



MFEX **SUSTAINABILITY REPORT**

2023



About this report

This is MFEX Mutual Funds Exchange AB's (organization number 556559-0634) third sustainability report, covering the financial year of 2023 (2023.01.01-2023.12.31). The 2023 Sustainability report was published in June 2024. This sustainability report is created as a separate report added to the management report of the annual report in accordance with the Swedish Annual Accounts Act (Årsredovisningslagen). This report has been prepared in reference to the GRI Standards 2021. The HR data in this report is extracted from our centralized HR system and is presented as FTEs (Full-time employees). The HR figures cover all our operations in Sweden, France, Luxembourg, Spain, Switzerland, Italy, Singapore, Malaysia, Hong Kong, Ireland. Please note that the entity Fondab AB has been sold in May 2023 and hence been taken into account for the first part of the year only.

For the environmental data collection, MFEX has been part of the data collection for Euroclear group, which means that when data has been lacking in specific MFEX locations, data has been extrapolated based on the group average and number of FTEs working in each office and based on country average data. The emissions data have been calculated using emissions factors from the Better Buildings Partnerships (BBP) and the International Energy Agency (IEA 2021). For scope 3 data, activity-based data has been complemented by spend-based data in the cases where the activity-based data has been lacking. Environmental data covers our offices in Stockholm, Umeå, Fondab (Stockholm), Kuala Lumpur, Paris and Luxembourg. The emissions from our offices in Spain, Switzerland, Italy, Singapore, Hong Kong, Ireland have not been included since they have less than 10 employees.

If you have any questions about this report or how we work with sustainability, please contact our ESG Manager for MFEX Group: Frédérique Nicoli Ly, Frederique.NicoliLy@mfex.com

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A word from the CEO

We continue to take action towards sustainability! I am proud of our sustainability pledge to net zero, and that we are the first entity in the Euroclear Group to include an ESG objective for our employees, which boosted our community engagement with a record-breaking 65% participation in community events.

Carl Palmer, CEO of MFEX



At MFEX, our commitment to sustainability is embedded in our corporate strategy. We strongly believe in long-term mutual beneficial outcomes for our clients, employees, and more broadly our communities. To all stakeholders, sustainability remains essential.

How would you describe 2023 for MFEX from an overall business perspective and how will MFEX leverage its integration with Euroclear?

In 2023, despite the lingering effects of global economic challenges stemming from the previous year's market downturn and geopolitical tensions, MFEX navigated through adversity with resilience and adaptability. In this volatile environment, we remained vigilant, adapting strategies to navigate the uncertainties, whilst at the same time engaging with clients, developing our fund business together.

Within the Euroclear ecosystem, MFEX surged forward, asserting its strength in the funds industry as the ultimate one-stop-shop for trading & custody, fund distribution, data, and innovation. This strategic integration not only solidified MFEX's position but also promises to transform global fund distribution, benefiting our clients by enhancing efficiency, safety, and compliance, all of which are paramount in an increasingly uncertain market landscape.

With access to Euroclear's extensive network, including over EUR 3.1 trillion in funds under administration and serving over 3,000 fund distributors and 2,500 fund management companies worldwide, MFEX is poised for exceptional growth and influence. As we continue to establish the brand identity of Euroclear FundsPlace, the future holds boundless opportunities for MFEX to lead and shape the industry landscape.

What is the place of ESG in MFEX strategy?

Sustainability remains a key priority for MFEX as it is embedded in our company strategy and culture, also driven by market expectations and regulations. As part of the Euroclear group, our aim is to support and enable a sustainable financial marketplace while limiting our impact on the environment, providing an equitable and inclusive workplace, conducting business in an ethical and responsible way.

In 2023, Euroclear near and long-term carbon emissions reduction targets received approval from the Science-Based Targets initiative (SBTi) across all three scopes of our carbon footprint. This re-affirms our Group's commitment to achieving science-based net zero by 2050 at the latest, aligned with a 1.5°-degree scenario.

During 2023, at MFEX, we continued our journey to reduce our own environmental impact, and we also placed an increased focus on our workplace and our engagement with the communities in which we operate.

What are your plans related to ESG in 2024?

From a corporate responsibility perspective, we have kicked off 2023 with significant actions to reach our net zero target, more specifically with our supply chain assessment, as this is where over 83% of our emissions lie. We have launched campaigns to reduce energy consumption in our offices and continue to raise awareness amongst our employees. We will continue to explore new ways to reach the net zero requirements.

Our employees are naturally key to the success of our company and of our ESG commitments. In 2023 we organised a series of ESG trainings and awareness campaigns. They will be further developed in 2024. We were also the first entity within the Euroclear group to include an ESG objective for all employees as part of their annual performance, which boosted our community engagement, with a record-breaking 65% of MFEX employees who participated in a company-organised community event!

On the business side, while the funds industry is still struggling with old-fashioned ways of collecting, processing, handling, and reporting ESG data, digital transformation will continue to play a key role in our ESG strategy.

As a recognized market infrastructure within the Euroclear group, we acknowledge that market expectations are high, and we are planning to continue to take up our responsibility in that respect. We are investing a lot in tools for the automation of ESG reporting, but also Digital Ledger Technology (DLT) to support ESG-related processes efficiently.

How would you measure the success of your ESG strategy?

First of all, I think involving and getting recognition from both internal and external stakeholders is key, and we already see that the market and our partners are responding positively to our efforts.

It can of course not be denied, that complying with ESG requirements creates additional burden and administration for every stakeholder in the process. Therefore, I think we have a key responsibility in making ESG-related processes more efficient through automation and digitization. The increased efficiency is certainly an important measure of success.

We cannot realize this alone; hence our continuing efforts to expand our ecosystem with partners who can contribute to more automation, like Greenomy for ESG reporting since 2022, Impact Cubed with their expertise in ESG analysis and, in 2024, Iznes for funds distribution based on blockchain technology. I'm excited to see our joint expertise growing in those areas.



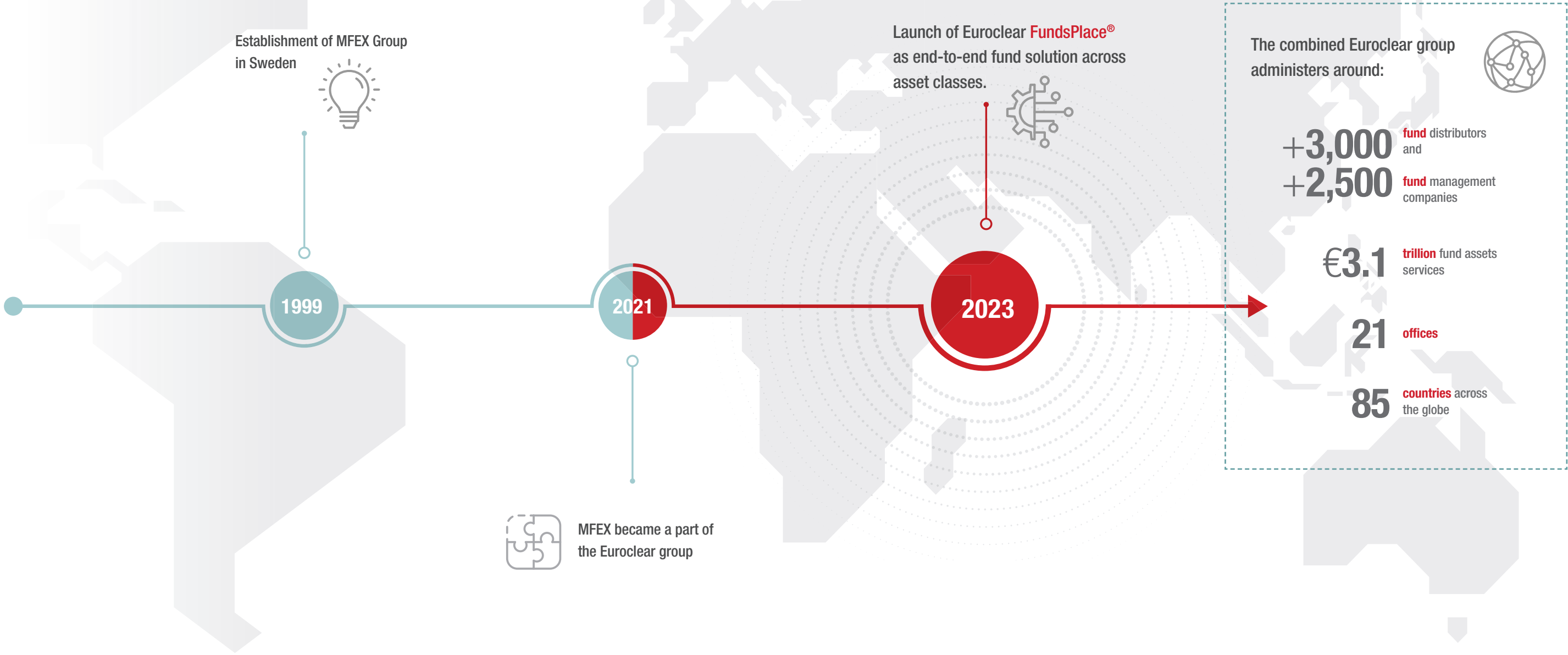
About MFEX

As independent experts in global fund distribution, MFEX offers a complete solution for fund companies and distributors.

The MFEX Group was established in Sweden in 1999 and is headquartered in Stockholm with offices in Paris, Luxembourg, London, Geneva, Kuala Lumpur, Milan, Madrid, Umea, Hong Kong, Singapore and Zürich.

In September 2021, MFEX became a part of the Euroclear group - one of the world's largest providers of domestic and cross-border settlement and related services for bond, equity, ETF and mutual fund transactions.

In 2023, as part of the integration of MFEX into the Euroclear group, Euroclear FundsPlace® was launched as end-to-end fund solution across asset classes.



Understanding our sustainability impacts

At MFEX, we believe that true sustainability is about creating long-term value for all our stakeholders

A key tool in achieving this is the materiality analysis. It is the foundation of a corporate sustainability strategy, as it guides a company on what to focus on. MFEX’s materiality last assessment was updated in 2021, when a consolidation of material aspects was made based on defined topics, built on the sustainability risk matrix, as well as current sustainability trends and issues.

The materiality assessment resulted in ten material sustainability topics, which can be viewed in the list below. The sustainability topics were assessed following the dual materiality approach, meaning that the topics were analysed based on the impact they have on MFEX, as well as the impact that the company has on the topics. The aspects were then ranked in order of priority, giving us guidance on which aspects to primarily focus on for the coming years.

01	Increase employee diversity and strengthen inclusion
02	Strengthen employee skills, capacity and well-being
03	Uphold high information security
04	Uphold data privacy
05	Integrate ESG into product offering
06	Counteract all forms of corruption and bribery
07	Reduce energy consumption
08	Responsible handling of e-waste
09	Sustainability in the supply chain
10	Reduce greenhouse gas emissions

The 2021 assessment showed that the areas where we have the highest impact relate to employee diversity and inclusion; employee skills, capacity and well-being; as well as information security and data privacy. These are areas where we have high governance structures in place and have carried out several improvements, including both increased employee training and added cyber security defence.

As the double materiality assessment (DMA) is not a one-time exercise, in 2023 and early 2024, we have formally re-engaged with our stakeholders to understand their current expectations, holding dialogues with specific focus on sustainability, in the perspective of Corporate Sustainability Reporting Directive (CSRD) preparedness. Initial results showed that climate change and our employees are the most important topics for our stakeholders, closely followed by business conduct and governance, as well as impacts related to end users such as information-related topics. In 2024, we will deepen the DMA as MFEX will be integrated into the Euroclear Group Annual report and CSRD compliant sustainability statements. Indeed, our mother company will enter in scope as of January 2025. This approach requires added focus on financial impact, risks and opportunities.

As last year, looking at which Sustainable Development Goals (SDGs) we have an impact on, as well as which are most aligned with our priorities, we focus on the six goals below to contribute further to the 2030 Agenda:

Sustainable Development Goals

We align to the following Sustainable Development Goals

SDG 3 Good health and well-being
Workplace

SDG 4 Quality Education
Workplace

SDG 5 Gender Equality
Workplace

SDG 12 Responsible Consumption And Protection
Environment, Community

SDG 13 Climate Action
Environment, Community

SDG 16 Promote Just and inclusive societies
Community, Governance

Contributing to Euroclear’s ESG ambitions

As a Euroclear company, we align to its ESG framework and ambitions, based on the four below pillars. MFEX’s contribution to these areas are detailed in the coming chapters of the report.

Governance

Ensure robust and transparent governance across the organisation and encourage good governance in our value chain.

Workplace

Be an employer of choice by fostering a healthy, inclusive environment and attracting, developing, and upskilling staff for the future needs of financial markets.

Environment

Build a climate resilient business and support climate resilient financial markets through the management of climate risk.

Community

Demonstrate impact in our local communities.



ESG in our product offering

The development of sustainable finance is still important, both from a regulatory point of view and from a market requirement’s point of view. As a financial market infrastructure, we have a unique role to play in providing transparent data solutions for sustainable investing.

The demand to assess ESG criteria of companies or funds is essential for the industry and obtaining relevant and recent data on ESG criteria is an area where MFEX, as a distribution platform, has widened its offer. With Mint, our Market Intelligence solution, we provide an analytical solution that allows Asset Managers to highlight and understand investor behaviors, particularly regarding Sustainable investment, with integration of SFDR classification and label related datapoints.

As part of our data services, we collect, control and distribute EET (European ESG Template) reports to investors and distributors, helping them comply with their SFDR requirements in a cost-effective way.

Euroclear GlobalWatch (EGW), our digital and compliance KYC (Know Your Customer) platform includes a dedicated ESG section in our unique questionnaire, fitting broader demands from the industry. We have also extended the possibility to upload as many documents related to SRI or ESG as needed from a compliance perspective, to allow counterparties to access them at no additional cost to make an objective ESG compliance assessment.

Finally, within our due diligence service, we provide investors with an analysis of asset manager’s organization and processes, ESG is one of the key pillars of the analysis, with a dedicated questionnaire and analysis to assess the maturity level of ESG considerations within these fund companies. We provide ESG due diligence reports, assessing risks, strengths and weaknesses identified from an ESG standpoint.



Governance



Improving our Sustainability Governance

Following the appointment of a Group ESG Manager in 2022 who reports to the General Secretary reporting directly to our CEO, MFEX went one step further with the publication of its first MFEX Group ESG policy, in July 2023, providing the agenda of focus for all sustainability matters. This document compiles a set of minimum requirements applicable to the MFEX Group, as a transposition of Euroclear’s ESG policy.

Sustainability is also on the Executive Management Team’s agenda, as important matters arise as well as for reoccurring topics such as the review of the annual sustainability report. Upon proposal of the ESG Manager, Executive Management discusses and sets a high-level ESG roadmap, which forms MFEX key priorities for the year. The ESG manager reports regularly to the Executive Management on the progress of all components of the roadmap, including on internal training/awareness campaigns as well as the organization and staff attendance of local volunteering actions. The ESG manager is also in permanent contact with the Euroclear CSO (Corporate Sustainability Office).

The Board of Directors discusses and reviews all elements related to ESG throughout the year. It also approves all policies related to ESG, as well as the sustainability report.

Our sustainability work is also greatly interlinked with the sustainability governance being conducted by our parent company Euroclear, regarding policies, trainings, compliance and ESG data collection.

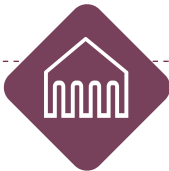
Highlights of 2023

Achievements from 2023

- Publication of our first ESG Group policy
- Screening of our existing critical, outsourced and high spend suppliers on ESG
- Raised ESG awareness and understanding through staff training and all-employees webinars and newsletters

Goals for 2024 and beyond

- CSRD preparedness and new materiality assessment
- Launch of new Business Travel Guidelines
- Publication of an updated Supplier Code of Business Conduct
- ESG Due diligence for all new outsourced, critical and high spend suppliers



Meet our group ESG Manager Frédérique Nicoli Ly

Overview of the year

This Sustainability Report is a great opportunity to review the progress made and the impact we are having. During 2023, we matured our approach to sustainability, focusing increasingly on the impact of our operations on the environment and society, and vice versa.

From a corporate sustainability standpoint, MFEX has taken many actions to reinforce its ESG governance, such as the publication of its first sustainability policy and the screening of our most material suppliers. From a market perspective, serious efforts have been made with regards to our role in the financial sector, with increased transparency and data availability. Our activity plays a crucial part in the functioning of financial markets but can also encourage greater transparency related to sustainable investment opportunities by sharing more ESG raw data and analysis.

A key priority in 2023 was to raise awareness of ESG and train all employees on the topic. In January and December 2023, four ESG awareness sessions were held for all staff, attended by over 400 colleagues, revealing people’s interest in this field. Internal ESG newsletters have been shared regularly to keep all employees informed of the company’s ESG efforts or market trends on ESG. As head of sustainability at MFEX, I personally regularly contribute to the development of knowledge on Sustainable Finance, and support training and teaching on this topic within the company.

Supported by MFEX top management’s strong will to progress and make a valuable contribution from a corporate sustainability standpoint, we can be highly satisfied to have embarked 65% of MFEX employees, who participated in a company-organised community event, driving impact in our local territories.

I’m also proud that despite difficulties reducing greenhouse gas emissions and challenges ahead, beyond the rise and fall of ESG in the context of a vocal US backlash, we hang on to our objectives and climate pledge. At such a crucial time, this public commitment works as an incentive to act.

Which will be the ESG focus areas in 2024?

In 2024, we intend to continue to progress on KPIs management against targets. We will discuss with suppliers who have not yet been assessed by our partner EcoVadis and continue promoting awareness and embedding the various practices started this year. We will also publish a revised Supplier Code of Conduct.

As part of expanding EU regulations related to corporate sustainability and sustainable finance, we will focus on CSRD (Corporate Sustainability Reporting Directive) preparedness as our mother company will be in scope of this regulation in 2025. To prepare for the CSRD, we initiated a few materiality interviews with internal and external stakeholders. This double materiality assessment is a great way to help us guide not just our reporting obligations but also to drive our overall strategy.

Finally, to provide Euroclear with the requested elements, we realize we need a more robust ESG data Control Framework to further mature our reporting and meet external audit expectations related to quality control, on par with financial reporting. This will ensure higher data quality (more accurate and complete), hence better ESG decisions and improved business performance and stakeholder relationships.

I’m proud that despite difficulties reducing greenhouse gas emissions and challenges ahead, beyond the rise and fall of ESG in the context of a vocal US backlash, we hang on to our objectives and climate pledge. At such a crucial time, this public commitment works as an incentive to act

Frédérique Nicoli Ly, Group ESG manager





Managing ESG risks

There are many pressing risks related to ESG issues and understanding the risks relevant for our business in the short, medium and long term is therefore of utmost importance for their management. MFEX is covered by the general risk framework of Euroclear, in which ESG risks are being embedded in line with regulatory expectations and market practices.

Accordingly, in 2023, MFEX established a risk appetite statement for ESG risks. Further work is being done to establish relevant key risk indicators, taking into consideration that ESG risks are viewed as a driver of existing risk types within the risk library. We have made some progress on qualitative statements but need to increase the maturity level on risks indicators.

Overall, MFEX’s exposure to ESG risks is considered low. In the short term, the most pressing risks relate to meeting stakeholder expectations, including increased legal requirements within the European Union (EU). MFEX is not subject to the EU Taxonomy, but our French operations must follow the Sustainable Finance Disclosure Regulation (SFDR), which requires disclosure of ESG risk integration into investment decisions to our customers, on our web site. In the long term, MFEX expects impacts from the effects of climate change, as a company and as part of the financial sector.

During the year, one of our key focus areas within ESG risk management was to manage the ESG risks in our supply chain. We have launched a supplier ESG assessments in the last quarter of 2023 for all our critical, outsourced and high spend suppliers with EcoVadis, a leading provider of supplier ESG ratings, to help us build a robust mechanism for our supplier assessment ensuring comparability of results. We have invited over 50 of suppliers to be assessed, covering above 80% of our supply chain in spend and have received a response rate of 92%, among which 61% of positive answer, granting us access to an Ecovadis scorecard. In 2024, we will continue these assessments and improve our supplier due diligence process as early as possible in the selection process, with an ESG questionnaire and an invitation to the Ecovadis evaluation for all new material suppliers.

In 2024, our focus will also be to assess the financial risks and opportunities related to sustainability, which is part of meeting upcoming Corporate Sustainability Reporting Directive (CSRD) requirements.

Counteracting corruption

As part of MFEX values, counteracting all forms of corruption and bribery is crucial for our credibility as a provider of financial services, but also for operating in openly and transparently.

MFEX’s Chief Compliance Officer is responsible for the anti-corruption work at group level and reports directly to the CEO. The day-to-day compliance work is carried out by the compliance department located in Stockholm, with compliance officers based in France and Singapore (also covering Hong-Kong).

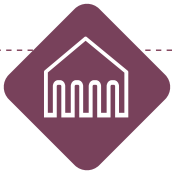
In 2023, the anti-corruption work at MFEX was governed through our Group Policy for Anti-Fraud & Anti-Bribery and Corruption, the Euroclear Code of Conduct as well as the Speak Up framework. The policy framework on anti-bribery and anti-corruption sets out the requirements and rules for MFEX staff to comply with, and the framework is communicated through our annual Compliance training, the monthly Compliance trainings to new-joiners, and the 2023 dedicated anti-fraud and anti-bribery & corruption training to employees. Our Group Speak Up Policy offers an option to report anonymously, and communication to staff on the importance of speaking up, is incorporated through various training resources. However, we do not promote anonymous reporting because it makes it more difficult to investigate a concern and remediate any identified issues.

During 2023, MFEX has significantly improved its compliance training catalogue, both in its structure and in its content, providing improved AML and MiFID e-learnings, a new anti-fraud and anti-bribery & corruption training, Conflicts of Interest training and Compliance trainings. In 2023, the user experience has improved by using a new learning platform available for all compliance training (Sana). The completion rates for AML, MiFID and anti-fraud and anti-bribery & corruption training at Group level in 2023 exceeded 95%. At the end of 2023, all employees have received a Conflict-of-interest form to be filled out and an e-mail explaining applicable rules related to gifts, including acceptable thresholds.

Continuously improving staff knowledge about corruption issues is key to ensuring that employees are aware of relevant laws and know how to detect compliance risks in their field of operations.

During 2023, there have been no (0) confirmed incidents of corruption and one (1) reported incident through our Speak-Up channels, reported in 2023 related to harassment.

Highlights of 2023



Achievements

- Widened and deepened the compliance training catalogue (over 1440 hours of training)
- Launched a compliance training for all employees and board members
- New anti-fraud, anti-bribery and corruption Group Policy aligned with Euroclear’s framework
- Performed an anti-fraud and anti-bribery and corruption (ABC) risk assessment
- Launched a dedicated Fraud/ABC training for all employees

Ambitions for 2024 and Beyond

- Further enhance the Group whistleblowing framework called “Speak Up”,
- Maintain Business as usual activities for anti-bribery and corruption, such as annual communication campaign regarding gift & hospitality rules

Data and information security

Having a robust information and data security management system is fundamental for all companies. This is especially critical for MFEX, considering our reliance on time-sensitive financial information to deliver the best experience for our clients.

We recognize that effective governance is critical to ensuring secure information and data security practices. Our organization has implemented a governance framework that includes the following elements:

Risk Management: We conduct regular risk assessments to identify and assess potential security risks to our information and data assets. Based on the results of these assessments, we implement appropriate controls and mitigation measures to reduce the likelihood and impact of security incidents.

Compliance and Legal Requirements: We comply with applicable laws, regulations, and industry standards related to information and data security. Our information security team actively monitors changes in regulatory requirements and ensures that our security measures are aligned with these requirements. The following regulation has been accommodated:

- EBA Guidelines on ICT and Security Risk Management
- SWIFT Customer Security Control Framework
- MAS Guidelines on Technology Risk Management
- MAS Notice on Cyber Hygiene

Reporting and Accountability: Information and data security is overseen by the Chief Security Officer (CSO), located at our headquarters in Stockholm. We have local information security officers based in Luxembourg, France, and Sweden. Our CSO reports to the Chief Technical Officer (CTO), the Chief

Risk Officer (CRO), other MFEX entities and stakeholders, the status of our security measures, incidents, and compliance with policies and procedures. The CRO reports directly to the Board of Directors (BoD).

Continuous Improvement: We are committed to continuously improving our information and data security practices. We regularly review and update our security measures based on feedback, lessons learned from security incidents, and changes in technology and industry best practices.

Policies and Procedures: We have established comprehensive policies and procedures that outline our information and data security requirements, standards, and best practices. These policies and procedures are regularly reviewed and updated to reflect changes in our business environment and the evolving threat landscape. We follow the guidelines of the National Institute of Standards and Technology (NIST) Cybersecurity Framework, which consists of five key functions: Identify, Protect, Detect, Respond and Recover.

Any complaints or incidents related to customer privacy can be reported through our whistleblowing function or directly to our Data Protection Officer (DPO).

We are proud to report that in 2023, MFEX did not receive any substantiated complaints regarding breaches of customer privacy, and we did not experience any confirmed breaches or losses of customer data.

Meet our CTO: Jacob Hamacher

In what ways is your department actively involved in supporting and furthering MFEX's sustainability initiatives?

MFEX has selected an IT hosting provider focusing on reducing its own Greenhouse Gas emissions from energy consumption, travel, and transportation, as well as hardware manufacture and waste management including their indirect emissions from their operations' supply chain. We are very satisfied that our supplier is amongst those who have joined the Science Based Targets initiative (SBTi) and had its climate targets validated and approved in 2023.

What has been the main focus in 2023 related to information security?

In 2023, MFEX prioritized strengthening our information security framework as a key component of our ESG commitments. We conducted comprehensive internal audits at the bank level, focusing on the remediation of findings which led to the increased formalization and enhancement of our governance and control processes. Additionally, we integrated AI technology as a co-pilot in conducting attack simulations, training sessions, risk assessments, and in the drafting of refined processes and controls.

Furthermore, we have implemented a tiered cybersecurity awareness training program to educate all employees on security best practices and emerging threats. This program includes a foundational curriculum for general staff and specialized, advanced training tailored specifically for IT professionals.

These efforts collectively accelerated our pace in enhancing cybersecurity awareness and bolstered our capabilities in protection, response, and recovery, ensuring robust security infrastructure and resilience against emerging cyber threats.

Could you share information on future initiatives to enhance information security in the upcoming year?

Looking ahead to the next year, MFEX is committed to several strategic initiatives to further enhance our information security posture. We plan to deepen our collaboration with the Euroclear CIRT (Cyber Incident Response Team), leveraging their expertise to enhance incident response capabilities and threat intelligence sharing across our network. Additionally, we aim to refine the use of AI to improve detection capabilities, enhance response strategies, and bolster the effectiveness of attack simulations and risk assessments. We will also increase the already high standards we demand from our suppliers, ensuring even greater compliance to reinforce the integrity and security of our supply chain. These initiatives represent our ongoing commitment to maintaining robust security measures and fostering a proactive security culture.

National Institute of Standards and Technology (NIST) Cybersecurity Framework



Jacob Hamacher, CTO



Workplace



Being an employer of choice

Highlights of 2023

Achievements

- Implemented local HR management in Sweden
- Further buildup of our training catalogue and implementation of an e-learning platform
- Develop services/ wellbeing program (working from home equipment)
- Promote ESG mindset by assigning a personal ESG objective to each employee
- Reduction of the gender pay gap and promotion of initiatives aiming to develop, recruit new female talents within the Group

Ambitions for 2024 and Beyond

- Develop our employer branding strategy with a dedicated website with our partner Welcome to the Jungle
- Further buildup of our training catalogue with a focus on diversity and inclusion and leadership capabilities, participation to the Learning Week organized by Euroclear
- Implement a Mass Notification Tool to ensure our employees' safety in case of a major incident
- Develop occupational health services/ wellbeing programme
- Further reduce our gender pay gap and continue to promote, develop and recruit female talents.



One of the pillars of our ESG strategy is our employees. They are of strategic importance to the development and growth of the company, and a key enabler to deliver our strategy. On our niche market, finding the right talents is key to our success. Our will is to create the best possible place to work for our employees, by fostering a healthy, inclusive, and attracting environment, where our staff can thrive, learn, grow and give back to our communities.

Number of employees (FTEs) by gender and by type of employment – Year 2023

Employment Type	Men	Women	Total
Permanent contract	247	135	382
Temporary contract	2	3	5
Total	249	138	387
Full-time	246	136	382
Part-time	3	2	5
Total	242	139	387

* Notes: 1. Data was extracted from the HR system in December 2023.

Number of employees (FTEs) by country – 2022 and 2023

Country	2022			2023			
	Men	Women	Total	Male	Female	Total	Total in %
Sweden	63	22	85	63	28	91	24%
Sweden (Fondab)	10	10	20	0	0	0	0%
Luxembourg	31	34	65	26	24	50	13%
France	48	39	87	64	40	104	27%
Spain	1	2	3	2	2	4	1%
Switzerland	6	1	7	4	1	5	1%
Italy	2	1	3	2	1	3	1%
Singapore	5	2	7	6	2	8	2%
Malaysia	58	30	88	79	39	118	30%
Hong Kong	1	1	2	1	1	2	1%
Ireland	1	0	1	2	0	2	1%
Total	226	142	368	249	138	387	100%
Percentage	61%	39%	100%	64%	36%	100%	

* Notes: 1. Data was extracted from the HR system in December 2023.
2. Fondab entity has been sold in May 2023 and hence is not taken into account.
3. 32% of our employees were covered by collective bargaining agreements in 2023.

Employee hires and turnover -2023

	New hires	Employee turnover	New hires (%)	Employee turnover (%)
Women	37	32	10%	8%
Men	66	30	17%	8%
Age < 30	59	26	15%	7%
Age 30-50	40	31	10%	8%
Age > 50	4	5	1%	1%
Sweden	15	9	4%	2%
Sweden (Fondab)	0	0	0%	0%
Luxembourg	5	19	1%	5%
France	28	12	7%	3%
Spain	1	0	0%	0%
Switzerland	0	0	0%	0%
Italy	0	0	0%	0%
Singapore	1	0	0%	0%
Malaysia	51	21	13%	5%
Hong Kong	1	1	0%	0%
Ireland	1	0	0%	0%
Total	103	62	26.6%	16.0%

* Notes: 1. New hires and turnover rates are calculated as a percentage of the total employee number.
2. Turnover rates are calculated using the 12 rolling months methodology.
3. Data extracted from HR system in December 2023.

Learning and development

In 2023, the effort has been put to have a clear training schedule composed of diverse types of training:

- mandatory/regulatory training sessions that are subject to close monitoring
- technical trainings
- sessions focusing on soft skills, and particularly the implementation of leadership training for managers.

About **4000 training hours have been delivered in 2023, that is 1.5 days per employee** on average. During the year, our training program has been widely enriched. In 2023 we launched MFEX's e-learning Platform. Based on Sana, MFEX now offers a wide range of engaging e-learning modules to boost engagement as well as opportunities for development. We are particularly dedicated to our IT colleagues. We partner with Pluralsight which is a video-based education platform. The curriculum is geared towards software developers, IT admins, and data scientists. In addition, thousands of courses include specific programming languages and tech tools.

As a principle, we encourage people across the organisation to invest time in their professional development during the year. Specifically, the Learning Week (in November 2023) offered keynote and learning sessions on a variety of topics such as innovation, pitch masterclass, Scrumban (a hybrid Agile model developed from the Scrum and Kaban approaches), as well as other technical and leadership classes amongst many other topics to our staff. It has been a great success. Two other editions are in preparation for 2024.

Security awareness was an important focus for the 2023 group-wide training. Throughout 2023, all employees gained access to Euroclear's rich training catalogue encompassing LinkedIn's learning platform. Enhancing the offer has enabled cross-team sessions between Euroclear and MFEX.

Euroclear-led training hours followed by MFEX employees for FY2023

	Euroclear-led training for MFEX employees FY2023	MFEX-led training hours for MFEX employees FY2023	Total training for MFEX employees FY2023
Country	Hours	Hours	Hours
MFEX	501	3,694	4,195
MFEX AB	230	459	689
MFEX France	169	385	554
MFEX Hong Kong	2	15	17
MFEX Luxembourg	36	1,425	1,461
MFEX Spain	15	11	25
MFEX Malaysia	36	1,337	1,373
MFEX Singapore	3	39	42
MFEX Switzerland	11	15	26

More focus on ESG

Four ESG awareness sessions were delivered to all employees in 2023, two on corporate sustainability and two on sustainable finance, to help spread an ESG mindset across our business. Those sessions gathered over 400 colleagues, highlighting the importance of ESG for our staff.

For the first year, we also proposed several workshops around the Climate Fresk and the Digital Fresk, which are science-based learning tools. They both come from a French nonprofit organization which aims to raise public awareness about climate change. It proposes a collaborative serious game based on 42 cards where the participants draw a fresco which summarizes the work of the Intergovernmental Panel on Climate Change and the interconnection between all topics. These trainings gathered 31 participants in Paris and Luxembourg.

Promoting diversity and inclusion

At MFEX, we believe that diversity strengthens our brand and our teams. With more than 380 employees in ten different countries, we count over 30 different nationalities! In our daily work, we strive to be an inclusive place of work where employees' individualities are valued and respected. Our Code of Conduct and Diversity and Inclusion Policy prohibit general and sexual harassment, bullying, as well as all forms of discrimination or disadvantageous treatment based on origin, gender, ethnicity, religion, disability, educational background, sexual orientation, transgender identity or expression, and age.

The aim is for our workforce to be truly representative of all sections of society and for each employee to feel respected and able to develop their full potential whilst working at MFEX.

One area of focus is to increase gender diversity and equality, for example by continuing to monitor and close any gaps in the remuneration package and creating the appropriate conditions to allow diversity at all levels of the company, including training and upskilling opportunities. The company is also working on diversity at the Board level. A new Board member (female) was appointed in 2023.

In 2023, there were no incidents of discrimination.

Diversity by gender and employee category – 2023

Employee category	Male	Female	Total
Board of Directors	5	1	6
Executive management team	7	3	10
Managers	37	20	57
Employees	203	115	318
Total	249	138	387

* Notes: 1. Data was extracted from the HR system in December 2023.
2. Board is MFEX AB Board.
3. Out of the 6 Board members, 2 are employees and 2 are independent.

Gender pay gap by country

Country	2022 (%)	2023 (%)
Sweden	1	2
Luxembourg	5	24
France	8.7	1.5
Spain	-17.4	10.5
Switzerland	55.6	46.3
Italy	17.1	24.2
Singapore	10.2	-0.3
Malaysia	18	11
Hong Kong	3.5	23.8
Group total	4.9	4.5

* Notes: 1. There is no Gender pay gap data for Ireland as there is only one employee at this site.
2. Negative number means a gender pay gap to the benefit of women

At the Group level, the women rate is slightly decreasing from 38% to 36% as an average between 2022 and 2023. However, during the same period we were progressing on the gender pay gap in France (now at 1.5% against 8% in 2022) and Malaysia (11% against 18% in 2022). At the Group level, the Gender Pay Gap is stable at 5% (incl. 2% in Sweden) in 2023. It was 15% in 2021.

At individual levels, considering similar experience, performance and level of responsibility, we do not observe difference of treatment between men and women. We intend to improve female representation at senior levels and within departments (IT & Commercial in particular) when possible, by developing and promoting women to higher levels of responsibility and sourcing external high calibre female talents.

Diversity by age group and employee category – 2023

Category of employment	Age <30	Age 30-50	Age >50	Total
Board of Directors	0	0	6	6
Executive management team	0	9	1	10
Managers	3	46	8	57
Employees	124	173	21	318
Total	127	228	32	387



Work environment and well-being

We want our employees to feel appreciated and driven at work. MFEX strives to create an environment that promotes individual and collective development.



Gaëlle Allin, Chief HR Officer

Through our Working from Home Group Policy, which authorizes our employees to work remotely, we ensure that our employees can practice home office and support a better work-life balance. In 2023, we rolled out in France and Kuala Lumpur, two of the largest offices, a donation of equipment to allow employees to have good working-from-home conditions. We provided an orthopaedic chair, a wireless headset, and a high-resolution screen. This initiative has been greatly appreciated by the staff.

In June 2023, a staff survey showed good results in terms of staff morale with 72% of respondents with an “excellent” or “good” morale. In addition, 74% of the staff agree (or strongly agree) that the overall business goals and strategy set by senior leadership are taking the entity in the right direction.

In December 2023, we elected the new staff representatives in our Paris office. This is an important milestone in our social policy, and we were delighted to see a high participation rate at 70% and 75% that shows the openness and quality of our social dialogue, as well as the engagement of employees in this topic. In March 2024, it will be the turn of our Luxembourgish office to renew their staff representatives.

Late 2023, we introduce a change in our performance rating scale that will be applicable at the end of 2024, at the time of the performance review exercise for the year. The performance rating should reflect the degree to which objectives have been realised (what) but also the way they have been realised (how). We added a level to the scale to be able to better recognise the high performance and described more precisely definitions of each rating of the scale.

In addition to the employee survey, in 2023, 100% of eligible employees had a performance appraisal with their managers. These reviews represent a perfect opportunity to open a dialogue around performance, but also work-life balance and career development. Mid-year reviews are also carried out to measure progress made against our corporate and individual objectives. Performance targets are cascaded down into individual objectives and discussed between the employee and their manager at the beginning of the year. A mid-year review was carried out in June 2023 to ensure that we were on track for achievements at the end of the year and if not, allow action plans to be implemented.

In 2023, MFEX implemented a whistleblowing channel where employees can report violations of the code of conduct, illegal activities, breaches of compliance or risk procedures. Reports are directed to the Group’s Chief Compliance Officer, who is responsible for handling the report appropriately. In addition, there is a process in place where issues can be escalated to HR and/or management.

Total number of employees who received a performance and career development review during the year 2023

Employee category	Male	Female	Total
Executive management team (GEMC ¹ + Senior Managers)	13	6	19
Managers (Manager + Team Leaders)	46	21	67
Employees	167	90	257
Total	226	117	343
Percentage	65.9%	34.1%	100% (of eligible employees)

1. GEMC: Group Extended Management Committee

“

Our culture is our greatest differentiator. Working at MFEX means joining a fintech within a large international banking group. Our teams are at the forefront of our concerns; fostering their professional growth in a demanding yet supportive work environment is essential.

Gaëlle Allin, Chief HR Officer





Environment

At MFEX, we acknowledge that climate change is a significant challenge facing our planet and society. As such, we recognize our responsibility to play a part in reducing and limiting our energy and resource consumption, as well as our greenhouse gas emissions. Our motivation stems from a desire to have a positive impact on the environment and from an understanding that our stakeholders increasingly expect us to have high environmental ambitions to maintain their trust in us.

Our work is guided by our ESG policy, which applies to all MFEX business functions. The policy sets out environmental objectives, which are:

- reduce energy consumption and emissions,
- optimise business travel overall while minimising GHG emissions for necessary travel,
- support sustainable employee commuting practices,
- improve resource and waste efficiency, by reducing resource consumption and waste, and reusing and recycling resources wherever possible.

We also engage our staff on environmental matters, as we deploy our annual recurring initiative regarding environment cleaning, which you can read more about in the community section.

In 2023, 5 MFEX colleagues participated in the Euroclear Hackathon, an innovation challenge, in which, one of the topics (Hack4Good) related to Climate Change, more specifically, to respond to the following problem: “How might we help individuals, business and communities deal with direct or indirect impacts of the global climate emergency”? This yearly event is always a great opportunity to showcase creativity and problem-solving skills while working within cross-company teams in a fun and collaborative way. The team chose to work on a project related to biodiversity projects financing. They were finalists but didn’t win the first place, which is the only way towards full deployment.

Improving our energy consumption and increasing renewable energy

To reduce our energy consumption and our related emissions, we launched a “switch off the lights and turn off your laptop” campaign, throughout all offices, which may explain why our annual electricity consumption decreased in most of our offices.

In December 2023, we switched to a 100% renewable energy contract in our Paris office, to secure clean energy, as already done in Sweden and Luxembourg.

We do not have any car fleet across the group, which also minimizes our carbon footprint.

You will notice in the table below that despite our efforts, energy consumption data increased in 2023 versus 2022. This is mainly because we didn’t estimate natural gas consumption in the past, which we added this year (as estimates). Those data cover all MFEX offices of more than 5 employees. Also, all environmental data has been collected manually and computed by a third party, EcoAct, for the period covering January to September 2023. The fourth quarter has been estimated. It will be adjusted/recalculated with real data in next year’s report.

Highlights of 2023

Achievements

- Received approval from the Science Based Targets initiative (SBTi) across all three scopes for Euroclear’s near and long-term carbon emissions reduction targets
- Expanded staff soft mobility with an e-bike program launch in France
- Reduced our Scope 2 emissions

Ambitions for 2024 and beyond

- Switch to 100% green electricity for our Paris office
- Implement new Business Travel Guidelines
- Improve travel data collection through cooperation with a travel agency
- Work with our suppliers towards alignment with our net zero group ambition

MFEX energy consumption, MWh			
	2021	2022	2023
Natural gas			133
Fuel	0	0	0
Electricity	247	276	260
Heating	20	30	26
Total energy consumption	267	306	419

Environmental impact in our value chain

Our environmental impact doesn’t stop at our offices, so we looked throughout our value chain and are committed to reducing our energy consumption and greenhouse gas emissions by reviewing our contracts and requirements of suppliers (particularly for IT and cloud services) as well as handling our waste, especially e-waste, responsibly.

Managing our waste

At MFEX, we strive to always take care of our waste in a proper way, providing the possibility to dispose of waste in a correct manner and recycling all that can be recycled.

In our Luxembourg office for instance, we received, as last year, the quality label called “SuperDrecksKëscht” which means that we meet the requirements of ISO 14024 for waste prevention in resource management, appropriate treatment of waste and use of resource-saving material. In that same office, in April 2023, we banned the presence of single-use paper cups for beverage and distributed personalised cups.

In our new Umeå’s office (the move took place in April 2023), we benefit from the best-in-class waste management in the building, including a waste compressor and waste bins for dozens of different materials (see pictures).

We however, are not currently able to collect waste data at all our locations, as many of our rented facilities have multiple tenants and are not equipped to calculate MFEX waste separately from other tenants. Data below is estimated.

Waste generated, in metric tons in 2023	
Of which directed to landfill	9,1
Of which recycled	5,38
Total waste	3,72

* Note: This data was extrapolated based on the number of FTEs in each MFEX office, and the ratio going to landfill, and recycling was based on country average.



When it comes to e-waste, we cooperate with an external provider who collects our electric and electronical devices (mostly laptops, desktops, monitors and network equipment) from Sweden, Kuala Lumpur and France to refurbish, recycle and resell what is possible. This enables us to manage end-of-life devices, in a secure and sustainable way that minimises waste, reduces CO2 emissions and promotes material reuse, in a circular economy ecosystem to preserve the earth’s finite resources.

In 2023, we have been provided with the following report:

E-waste avoided, in kg in 2023	
Refurbished devices (Grade A-D)	92%
Refurbished weight* (Grade A-D)	1,056 kg
Recycled weight* (Grade E)	52 kg
Total CO2 equivalent emissions avoided	52,710 kg



Basement of our Umeå’s office (credit : Rickard Nordlund)

Our Journey to Net Zero

As our mother company, Euroclear, has committed to reaching net zero by 2050 at the latest and reducing its Scope 1 and 2 emissions by 55% by 2030, we started taking part in this ambitious objective. Euroclear has received accreditation for its net zero targets from the SBTi (Science-Based Targets Initiative) in July 2023, choosing 2019 as its baseline year.

As part of Euroclear's data collection process, we provided an extensive set of data to an external consultancy firm to calculate our greenhouse gas (GHG) emissions using both activity-based and spend-based approaches.

We have not conducted an employee commuting survey this year and have reused last year's data. However, we have extended our offer to provide mechanical and electric bikes to our employees in France (which was already the case in Stockholm and Umeå) to reduce the impact on our employees' commute to and from work.

As for many companies, our carbon footprint Scope 3 is the heaviest in terms of emissions and this is why in 2023, we have launched the supply chain ESG screening program to monitor our suppliers' emissions and implement improved data collection processes (see Governance section).

Scope 1 and 2 emissions in tCO2e

Country	Scope 1			Scope 2 (location-based)		
	2022	2023	% variation	2022	2023	% variation
Paris	8.8	9.4	+7%	5.7	5.6	-2%
Luxembourg	12.9	14.4	+12%	6.2	6.2	0%
Stockholm				1.9	2.8	+47%
Umeå				3.8	1.9	-50%
Sweden (Fondab)				0.7	1.1	57%
Kuala Lumpur				49.7	49.4	-1%
Total	21.7	23.8	+10%	67.9	66.9	-1%

Scope 2 district heating in tCO2e

	2022	2023
Stockholm	1.2	2.2
Umeå	3.4	1.5
Fondab	0.6	1
Kuala Lumpur		
Paris		
Luxembourg		
Total	5.2	4.7

Scope 2 electricity in tCO2e

	2022	2023
Stockholm	0.7	0.6
Umeå	0.4	0.4
Fondab	0.1	0.1
Kuala Lumpur	49.7	49.4
Paris	5.7	5.6
Luxembourg	6.2	6.2
Total	62.8	62.3

MFEX emissions (tCO2e) location-based

	2022	2023	% variation
Scope 1 (Direct GHG emissions)	21.7	23.8	+10%
Scope 2 (Energy indirect GHG emissions)	67.9	66.9	-1%
Scope 3 : (Other indirect GHG emissions)	4,628	4,822	+4%
Category 1: Purchased goods and services	3,772	3,997	+6%
Category 2: Capital goods	85	4	-95%
Category 3: Fuel- and energy-related activities	23	24	+4%
Category 4: Upstream transportation and distribution	7	7	0%
Category 5: Waste generated in operations	2	4	+100%
Category 6: Business travel (incl. Well-to-tank emissions)	374	448	+20%
Category 7: Employee commuting	364	338	-7%
Category 9: Downstream transportation and distribution	Incl in cat.4	Incl in cat.4	0%
Total footprint	4,717.6	4,912.7	+4%

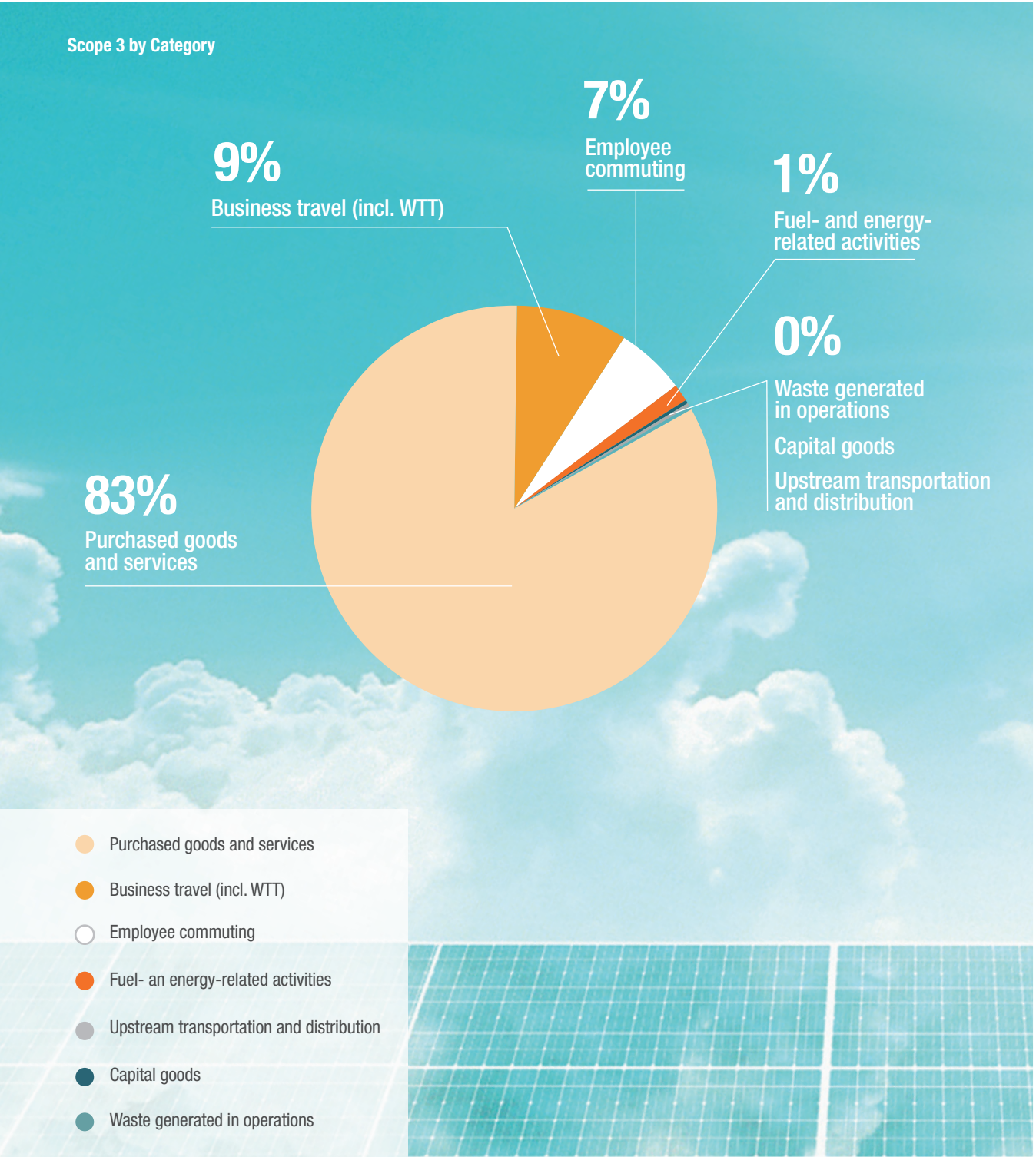
* Notes: 1. The scope 1 data refers to the estimated use of natural gas in office facilities in France and Luxembourg via extrapolation, although no data was provided, based on the average gas use per m2 for Euroclear offices that provide data.

2. 2023 Scope 2 Market-based was: 66.5 tCO2e

3. For the 2023 data, the emission factors used are from BEIS 2023. The data has been extrapolated to account for missing data from specific locations.

In 2023, MFEX travel footprint significantly increased by 20%, compared to 2022. This can be explained by the fact that 2022 was the first-year post Covid with a slow return to travel habits whereas in 2023, our top management has extensively travelled to work on MFEX integration agenda (within the Euroclear Group). We will more closely monitor travel data in 2024 with the implementation of an updated travel process, through new travel guidelines and the support of a travel agency for several of our main locations, which will improve our reporting quality.

Our emissions are summarised in the tables below. Please note that the entity Fondab AB has been sold in May 2023 and hence been taken into account for the first part of the year only.





Community

Committed to supporting our communities



One of the pillars of our ESG strategy is “community”. The aim is to support our local and global communities and demonstrate impact, while engaging our employees in volunteering and fundraising.

Since 2022, we have joined Euroclear’s four Community focus areas as defined in our group’s ESG Policy, on the following themes:

- **Tackling poverty:** we support projects that address the causes of poverty and ensure that beneficiaries are equipped to improve their economic situation.
- **Coaching and education:** projects that promote the education of young people, especially financial education through coaching and mentoring.
- **Social and financial inclusion:** projects that tackle discrimination and support the inclusion of under-represented groups, and projects aimed at helping disadvantaged groups to gain financial knowledge and manage their own financial situations.
- **Protecting the Environment:** projects that reduce the impact of climate change and improve environmental awareness.

Focus areas vary depending on geographies, MFEX adapting to local requirements and specificities. We have developed an annual community action plan based on how we can achieve the greatest impact within these focus areas through community engagement and support. Wherever possible, the projects have been conjunctly run with Euroclear group.

We broke records in employee community engagement, a distinctive element of our dynamic culture and identity. Across all our group locations, we more than doubled the number of community projects we invested in with either funding or volunteering in 2023.

Volunteering and donations

We are enthusiastic about our 2023 community engagement initiatives.

About 65% of MFEX employees participated in a company organised community event, with a total of 251 volunteers in 2023. More importantly, we have extended the activities across all locations, breaking the record of over ten programmes deployed, a few joining forces with Euroclear colleagues, such as in Hong Kong and Paris.

The following highlighted initiatives are representative of activities related to our focus areas and our major partnerships. We have measured their impact through both quantitative (e.g. number of beneficiaries) and qualitative (e.g. feedback from the communities or partners) data.

Protecting the environment

For the second year in a row, MFEX participated in the World Cleanup Day initiative, whose aim is to raise awareness of the global waste crisis by mobilizing millions of people. The event gathered 33 participants from our Paris and Luxembourg locations. This activity was launched as part of the Sustainable September group wide campaign to promote sustainable development through several actions: web seminar, donations, awareness campaign.

Highlights of 2023

Achievements

- Engaged 65% of workforce in community events across locations
- Doubled the number of community projects
- Deployed Sustainable September activities throughout the company
- Coordinated events with Euroclear

Ambitions for 2024 and Beyond

- Increase common community activities in mixed teams with Euroclear
- Encourage higher employee volunteering: reach 70% staff participation
- Improve impact measurement



33 volunteers collected over 230 kg in France and Luxembourg

In Stockholm, we launched a partnership with Naturskyddsforeningen (the Swedish Society for Nature Conservation), the largest environmental organisation in Sweden and a popular movement standing up for nature, with over 200,000 members. Together we organized an event on our premises to support the Rädda Bina (Save the Bees) programme, in October, which gathered 45 employees from MFEX, plus colleagues from Euroclear, to learn more about bees and build bee and insects hotels.

The company also organized “Matching gift” schemes that allowed employees to have their personal donations to charities doubled by MFEX. For example, in 2023, MFEX Luxembourg, organized a bake sale for an association selected by vote by our employees. The winning association was Noe, whose focus is on biodiversity preservation, more specifically fauna and flora species under threats of extinction.

Tackling root causes of poverty

In Kuala Lumpur, 8 colleagues volunteered to support one of the PAWA (Pan Asian Women Association) programmes, “Home of Peace”, in Malaysia. PAWA is a UK-registered charity, with which Euroclear has a long-standing partnership, and whose mission is to support underprivileged teenage girls’ education in Asia, a critical element in fighting poverty. Home of Peace was founded in 1993 to help the education of children from squatter and deprived areas in and around Kuala Lumpur where girls are often required to stay at home and look after younger siblings. Many of the girls living at Home of Peace residential centre come from disadvantaged backgrounds, including children referred by the Ministry of Welfare who have been abandoned in hospitals. Our colleagues organized a fun day for the children, taking them out for an indoor skydiving experience, which has created lasting memories.

In 2023, one MFEX also employee participated in the annual field trip to Uganda, with Street Child, a Euroclear partner since 2013 who focuses on facilitating access to education, breaking the cycle of poverty, as well as financial and practical support to enable children to enter or remain in education. Their programmes:

- Supported children and their families, empowering them to gain financial independence.
- Provided school infrastructure such as latrines and kitchens.



Indoor skydiving experience in Kuala Lumpur.



River cleaning in Paris.

- Gave menstrual hygiene kits and educational session from Street Child’s partner AfriPads to over 1000 girls.
- Partnered with Young African Refugees for Integral Development. They help refugees in Kampala establish more secure lives, set up small businesses and get their children into education. Our volunteering colleagues delivered educational sessions on essential skills at their centre in Kampala.

In Malaysia, we also wanted to handle the consequences of poverty, not only the root cause. Based on media reports, an estimated 72,000 dogs and cats are lost and abandoned, as the cost for having an animal has skyrocketed in the last two years. This is why in Kuala Lumpur, our employees offered to support the NGO Paws International. On top of an annual donation for the building of a brand-new ecological shelter, 99 MFEX volunteers took care of the animals, whether by walking them out (a great wellbeing activity on top!), feeding them or cleaning their habitats. This program has been a real success as 84% of the Kuala Lumpur office workers took part in it, over four months.

In Hong Kong, all MFEX office also participated in a food drive, in partnership with “Feeding Hong Kong” in September 2023, with our Euroclear colleagues.

Social and financial inclusion

In August, 42 MFEX participants from Malaysia, Italy, Luxembourg, Sweden and France took part in the virtual run organized by the Poland Business Run Foundation, whose mission is to support people with disabilities and after mastectomy, assist in the activation and elimination of social barriers, create awareness about disability of the locomotor organs and change the perception of people with disabilities.

In October, 9 colleagues from our Umeå office participated in the Women in Tech event co-hosted with the #AddHer network. The purpose of this event is to enable women’s empowerment in tech through leadership development, professional growth, mentorship and networking.

Education and coaching

In Paris, 6 employees participated in a coaching action, within the Tremplin juries of the Unis-Cités association, to help young people to promote their experience and present their future project in front of a jury of benevolent professionals.

In Singapore, 3 MFEX volunteers supported Euroclear’s 11-year collaboration with Junior Achievement (JA), whose aim is to empower future generations to lead sustainable economic growth, and to encourage our employees to share their skills and donate their time as classroom volunteers, coaches or jury members. It was a first time for the Singapore office, running a session led by our Asia’s Human Resources head on CV/ resume writing, a great opportunity to get connected to our future pool of workforce.

Whenever needed, MFEX launches ad hoc initiatives, mainly to support victims in times of crisis, for instance related to war or natural disasters. Our employees have participated in the Euroclear Matching gift for the earthquake in Turkey and Syria in early 2023.

We will continue to develop our community program in 2024, as each employee has again been assigned with an individual objective to participate to, at least one, ESG initiative during the year, on their work time. The process for project review and approval continues to be made by senior management to ensure supported projects follow the group guidelines and align with our community goals.



GRI index

MFEX GRI content index

(for the period of 1 January 2023 to 31 December 2023)

Statement of use	MFEX has reported the information cited in this GRI content index for the period 1st of January to 31st of December 2023 with reference to the GRI Standards. AR refers Annual Report and SR means Sustainability report.		
GRI 1 used	GRI 1: Foundation 2021		
GRI standard	Disclosure	Page number	Comments
GRI 2: General disclosures 2021			
	2-1 Organizational details	SR p.1	
	2-2 Entities included in the organization's sustainability reporting	SR p.1	
	2-3 Reporting period, frequency and contact point	SR p.1	Report is for FY 2023, Contact Frédérique Nicoli Ly for any questions on the report: Frederique.NicoliLy@mfex.com
	2-4 Restatements of information	SR p.1	No restatements
	2-5 External assurance	SR p.1	The report has not been externally assured.
	2-6 Activities, value chain and other business relationships	SR p. 5	
	2-7 Employees	SR p. 17-23	
	2-9 Governance structure and composition	AR p. 7-8	
	2-10 Nomination and selection of the highest governance body	AR p. 7-8	
	2-11 Chair of the highest governance body	AR p. 29	
	2-12 Role of the highest governance body in overseeing the management of impacts	SR p. 10	
	2-13 Delegation of responsibility for managing impacts	SR p. 10	
	2-14 Role of the highest governance body in sustainability reporting	SR p. 10	
	2-15 Conflicts of interest	SR p. 13	
	2-16 Communication of critical concerns	SR p. 10-13	
	2-17 Collective knowledge of the highest governance body	"AR p. 7-8 SR p. 13"	
	2-19 Remuneration policies	SR p. 21	
	2-20 Process to determine remuneration	SR p. 29	
	2-22 Statement on sustainable development strategy	SR p. 2 & 7	
	2-23 Policy commitments	SR p. 10	
	2-24 Embedding policy commitments	SR p. 22, 26, 32	
	2-26 Mechanisms for seeking advice and raising concerns	SR p. 13, 15, 23	
	2-28 Membership associations	SR p. 1	"AF2I (Association Française des Investisseurs Institutionnels), SMPG SWIFT (Swedish national market practice group), Swedish Investment Fund Association (SIFA), Norwegian Fund and Asset Management Association, Asia Securities Industry & Financial Markets (ASIFMA), Seabird Member, AFG - Association Française de la gestion, FINANCE INNOVATION, Platforium, Inverco Member, Assiom Forex, Acorà, ABI LAB Member, Findel."
	2-30 Collective bargaining agreements	SR p. 19	32% of our employees were covered by collective bargaining agreements in 2023.

GRI standard	Disclosure	Page number	Comments
Material topics			
	3-1 Process to determine material topics	SR p. 6	
	3-2 List of material topics	SR p. 6	
Economic disclosures			
Anti-corruption			
	3-3 Management of material topics	SR p. 13	No restatements
GRI 205: Anti-corruption 2016			
	205-3 Confirmed incidents of corruption and actions taken	SR p. 13	No confirmed incidents of corruption.
Environmental disclosures			
Energy			
	3-3 Management of material topics	SR p. 26	
GRI 302: Energy 2016			
	302-1 Energy consumption within the organization	SR p. 26	
Emissions			
	3-3 Management of material topics	SR p. 28	
GRI 305: Emissions 2016			
	305-1 Direct (Scope 1) GHG emissions	SR p. 28	
	305-2 Energy indirect (Scope 2) GHG emissions	SR p. 28	
	305-3 Other indirect (Scope 3) GHG emissions	SR p. 28	
	305-4 GHG emissions intensity normalizer (denominator) by activity.	SR p. 28	GHG emissions intensity includes emissions from Scope 1, Scope 2 (location-based) and Scope 3 for categories 3 to 7. GHG emissions intensity - Total tCO2e per FTE: 2,35 .
	305-5 GHG emissions reductions for GHG emissions	SR p. 28	Reduction of Scope 1 and 2 emissions: 1% Reduction of Scope 3 Category 3-7: increased 7%
Waste			
	3-3 Management of material topics	SR p. 27-28	
GRI 306: Waste 2020			
	306-3 Waste generated	SR p. 28	
Supplier Environmental Assessment			
	3-3 Management of material topics	SR p. 10-12	
GRI 308: Supplier Environmental Assessment 2016			
	308-1 New suppliers that were screened using environmental criteria	SR p. 12	More than 80% of our supply chain in spend has been screened in 2023. In 2024, we will continue these assessments and improve our supplier due diligence process.

GRI standard	Disclosure	Page number	Comments
Social disclosures			
Employment			
	3-3 Management of material topics	SR p. 17-22	
GRI 401: Employment 2016			
	401-1 New employee hires and employee turnover	SR p. 19	
Training and education			
	3-3 Management of material topics	SR p. 18-20	
GRI 404: Training and Education 2016			
	404-1 Average hours of training per year per employee	SR p. 20	1.5 days in 2023 per employee. (2 days per year per employee in 2022).
	404-3 Percentage of employees receiving regular performance and career development reviews	SR p. 23	100% of eligible employees
Diversity and equal opportunity			
	3-3 Management of material topics	SR p. 21	
GRI 405: Diversity and Equal Opportunity 2016			
	405-1 Diversity of governance bodies and employees	SR p. 21	
Non-discrimination			
	3-3 Management of material topics	SR p. 21	
GRI 406: Non-discrimination 2016			
	406-1 Incidents of discrimination and corrective actions taken	SR p. 21	0 incidents
Supplier Social Assessment			
	3-3 Management of material topics	SR p. 10-12	
GRI 414: Supplier Social Assessment 2016			
	414-1 New suppliers that were screened using social criteria	SR p. 12	More than 80% of our supply chain in spend has been screened in 2023. In 2024, we will continue these assessments and improve our supplier due diligence process.
Customer Privacy			
	3-3 Management of material topics	SR p. 14	
GRI 418: Customer Privacy 2016			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR p. 14	



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Euroclear's net-zero target has been approved by the Science Based Targets initiative (SBTi)

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