

SGX Environmental Policy

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SGX Environmental Policy

1. Objective

SGX views good sustainability practices as important to its business growth over the long term. Whilst the SGX business model has a small environmental footprint, we are committed to environmental sustainability as a responsible business and as an example to other listed companies in Singapore. Our major environmental impacts pertain to the consumption of resources such as energy, water, and paper, as well as business travel related carbon emissions. These areas inform the scope of our Policy.

The SGX Environmental Policy ("Policy") sets out our approach to reducing our direct and indirect environmental footprint. It is the company's objective that the environmental practices set out in this Policy be embedded in our management practices and control principles.

2. Scope

This Environmental Policy covers the Group's operations in all countries where we operate.

3. Governance of Environmental policy

The CFO is responsible for the Policy, which was approved by EMCO.

- a. The Policy will be reviewed annually and any material changes will be approved by EMCO.

4. Communication of Policy

The Policy shall be communicated to SGX's stakeholders, including but not limited to its employees, shareholders, suppliers, business partners and customers. The Policy shall be published on the SGX Investor Relations website, which is available to the public.

5. The Policy

5.1 Managing direct impact on the environment

- a. Minimize the use of resources, including electricity, water and paper
 - Reduce electricity consumption by conserving energy use in lighting and air conditioning of our business facilities and data centres.
 - Minimise water consumption.
 - Reduce overall usage of paper, and replace with FSC certified low grammage paper where possible.
- b. Reduce environmental impact by reducing non-essential travel and maximise use of alternative means of internal and external communication, for example, video conferencing.

- c. Promote the reduction, reuse and recycle of materials and waste among employees such as using double-sided printing as default printer settings, recycle toners, use of recycled paper and encouraging separation of waste.
- d. Comply with all relevant environmental legislation in all countries in which we operate.

5.2 Managing indirect impact on environment

- a. Raise awareness of environmental issues among employees
 - Encourage corporate volunteering for environmental causes and contributing to spreading awareness.
 - Encourage employees to adopt environmentally responsible behavior.
- b. Carry out purchasing activities and interactions with our vendors in an environmentally responsible manner
 - When engaging with new suppliers, we pro-actively look out for potential partners who operate in an environmentally responsible manner, and preferably have a declared environmental policy.
 - Suppliers submitting tenders for projects mandating a request-for-proposal (RFP) process are required to take part in a Sustainability Survey as part of the RFP process. Beginning FY2016, we commenced extending the Survey to vendors on the SGX Preferred Vendor List. The Survey gathers information from suppliers on their corporate governance, workplace practices and environmental management, and allows us to assess their sustainability values and behaviours. By including vendors' sustainability practices in our selection criteria, we ensure we support the right behaviours throughout our supply chain.

5.3 Reporting of environmental targets

- a. SGX measures its progress against set targets and reports progress periodically in its quarterly sustainability committee meetings.
- b. SGX reports our environmental performance externally to our stakeholders as part of our sustainability reporting in our annual report.