- ◯ More than 10 years from now
- ◯ N/A

15. If other exchanges made ESG disclosure mandatory, would that affect your approach to this issue?

◯ Yes ◯ No

16. Would requiring disclosure of ESG data adversely affect your business?

◯ Yes ◯ No

17. Please briefly explain why or why not?

____

18. Please rank the importance of the following corporate governance factors, with 1 being the highest and 7 the lowest in priority

- ______ AGM (Annual General Meeting) practices
- ______ Board functions
- ______ Information transparency and disclosure
- ______ Stakeholder engagement
- ______ Shareholder protection and activism
- ______ English information disclosure
- ______ Other, please specify: ______________________

19. Is integrated reporting being actively promoted in your market?

- ◯ Yes, by the exchange/regulator
- ◯ Yes, by parties external to the exchange/regulator
- ◯ No

Part 3: Products and responsible investment

20. Does your exchange engage with the investor community in relation to the demand for ESG- or sustainability-related products/services?

◯ Yes ◯ No

21. If yes, how does engagement typically occur?

☐ At industry level (e.g. through UNPRI local network or local industry body)
☐ Directly with specific investors interested / active in ESG / sustainability
☐ Directly with selected investor groups such as asset owners
☐ N/A

22. Where engagement has taken place, what kind of demand have you perceived in this regard?

☐ None
☐ Demand for products such as ESG Indices
☐ Demand for products such as green bonds etc.
☐ Demand for ESG data
☐ Interest in opportunities to engage listed companies on ESG
☐ Interest in information/education about sustainability
☐ N/A

23. Where your exchange already has ESG- or sustainability-related products, do you use them to monitor trends in sustainability-related activity (as appropriate to the product e.g. ESG reporting or environmental projects etc.)

◯ Yes ◯ No ◯ N/A

24. Will your exchange develop ESG- or sustainability-related products in the future?

◯ Yes ◯ No ◯ N/A

Part 4: Exchange reporting

25. Does your exchange annually report on its own sustainability progress, e.g. through a sustainability or integrated report?

◯ Yes ◯ No ◯ Unsure

26. If yes, please indicate which framework/s?

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27. Is your exchange entity included in a sustainability or ESG index?

◯ Yes ◯ No ◯ N/A

Appendix 2: Exchanges that submitted responses to the 2015 WFE Sustainability Survey

Americas (8)	Asia – Pacific (18)	EMEA (20)
• BM&FBOVESPA • Bolsa de Comercio de Buenos Aires • Bolsa de Comercio de Santiago • Bolsa de Valores de Colombia • Bolsa Mexicana de Valores • CBOE Holdings, Inc. • Nasdaq • TMX Group	• Australian Securities Exchange • BSE Limited • Bursa Malaysia • Colombo Stock Exchange • HoChiMinh Stock Exchange • Hong Kong Exchanges and Clearing • Indonesia Stock Exchange • Japan Exchange Group • Korea Exchange • National Stock Exchange of India Limited • NZX Limited • Philippine Stock Exchange • Shenzhen Stock Exchange • Singapore Exchange • Stock Exchange of Thailand • Taipei Exchange • Taiwan Futures Exchange • Taiwan Stock Exchange	• Abu Dhabi Securities Exchange • Amman Stock Exchange • BME Spanish Exchange • Borsa Istanbul • Bourse de Luxembourg • Cyprus Stock Exchange • Deutsche Börse • Dubai Financial Market • Euronext • Johannesburg Stock Exchange • Kazakhstan Stock Exchange • Malta Stock Exchange • Muscat Securities Exchange • Oslo Børs • Saudi Stock Exchange (Tadawul) • SIX Swiss Exchange • Stock Exchange of Mauritius • Tel-Aviv Stock Exchange • The Egyptian Exchange • The Nigerian Stock Exchange