

Sustainability Report

Singapore Exchange | July 2023 – June 2024

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Progressing Sustainable Transition

Progressing Sustainable Transition

A Message from the Board

The global sustainability landscape in FY2024 has continued to evolve rapidly with acute climate risks manifested around the world, geopolitical power shifts and the urgency of regulatory alignments in different jurisdictions. These presented both challenges and opportunities for SGX Group as a listed entity, business and a regulator.

On the climate front, COP28 saw landmark agreements on climate action transitioning away from fossil fuels with focus now shifting to operationalising these commitments. Businesses are moving beyond reporting and focusing on action and accountability. Companies are commencing work on credible climate transition planning and climate scenario analysis to make a clear case on the need for short-, mid- and long-term planning.

The harmonisation of sustainability reporting by the International Sustainability Standards Board (ISSB) is a major step forward for investors and organisations globally. International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards developed and approved by the ISSB consolidates reporting frameworks and focuses on the financial materiality of sustainability-related risks and opportunities. Transparency, trust and stability are key success factors for a resilient global economy and investments.

As Asia's most international multi-asset exchange, we aim to be an enabler of the green transition in Singapore and for the global economy. We are committed to advancing our sustainability capabilities through our four core pillars – SGX Group as a company, business, regulator, and in the ecosystem.

As a listed company, we continue our efforts to be a leader in sustainability best practices and credible climate change management. In FY2024, we launched our first climate transition plan, and invested in a carbon management and accounting system to enhance data quality and timeliness for our own reporting.

As a business, SGX Group remains the number one listing venue for international G3 currency Green, Social, Sustainability, and Sustainability-linked (GSSS) bonds by APAC issuers and about 15% of our total new listings in FY2024 were GSSS bonds. Our focus remains in supporting and collaborating with our ecosystem to scale transition finance through our sustainable fixed income initiatives. In September 2023, we welcomed the listing of iShares MSCI Asia ex Japan Climate Action ETF. The fund aims to track the performance of MSCI AC Asia ex Japan Climate Action Index and includes ESG factors as its key investment strategy, with a focus on climate transition. It was the largest equity ETF launched in Singapore, with assets under management (AUM) of S\$583 million at launch. The MSCI Climate Action futures suite and the FTSE Blossom futures suite which was launched in 2021, will serve clients integrating climate considerations into their portfolios. While the market is still developing in these areas, we are working with our industry partners to provide capital and investment opportunities in sustainability products and services.

In FY2024, SGX RegCo, together with the Accounting and Corporate Regulatory Authority (ACRA) as joint secretariat, accepted the recommendations of the Sustainability Reporting Advisory Committee (SRAC) to introduce a roadmap for mandatory climate reporting in Singapore, following a public consultation.

The roadmap aims to uphold Singapore's attractiveness as a global business hub while contributing to the national agenda on sustainable development under the Singapore Green Plan 2030 for Singapore-incorporated companies, extending beyond listed companies. SGX RegCo had also consulted on detailed listing rule amendments to implement the recommendations for listed companies.

Further entrenching our stewardship role, SGX Group continues to focus on market engagement and strengthened partnerships with global, regional and local sustainability networks to facilitate a vibrant and progressive financial ecosystem. We hosted the inaugural Global Transition Finance Summit (GTFS), and our leadership role at the Glasgow Financial Alliance for Net Zero (GFANZ) allows SGX Group to contribute and steer conversations pertinent to the finance sector and help shape the development of its transition journey. Nearer home, we work closely with the ASEAN exchanges to develop a set of core ESG metrics aligned with international standards and established practices, and supported the launch of the Singapore Sustainable Finance Association as a Convening Member.

As we commemorate the 16th year of our sustainability reporting journey in FY2024, SGX Group remains resolute in our commitment to advancing sustainability initiatives. Our enduring voyage has empowered us to lead, futureproof, and strategically construct our own sustainability framework, while also contributing significantly to local, regional, and global sustainability imperatives. Looking ahead, we will continue to foster innovation, engage with stakeholders, and drive transformative change, ensuring a more resilient and sustainable future.

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About the Report

This sustainability report shares our approach to building a sustainable business and ecosystem with consideration of our material factors.

Scope

The report covers the performance of our consolidated entities from 1 July 2023 to 30 June 2024 (FY2024) and is published at the same time with our **Annual Report**. We have included the historical data for FY2022 and FY2023 for comparison, where available.

Approach to Sustainability Reporting

Our FY2024 report is in accordance with Global Reporting Initiative (GRI) Standards 2021 due to its longstanding universal application and robust guidance. In addition, we used Sustainability Accounting Standards Board (SASB) Standards for its industry-based sustainability-related risks and opportunities that have financial impact on the organisation. We had opted to add this to our reporting from FY2021 in order to complement the broader stakeholder focus of the GRI Standards.

This Sustainability Report FY2024 is approved by the SGX Group Board of Directors and is prepared in adherence to the prevailing:

- SGX-Securities Trading (ST) Listing Rules 711A and 711B, and Practice Note 7.6 Sustainability Reporting Guide (updated January 2022)
- Global Reporting Initiative (GRI) Standards 2021

- SASB for Security & Commodity Exchanges governed by the ISSB of the International Financial Reporting Standards (IFRS) Foundation
- Task Force on Climate-Related Financial Disclosures (TCFD) recommendations by the Financial Stability Board (updated October 2021). TCFD has since been disbanded in November 2023 and the monitoring of climate-related disclosures will be taken over by the International Sustainability Standards Board (ISSB) from 2024. The ISSB Standards are built on the recommendations of TCFD
- Relevant Sustainable Development Goals (SDGs)

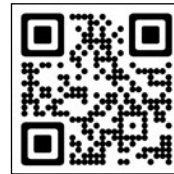
Following the publication of the ISSB Standards – IFRS S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We will align our reporting of climate-related disclosures in accordance with ISSB and the prevailing SGX listing rules from FY2026.

The GRI, SASB and TCFD content index as well as our performance

metrics are an integral part of the sustainability report and can be found at the end of this report and our SGX Group website.

In line with our sustainability efforts, this year's report will be published online instead of in print media. This report should be read together with our **Annual Report FY2024**.

We welcome feedback on this report and any aspect of our sustainability performance. Comments or feedback can be sent to sustainability@sgx.com



SGX Group Annual Report
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Review and Assurance

All data included in this sustainability report has been submitted for an internal review and was approved by the SGX Group Board. The independent external assurance by Ernst & Young LLP, including the scope of work and conclusions which have been externally verified, can be found at the end of this report.

This sustainability report shares our approach to building a sustainable business and ecosystem with consideration of our material factors.

Progressing Sustainable Transition

Highlights of FY2024

Q1



Launch of iShares MSCI Climate Action ETF

SGX Group and BlackRock spearheaded a landmark climate action ETF, catalysing sustainable investing in Asia. The ETF tracks the MSCI AC Asia ex Japan Climate Action Index, which is part of the suite of MSCI Climate Action Indexes launched in 2022. The Indexes favour a bottom-up approach and select the top 50%

of companies in each GICS® sector based on the company’s carbon intensity and commitments such as science-based target setting, green revenues or opportunities, together with its climate risk management. It is the largest equity ETF launched in Singapore, with assets under management (AUM) of S\$583 million at launch and as of end of FY2024 has S\$632 million.

Q2



Global Transition Finance Summit

SGX Group co-hosted our inaugural flagship GTFS, a premier platform for public and private sector leaders and experts to engage in a high-level dialogue on achieving net zero targets and how to facilitate the low-carbon transition by leveraging capital. Over 300 asset owners, asset managers, index providers, banks, and other service providers explored innovative financial solutions, products, and architecture required for mobilising capital for the transition in this region and beyond. We were honoured to have had Director-General and Special Representative, COP28 Presidency to kickstart the event with an opening speech on the topic of “Transforming Climate Finance: COP28 and beyond”. The event included two break-out sessions focusing on unlocking capital through transition benchmarks and how private equity is adapting to climate change.



COP28

SGX Group CEO and Head of Sustainability and Sustainable Finance represented SGX Group at COP28 on panels and roundtable discussions. We had our first in-person meeting of GFANZ Principals Group since it was formed in 2021 at COP26. Discussions revolved around net zero transition planning in practice, fast-forwarding transition finance, developing carbon markets and promoting collaborations for greater impact. Other participation included public-private sector convening on net zero transition planning with participants from both sides sharing views and challenges in developing credible climate transition plans.



External Capacity Building for listed companies

SGX Group offered a training on the IFRS Sustainability Disclosure Standards (ISSB Standards), for our listed companies. The UN Sustainable Stock Exchanges (SSE) Initiative and International Finance Corporation (IFC) have partnered with the IFRS Foundation to provide this training with UN SSE partner exchanges. SGX Group is the first exchange globally to offer the flagship training to its market.

Ring the Bell for Climate

SGX Group supported World Federation Exchanges (WFE)’s ‘Ring the Bell for Climate’, a symbolic call-to-action initiative to unite global exchanges and their commitment to tackling climate crisis and advancing sustainability efforts. We celebrated the internal SGX Group champions, with sharing from Chief Sustainability Officer from Keppel Corporation, followed by an internal sustainability townhall.

Progressing Sustainable Transition

Highlights of FY2024



Q3



International Women's Day

SGX Group celebrated International Women's Day and participated in WFE's 10th Annual 'Ring the Bell for Gender Equality'. This initiative, joined by exchanges worldwide, aims to foster greater gender equality and empower women in all

spheres – the workplace, marketplace, and community. In honour of the celebration, we were delighted to have our partners, Women in Sustainability and Environment (WISE) Singapore and Women Venture Asia, join us in the striking of the gong to mark the start of the trading day.



Q4



Singapore Green Steel Forum

Our Head of Global Sales and Origination delivered a welcome address, emphasising the critical role of steel's journey to net zero and how SGX Commodities enables this collective effort. Our derivatives suite facilitates risk management and price discovery for key commodities across the steel value chain.

GFANZ APAC Summit

GFANZ APAC Network, hosted by SGX Group, held its annual GFANZ APAC Summit. As part of the programme agenda, SGX Group CEO addressed the crucial role of transition plans in transition finance at the CEO Roundtable Luncheon. We also hosted the GFANZ Index Investing roundtable as one of the global co-leads of the index investing workstream.



ASEAN Exchanges meeting

SGX Group hosted an ASEAN Interconnected Sustainability Ecosystem (ASEAN-ISE) workshop for regional exchanges to further efforts to harmonise ESG data collected through our respective data infrastructures and advance sustainable development within the region. The workshop is the first following the formalisation of the ASEAN-ISE collaboration in February 2024. Earlier in the year ASEAN exchanges completed a joint recommendation of key ESG indicators.



China-Singapore Green Finance Taskforce

SGX Group is co-leading the products and instruments workstream of the taskforce through a Green Corridor concept that serves as a bridge to drive development and innovation of green and transition products and solutions between China and Singapore. A successful pilot testing of a green panda bond transaction improved understanding of procedure, regulation and timeline, and future scope could include different products such as asset-backed securities and funds.





Progressing Sustainable Transition

Our Sustainability Approach

As a leading multi-asset exchange, SGX Group supports our partners, companies, investors, and other stakeholders in their sustainability journeys, while progressing to meet the expectations and growing demands of the market in an evolving ESG and economic landscape.

Our Sustainability Vision

We continued the implementation of our Sustainability Vision, **to be a leading sustainable and credible transition finance and trading hub**. Our progress is best viewed through the lens of SGX Group's four core pillars – as a company, business, regulator, and in the ecosystem.

Our Core Pillars	Enabling Actions	Objectives
 <p>As a company</p>	<ul style="list-style-type: none"> ▪ Foster responsible business practices ▪ Demonstrative leadership in sustainability and on credible climate change management 	<ul style="list-style-type: none"> ▪ Conduct business with integrity and cultivate trust ▪ Rally climate action among SGX Group listed corporations
 <p>As a business</p>	<ul style="list-style-type: none"> ▪ Develop a suite of sustainable and credible transition financing products, services and solutions ▪ Leverage on SGX Group's multi-asset exchange platform for investors and issuers 	<ul style="list-style-type: none"> ▪ Support the development of a green and resilient economy and financial ecosystem ▪ Venue of choice for transition capital and trading
 <p>As a regulator</p>	<ul style="list-style-type: none"> ▪ Guide the market on sustainability-related disclosures, including climate ▪ Provide capacity development 	<ul style="list-style-type: none"> ▪ Foster best practices in sustainability-related information disclosures ▪ Facilitate availability of decision-relevant sustainability-related information in the market
 <p>In the ecosystem</p>	<ul style="list-style-type: none"> ▪ Be a positive influence and foster collaboration and partnerships ▪ Provide data, tools, resources and connect stakeholders to drive industry discussions 	<ul style="list-style-type: none"> ▪ Support stakeholders' ambition in achieving sustainability objectives ▪ Effective sustainability strategy implementation



Sustainability Vision
Scan the code or visit
sgxgroup.com/sustainability

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Sustainability Governance at SGX Group

SGX Group Board is collectively responsible for the long-term sustainable success of SGX Group. The Board has delegated the Executive Management Committee (EMCO) the authority to approve matters arising from the day-to-day operations across the value chain of SGX Group within the limits and policies approved by the Board. The Board is regularly engaged and kept abreast of SGX Group's sustainability strategic direction and key initiatives.

Recognising the importance of having a Board oversight on sustainability-related matters, various steps have been taken to engage the Board, many

of which have been integrated into our existing Board engagement processes. Sustainability is now discussed with the Board as: (1) an annual strategy discussion on sustainability and sustainable finance, (2) an annual review of SGX Group's three year plan, business unit strategies and capital plan, (3) an annual review on risk appetite and key risks, (4) an annual review and approval of the sustainability report, (5) an annual review of achievements of strategic and non-financial priorities, (6) Board engagement on selected topics such as decarbonisation and scenario analysis with sub-committees e.g. the risk management committee, and (7) review of SGX Group's progress on integration

of climate reporting between the sustainability report and financial statements.

We will continue to review and make timely enhancements to our governance structure, policies and procedures for continued accountability and oversight of SGX Group's commitment to our transition journey. Currently, climate and sustainability-related goals are part of SGX Group's performance and remuneration framework tied to SGX Group's goals. From FY2025 onwards, we aim to broaden our climate and sustainability-related goals in line with our efforts under our transition plan strategy.

Driving Sustainability Strategy

Board of Directors	<ul style="list-style-type: none"> Oversees SGX Group's approach to sustainability and the integration of sustainability-related matters, including climate-related issues, in the formulation of our long-term strategy Monitors and oversees progress on sustainability and climate-related risks and opportunities that meets shareholder expectations, and review significant issues raised
Risk Management Committee (RMC)	<ul style="list-style-type: none"> Comprising of Board Members, oversees SGX Group's key risks and risk appetite Monitors and oversees sustainability-related risks which includes climate risk
Audit Committee (AC)	<ul style="list-style-type: none"> Comprising of Board Members, assists the Board in discharging its statutory and other responsibilities related to the integrity of the financial statements, monitoring of the system of internal controls and independence of the external auditor including for sustainability reporting assurance
Executive Management Committee (EMCO)	<ul style="list-style-type: none"> Chaired by the CEO and comprises senior leadership across the organisation Reviews, evaluates and approves key sustainability approach, risk management policies and practices, sets targets and measures performance against the targets
Sustainability Steering Committee (SSC)	<ul style="list-style-type: none"> Chaired by Head of Sustainability and Sustainable Finance, sponsored by the CEO and comprises relevant EMCO members and senior executives from across the units Discusses and decides key implementation of SGX Group's sustainability strategy, including our climate agenda and climate risk management, and makes decisions or advises the EMCO on material sustainability-related matters through regular SSC Meetings
Cross Business Units Sustainable Finance Meetings	<ul style="list-style-type: none"> Sponsored by the CEO, led by the SSF team, and comprises of relevant senior executives from across the business units Focuses on growing the revenue of green and sustainability products that contributes to SGX Group's business resilience, as well as futureproofing our existing businesses

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Sustainability-Focused Teams

SGX Group Sustainability & Sustainable Finance (SSF)

- Established in February 2021
- Drives and supports the strategic vision, direction and implementation of SGX Group's sustainability ambitions, and further broaden and deepen its sustainable finance pillars
- Actively champions sustainability practices within SGX Group, and participates in selective external sustainability taskforces on a local, regional and global basis
- Provides technical expertise and specialised knowledge, collaborates with the relevant units across SGX Group on sustainability efforts internally and externally, including:
 - Works with the Business Units for sustainable services development
 - Works with industry peers and networks to embed best practices into SGX Group across the units and contribute to ecosystem efforts
 - Responsible for SGX Group's sustainability reporting, and works with all relevant units on ISSB reporting readiness
 - Works closely with the SDO as necessary

SGX RegCo Sustainable Development Office (SDO)

- Established in January 2023
- Drives regulatory efforts on sustainability, including:
 - Advancing the availability of corporate sustainability disclosures by listed equity issuers
 - Participating in global and industry-wide standards-setting projects on corporate sustainability disclosures and products
 - Implementing initiatives to advance the sustainability performance of listed equity issuers
 - Building awareness and capability within the ecosystem

Sustainability Risk Management

SGX Group recognises that effective risk management is integral to SGX Group's business strategy and sustainability journey. Additionally, there continues to be heightened focus from regulators, investors and other stakeholders on requirements for enhanced oversight for the integration of sustainability-related, including climate-related, risks and opportunities into decision-making.

SGX as a company began disclosing climate-related risks and opportunities in alignment with the recommendations of the TCFD since FY2021. Recognising that sustainability risks, including climate-related risks, are inherently linked to other strategic, financial and operational risks, they are managed in a consistent manner according to our Enterprise Risk

Management (ERM) framework, with the Business Units and relevant Operating Units owning and managing the risks (refer to our **Annual Report Risk Management, pages 31 to 36**). With the advent of the IFRS S1 and S2 which incorporate the TCFD recommendations among other sustainability reporting standards, we will be progressively disclosing in accordance with the ISSB Standards.

Progressing Sustainable Transition

Stakeholder Engagement

Stakeholder engagement is an integral part of SGX Group as an exchange and as a regulator. We adopt an inclusive and transparent approach that balances the needs and interests of material stakeholders to ensure our long-term sustainability. Our stakeholders provide valuable insights and diverse perspectives that contribute to decision-making, innovation, risk

mitigation and trust-building. At the same time, we are continuously communicating key information to our stakeholders through various platforms and channels on a regular and ad hoc basis throughout the year.

In FY2024, we conducted an external stakeholder engagement as a review of our material factors through

one-to-one interviews and a web-based survey. More information can be found in the next section on Materiality Assessment.

The following stakeholder groups have been identified as intrinsic to SGX Group and part of our natural touchpoints in our business and the wider ecosystem.

Key Stakeholders	Engagement Methods	Interests and Concerns
Employees	<ul style="list-style-type: none"> Town halls, huddles, focus group discussions, employee surveys, workshops, trainings and seminars, corporate events, group leadership teams forums, CEO Blog, Connects intranet platform and Workplace by Meta, 'Ask Me Anything' sessions with the CEO and management, CEO lunch with new hires, CEO engagement with interns, SGX Cares CSR engagement activities, Long Service Awards ceremony, Staff Appreciation event 	<ul style="list-style-type: none"> Platforms to engage staff across SGX Group and to keep them updated on all the latest developments across the business, and to also encourage more collaboration across the organisation through engagement activities
Regulators and Government	<ul style="list-style-type: none"> Dialogues, feedback sessions and jointly organised events Collaboration with industry bodies and taskforces to build up technical knowledge and best practices 	<ul style="list-style-type: none"> Market structure developments Corporate governance Regulatory policies and practices
Issuers	<ul style="list-style-type: none"> Direct engagements to provide updates, invitations to provide feedback on initiatives, cross-selling of SGX Group's multi-asset products and services, participate in training sessions, networking and related events Guidance through regulatory announcements and regulator's columns Sustainable finance related associations, taskforces, memberships 	<ul style="list-style-type: none"> Listing policies and practices Growing liquidity and market capitalisation Access to investors Capital raising, risk and cost management Sustainability-related issues
Intermediaries	<ul style="list-style-type: none"> Direct engagements to provide updates, invitations to provide feedback on initiatives, offers to participate in training sessions, networking and related events 	<ul style="list-style-type: none"> Infrastructure developments and business continuity planning Regulatory policies and practices Distribution of products and services
Investors and Research Analysts	<ul style="list-style-type: none"> Management briefings, non-deal investor roadshows, investor conferences, corporate access and annual general meeting 	<ul style="list-style-type: none"> Organisational financial performance Corporate strategy and growth initiatives Capital management and allocation

Progressing Sustainable Transition

Key Stakeholders	Engagement Methods	Interests and Concerns
Investment Community	<ul style="list-style-type: none"> SGX Group Integrated Stakeholder Study Financial literacy and advocacy programmes with partners Large-scale retail investor education events Thematic investor education events Social media and investment forums Investment-related research content and analyst reports Sustainable finance related associations, taskforces, memberships 	<ul style="list-style-type: none"> Financial literacy / management and investing knowledge to navigate market conditions Retail investing preferences Increasing investment returns Market developments and investment strategies Sustainable investing
Public and Communities	<ul style="list-style-type: none"> SGX Future in Reshaping Sustainability Together (FIRST) platform SGListCos Publicly available conferences and speaking engagements 	<ul style="list-style-type: none"> Market structure developments and corporate governance policies Academic learning opportunities Corporate social responsibility activities
Suppliers, Vendors and Service Providers	<ul style="list-style-type: none"> Business review meetings 	<ul style="list-style-type: none"> Innovative products and services that address our current and future needs Operational excellence Business continuity

Internal Capacity Building

SGX Group's commitment and strategic intent is to build a resilient business based on placing sustainability at the core of what we do. In addition to mandatory training on topics such as ethics, compliance and risk, we are equipping all staff with the knowledge and competencies on sustainability and climate-related content to make informed decisions and take responsible actions regarding our business, investments, products, and policies.

Our sustainability and sustainable finance curriculum framework combines foundational e-learning modules, in-person structured courses and professional development qualifications. In FY2024, we launched a specially curated in-person Sustainable Finance Programme in collaboration with an Institute of

Banking and Finance (IBF) accredited training provider. This is in line with the Sustainable Finance Job Transformation Map (JTM) jointly commissioned by Monetary Authority of Singapore (MAS) and IBF with the involvement of an industry steering committee that included SGX Group Head of Sustainability and Sustainable Finance. Our in-house programme provides a comprehensive coverage including foundation ESG concepts, climate change management, sustainable investment and carbon markets. These workshops are aimed at empowering employees with a good understanding of sustainable finance frameworks, underscoring our commitment to embedding sustainable practices and governance excellence across all levels of operations.

In FY2024, 830 hours of sustainability-related training were recorded, with

over 120 cumulative attendances in in-person sessions or eLearning modules. In a more informal setting, we invited external stakeholders such as the Chief Sustainability Officer of Keppel Corporation to our sustainability huddle to share real-world sustainability issues by delving into the challenges and opportunities in Keppel's transition journey in hard-to-abate sectors.

External Capacity Building

SGX Group provides regular capacity building programmes to external stakeholders and the public. For more information on our external capacity building efforts, please refer to the section on Stewardship of the Financial Ecosystem in this report [page 36](#) and Corporate Social Responsibility – SGX Cares Financial Literacy of our [Annual Report page 44](#).

Progressing Sustainable Transition

Materiality Assessment

The ISSB provides a consistent sustainability disclosure framework that encourages transparency and comparability for companies and investors globally. Regulatory alignment is also imminent as Singapore and countries worldwide are in the process of adopting ISSB Standards in the coming years. In preparation for the ISSB Standards for sustainability reporting, we conducted reviews on our overall reporting regime as well as materiality assessment of our sustainability-related risks and opportunities.

A key component of this year's review is an external stakeholder engagement to review our existing sustainability materiality assessment by examining our sustainability material factors through the double materiality

approach to ensure a holistic view from a financial ("outside-in") lens, an impact ("inside-out") lens, or both.

Working with a global consulting firm, we performed a current state assessment of mapping our value chain and material factors, engaging internal stakeholders, and peer benchmarking. The assessment enabled us to prioritise and define the external engagement scope, approach and methodology, which included interviews and web-based surveys of our key external stakeholders – regulator, issuers, intermediaries, investors, research analysts, rating agencies, investment communities, suppliers and associations. Our final step was to analyse the information collected, communicate the findings to key internal stakeholders as part of

our validation process, and update the material factors as necessary.

From the outcome of the external stakeholder engagement, we concluded that our existing nine material factors have remained applicable to us in FY2024. The materiality assessment identified another group of external stakeholders – suppliers, vendors and service providers. We will be including this group from FY2024 as they play a role in the decarbonisation of our supply chain as well as relating to future policies involving labour practices.

We recognise that our impact extends beyond organisational boundary, and therefore our material factors reflect the priorities and initiatives for both SGX Group and the wider ecosystem.

A key component of this year's review is an external stakeholder engagement to review our existing sustainability materiality assessment by examining our sustainability material factors through the double materiality approach to ensure a holistic view from a financial ("outside-in") lens, an impact ("inside-out") lens, or both.

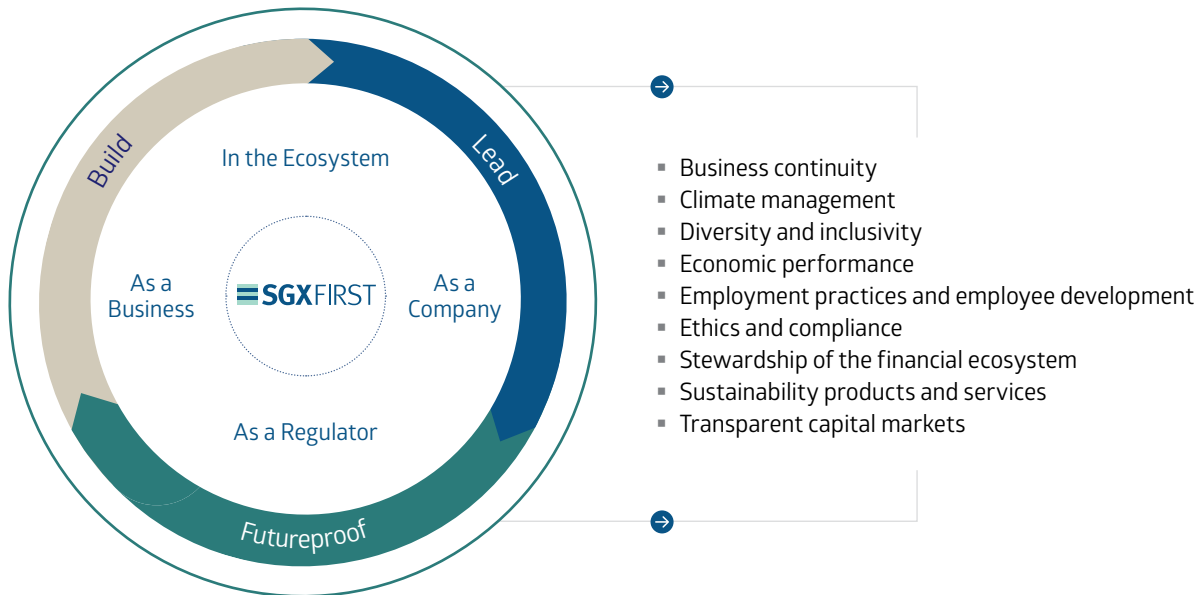
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Integrating Sustainability into Strategy

Our efforts to lead, futureproof and build across our nine material factors are guided by the strategic roles across our four core pillars – as a company, business, regulator and in the ecosystem. Our sustainability report, guided by local and international guidelines and

standards such as SGX Listing Rules, GRI, SASB, TCFD, Net Zero Financial Service Providers Alliance (NZFSPA), SDGs, and in preparation for ISSB Standards, plays a crucial role in risk management, performance measurement, decision-making, and strategy formulation. Through SGX Group’s core pillars, sustainability is

incorporated into the organisational functions, operations and culture. Collectively, the impact of these material factors enables SGX Group to achieve the following: (1) building a sustainable business, (2) empowering the community and growing the ecosystem, (3) advancing the global climate transition, and (4) transparency and accountability.



Our Material Factors and Sustainable Development Goals

The SDGs laid out 17 interlinked goals which emphasise the interconnectivity of environmental, social, and economic aspects of sustainable development. Broad ownership and commitment towards the SDGs need to be undertaken by stakeholders across the various spectrum to achieve the envisioned results. We have broadly mapped below reflecting how our nine material factors contribute to the respective SDGs.



Progressing Sustainable Transition

Key Highlights of Our Performance and Targets

In disclosing SGX Group’s targets and commitments of our material factors, we take into consideration the nature of each material factor and its impact on our operations, stakeholders and long-term financial performance. This year, we refreshed our material factors after external consultation of key stakeholders, and broad internal stakeholders inputs.




Where targets are specific and time-bound, we include them as short-, mid- and long-term. Where goals and objectives are characterised to continue without a fixed end date and are part of our long-term vision and core values, we define them as commitments.

Please refer to the following pages for more information on the respective material factors.






Material Factors and SDGs	Definitions, Impacts and Examples	Our Performance in FY2024	Targets and Commitments	Progress
Climate management  	Efforts to address our operational emissions, align relevant platforms and products, and engage our ecosystem towards net zero target by 2050 to limit global temperature rise to 1.5°C in line with the Paris Agreement and publish our actions through a transition plan	<ul style="list-style-type: none"> Disclosed absolute emissions and emission intensity for Scope 1, 2 and 3 in line with Greenhouse Gas (GHG) Protocol Standards Completed consolidation of our office footprint in Singapore Reduced Scope 2 emissions in line with our decarbonisation pathway primarily through the procurement of renewable energy certificates (RECs) for our Singapore-based operations¹ Completed disclosure across all TCFD recommended disclosures 	Short (next 12 months) and Interim (between now and 2030): <ul style="list-style-type: none"> Continue to disclose Scope 1, 2, and 3 emissions Remain on track to reduce Scope 2 absolute carbon emissions by 42% by FY2031 from FY2021 baseline Our Scope 3 emissions target on engaging our data centre supplier to set science-based targets has already been achieved as of our FY2022 Conduct comprehensive review of our emissions reduction targets, including expanding relevant Scope 3 emission categories disclosed and potential adjustment due to Science Based Targets initiative (SBTi) Corporate Net-Zero Standard 2.0 Submit revised targets to SBTi for validation Continue to make available climate-related training for staff Long term (by 2050): To reach net zero emissions by 2050	On track

¹ We intend to reduce Scope 2 emissions through an agreement for the purchase and retirement of 1,490 Singapore Renewable Energy Certificates (RECs), which is expected to correspond to a reduction of 621 tCO₂e. At the time of disclosure, the RECs have not yet been procured or retired. Nonetheless, the procurement agreement with a REC vendor is in place and details that the RECs will be procured and retired by December 31, 2024.



Progressing Sustainable Transition

Material Factors and SDGs	Definitions, Impacts and Examples	Our Performance in FY2024	Targets and Commitments	Progress
<p>Transparent capital markets</p>  	<p>Zero tolerance policy for incidents that jeopardise the operation of a fair, orderly, and efficient marketplace</p> <p>Uphold high standards of disclosure and transparency to build trust across stakeholders, promoting a liquid market and sustaining long-term capital market growth.</p> <p>Implementation of SGX-ST sustainability reporting rules</p>	<ul style="list-style-type: none"> Disclosed corporate disclosure policy Disclosed policies for sustainability disclosures of listed companies Disclosed number of voluntary trading halts due to public release of information and market volatility Disclosed involvement in automated trading and associated risks and opportunities Disclosed percentage of trades generated from automated trading system Accepted SRAC's roadmap for mandatory climate reporting for listed companies and large non-listed companies in Singapore Issued a consultation paper to incorporate the ISSB Standards into the SGX-ST sustainability reporting rules in respect of climate-related disclosures 	<ul style="list-style-type: none"> Continue to disclose policies relating to alerts and disclosure of material information of listed companies Continue to disclose number of voluntary trading halts, and number of halts due to market volatility Continue to encourage disclosure of sustainability information by listed companies Review feedback and if appropriate, implement climate-related disclosures aligned with the ISSB Standards 	Achieved and on track
<p>Stewardship of the financial ecosystem</p>  	<p>Efforts to advance the adoption of globally recognised sustainability and climate-related guidelines and frameworks, through partnerships and fostering an educated ecosystem, and supporting the global transition journey</p>	<ul style="list-style-type: none"> Continued facilitating the navigation of sustainability reporting requirements for our listed companies by offering relevant capacity building workshops and resources 	<ul style="list-style-type: none"> Continue proactive engagement with stakeholders, including market participants, partners, policy makers and standard setters Implement initiatives including provision of training, awareness activities and guidance to encourage market participants to advance their sustainability journey and promote net zero commitments Promote climate-related disclosures, particularly for listed companies, and offer climate disclosure training at least annually 	On track

Progressing Sustainable Transition

Material Factors and SDGs	Definitions, Impacts and Examples	Our Performance in FY2024	Targets and Commitments	Progress
<p>Sustainability products and services</p>  	<p>Building a sustainable business by expanding sustainability-related product shelf, contributing to business resilience</p> <p>Engage stakeholders to gather adoption and momentum on current sustainability products and services</p>	<ul style="list-style-type: none"> Launched iShares MSCI Asia ex Japan Climate Action ETF, the largest equity ETF at launch in Singapore with initial assets under management of S\$583 million Scientific Beta's ESG customisation capabilities led to an additional S\$1.5 billion in AUM tracking its suite of sustainability-focused indices Co-led products and instruments workstream under the China-Singapore Green Finance Taskforce that aims to scale cross-border green and transition finance. Pilot tested a green panda sustainability-linked bond transaction under the Green Corridor framework Formally launched the GFANZ Index Investing workstream, co-chairing with LGIM and PKA. The workstream aims to produce best practice guidance on "transition to net zero" index methodologies with a public consultation expected in Q4 2024 	<ul style="list-style-type: none"> Continue to collaborate with ecosystem partners to explore and launch new products and solutions that incorporate climate and sustainability considerations Continue to promote adoption and momentum on the existing suite of climate and sustainability-focused products, solutions and platforms 	On track
<p>Economic performance</p> 	<p>Revenue and other indicators of business growth which contribute to the wider economy by creation of jobs and delivering value to our stakeholders</p>	<ul style="list-style-type: none"> Disclosed the group's financial statement in accordance with the accepted financial reporting standards 	<ul style="list-style-type: none"> Continue to disclose the group's financial statement in accordance with the accepted financial reporting standards 	Achieved and on track
<p>Business continuity</p>  	<p>Robust and well tested recovery plans to ensure operational resilience and maintain high levels of trust from market participants</p> <p>Prevention of technology errors and market disruptions</p>	<ul style="list-style-type: none"> Zero significant market disruptions or downtime Zero material data breaches Disclosed efforts to prevent technology errors, security breaches and market disruptions 	<ul style="list-style-type: none"> Continue to set high standards and maintain vigilance in operational and technological risk management to prevent errors, security breaches and market disruptions Continue business continuity exercises across multiple domains, with relevant internal stakeholders and industry-wide participants Achieve mandatory information security training for all applicable staff 	Achieved and on track

Progressing Sustainable Transition

Material Factors and SDGs	Definitions, Impacts and Examples	Our Performance in FY2024	Targets and Commitments	Progress
Ethics and compliance 	Efforts to combat corruption, comply with tax and relevant regulations, and manage conflicts Maintain SGX Group and the broader capital market infrastructure as fair, orderly and transparent markets, and safe and efficient clearing houses	<ul style="list-style-type: none"> Disclosed the key principles of our Code of Conduct and Ethics Policy and Tax Policy Zero cases of bribery, corruption, anti-competitive behaviour, or other non-compliance with the law Zero monetary losses as a result of legal proceedings arising from relevant financial industry laws or regulations Disclosed processes for identifying and assessing conflicts of interest, including key principles of Conduct and Ethics Policy and Regulatory Conflicts Governance Framework 	<ul style="list-style-type: none"> Maintain zero cases of material non-compliance with laws Disclose number of material non-compliance with laws Disclose number of incidents of corruption and actions taken Achieve mandatory ethics and compliance training for all applicable staff 	Achieved and on track
Employment practices and employee development 	Employment practices to retain talent and ensure the health, safety and well-being of our staff, and employee development	<ul style="list-style-type: none"> Average training hours per employee at 45 hours for SGX and 34 hours for SGX Group Launched in-person sustainable finance programme Implemented in-person workshops on emerging key market trends such as generative AI 	<ul style="list-style-type: none"> Achieve 40 average training hours per employee for SGX Group Implement programmes for upgrading employee skills and transition assistance programmes for the purpose of incorporating sustainability and climate knowledge into their scope of work 	On track
Diversity and inclusivity   	Embracement of diversity amongst our staff, any discrimination based on gender, age or other socio-cultural factors is prohibited, maintaining an inclusive work environment	<ul style="list-style-type: none"> In ensuring gender diversity on the Board, SGX Group has appointed one female candidate to be part of the Board in FY2024. Ms Claire Perry O'Neill was appointed onto the SGX Board in FY2024. Her appointment will contribute significantly to the diversity of skillsets, geographical experience, and in-depth understanding of different industries on the Board 	<ul style="list-style-type: none"> Continue to ensure diversity to achieve the strategic and business objectives of the company Where external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to present female candidates In ensuring gender diversity on the Board, SGX Group actively strives to have at least 25%-30% representation of female directors on the Board. Achieve mandatory training on preventing discrimination and harassment for all applicable staff 	On track



Material Factors

Material Factors

Climate Management

Efforts to address our operational emissions, align relevant platforms and products, as well as to engage our ecosystem towards the target of net zero by 2050 to limit global temperature rise to 1.5°C in line with the Paris Agreement and publish our actions through a transition plan.

SGX Group's Approach to Climate Management

The Intergovernmental Panel on Climate Change (IPCC) published the synthesis report for the Sixth Assessment Report on 20 March 2023. It warned that while progress has been made on climate mitigation and adaptation, including a notable increase in policies and regulations on climate mitigation, insufficient action is being taken and Greenhouse Gas (GHG) emissions have continued to increase. This will lead to increased physical and transition risks that are expected to manifest in the future.

Singapore's Third National Climate Change Study, led by the Meteorological Service Singapore's Centre for Climate Research Singapore, found that the trend of increase in heatwaves and rainfall is expected to persist in Southeast Asia consistent with the sixth IPCC report. Both days and nights are expected to be warmer, placing increased stress on the electricity grid to cope with increased demand for energy for cooling.

Singapore's annual mean temperatures are projected to rise by between 0.6 and 5°C by the end of this century, with projections of 41 to 351 very hot days per year (daily maximum temperature exceeding 35°C) as compared to an average of 21.4 days per year in the past 40 years. Monsoon rains are also expected to be more intense, leading to a heightened risk of flash floods.

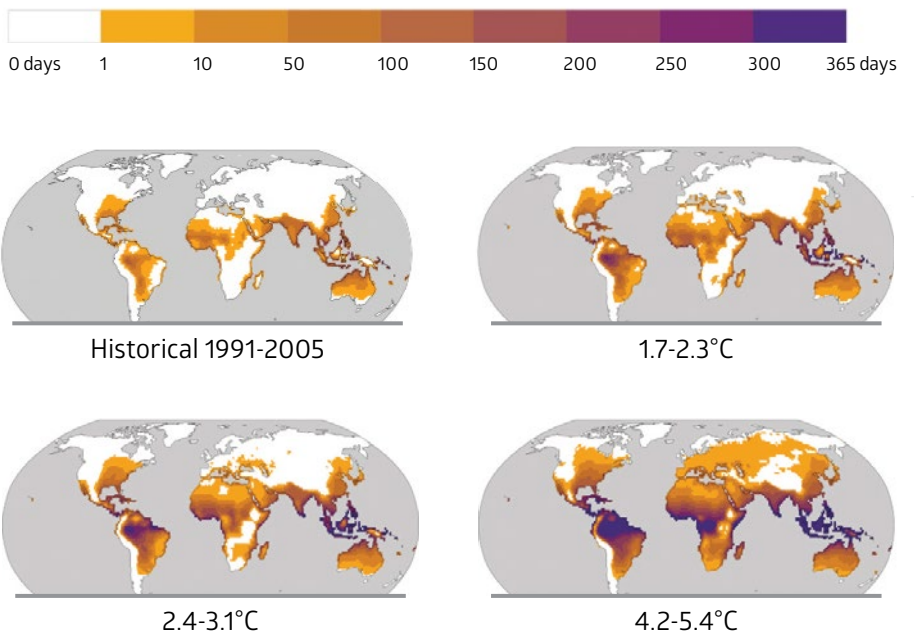
In the face of increasing climate threats, SGX Group understands the importance of developing a strong strategy and risk management framework that sets the foundation for SGX Group's climate resilience.

To aid our stakeholders' understanding of our climate resilience efforts, SGX Group has been a supporter of the TCFD since 2017, including as the vice-chair of TCFD. The recommendations of the TCFD have four overarching elements – Governance, Strategy, Risk Management, and Metrics and Targets, which also serve as core components in a transition plan. TCFD has defined categories for climate-

related risks and opportunities, creating a standardised common framework for consistent assessment, analysis, and reporting of such matters. These are divided into two major categories: (1) risks and opportunities related to the transition to a lower-carbon economy and (2) risks related to the physical impacts of climate change.

SGX Group has now completed all components within TCFD reporting, which are disclosed across various sections of this report. For details of SGX Group's approach to the TCFD recommended disclosures across these four elements, please refer to our TCFD Content Index.

Heat-Humidity Risks to Human Health



Images by Intergovernmental Panel on Climate Change

Days per year where combined temperature and humidity conditions pose a risk of mortality to individuals¹

¹ Projected regional impacts utilise a global threshold beyond which daily mean surface air temperature and relative humidity may induce hyperthermia that poses a risk of mortality. The duration and intensity of heatwaves are not presented here. Heat-related health outcomes vary by location and are highly moderated by socio-economic, occupational and other non-climatic determinants of individual health and socio-economic vulnerability. The threshold used in these maps is based on a single study that synthesised data from 783 cases to determine the relationship between heat-humidity conditions and mortality drawn largely from observations in temperate climates.

Material Factors

Key pillars of TCFD and our progress

Governance	Strategy	Risk Management	Metrics & Targets
<ul style="list-style-type: none"> ✓ Disclose the organisation's governance around climate-related risks and opportunities 	<ul style="list-style-type: none"> ✓ Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material 	<ul style="list-style-type: none"> ✓ Disclose how the organisation identifies, assesses, and manages climate-related risks 	<ul style="list-style-type: none"> ✓ Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Recommended Disclosures

<ul style="list-style-type: none"> ✓ Describe SGX Board's oversight of climate-related risks and opportunities 	<ul style="list-style-type: none"> ✓ Describe the climate-related risks and opportunities SGX Group has identified over the short, medium, and long-term 	<ul style="list-style-type: none"> ✓ Describe SGX Group's processes for identifying and assessing climate-related risks 	<ul style="list-style-type: none"> ✓ Disclose the metrics used by SGX Group to assess climate-related risks and opportunities in line with its strategy and risk management process
<ul style="list-style-type: none"> ✓ Describe SGX Group's management's role in assessing and managing climate-related risks and opportunities 	<ul style="list-style-type: none"> ✓ Describe the impact of climate-related risks and opportunities on SGX Group's businesses, strategy, and financial planning 	<ul style="list-style-type: none"> ✓ Describe SGX Group's processes for managing climate-related risks 	<ul style="list-style-type: none"> ✓ Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks
	<ul style="list-style-type: none"> ✓ Describe the resilience of SGX Group's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario 	<ul style="list-style-type: none"> ✓ Describe how processes for identifying, assessing, and managing climate-related risks are integrated into SGX Group's overall risk management 	<ul style="list-style-type: none"> ✓ Describe the targets used by SGX Group to manage climate-related risks and opportunities and performance against targets

Understanding our climate risks

In alignment with the TCFD framework, we explored climate-related risks and opportunities across three timeframes: short-term (1 to 3 years), medium-term (3 to 10 years) and long-term (10 years and beyond). This assessment was guided and supplemented by climate scenario analysis, as recommended by the TCFD and IFRS S2 on climate-related disclosures, to understand how our business resilience might be impacted through hypothetical climate scenarios. These risks have been reviewed and updated in response to developments in the past financial year.

Climate Scenario Analysis

Climate scenario analysis is a framework through which companies can understand how hypothetical climate scenarios might impact its

business resilience. These scenarios should not be interpreted as predictions. Rather, these represent future states of the world if certain trends or conditions are met.

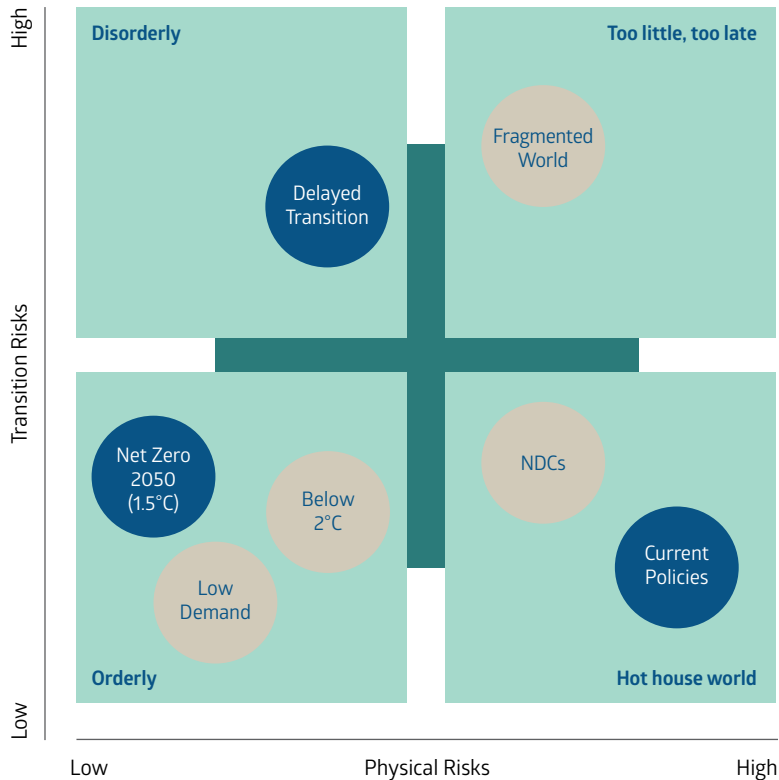
We began performing climate scenario analysis in FY2023 and have continued to progressively enhance our climate scenario analysis capabilities in FY2024 with the development of a climate scenario analysis model to understand the resilience of SGX Group's strategies. The model currently covers transition costs, transition opportunities, and physical risk perils. The model will be progressively enhanced to meet the IFRS S2 requirements. We will continue to review and quantify the financial impact of climate-related risks and opportunities based on our

model findings, in collaboration with independent subject matter experts where appropriate.

SGX Group has selected to use scenarios provided by the Network for Greening the Financial System (NGFS) – a coalition of central bankers and supervisors. This is in line with industry best practices, as identified in the latest survey by the Global Association for Risk Professionals (GARP) on Climate Risk Management and would also enable comparability across organisations disclosing on climate scenario analysis. Broadly speaking, the NGFS scenarios were designed to explore a range of plausible outcomes as illustrated in the four quadrants below. SGX Group has identified three scenarios in which to focus our scenario analysis.

Material Factors

NGFS scenarios framework in Phase IV



Positioning of scenarios is approximate, based on an assessment of physical and transition risks out to 2100.
Source: Network for Greening the Financial System

- Net Zero 2050** scenario achieving global net zero CO₂ emissions by around 2050 through stringent climate policies and innovation would limit global warming to 1.5°C. Goals such as the 2015 Paris Agreement are met. Though physical risks are limited, transition risks in these scenarios are high.
- Delayed Transition** scenario assumes annual emissions do not decrease until 2030. Strong policies are needed thereafter to limit warming to below 2°C. Negative emissions (carbon capture innovations) are limited. Level of climate actions differs across countries and regions.
- Current Policies** scenario assumes that only currently implemented policies are preserved. There is no further climate action. Under this

scenario, physical risks are the most severe due to increased impacts of climate change.

The scenarios were selected to include the boundaries of transition and physical risks as identified by NGFS. Broadly, the market views the Current Policies and the Delayed Transition as the two most likely scenarios.

NGFS has published pathways of the development of key variables under the respective scenarios. We have used the latest available pathways which were published in late 2023. These pathways were updated to include new country-level policies and current geopolitical context, such as effects of the Ukraine war on energy prices.

We began performing climate scenario analysis in FY2023 and have continued to progressively enhance our climate scenario analysis capabilities in FY2024 with the development of a climate scenario analysis model to understand the resilience of SGX Group's strategies.

Where possible, variables are disaggregated to the country level. Pathway variables which are relevant to SGX Group are selected for modelling. These include: GHG emissions, carbon prices, energy prices, GDP of countries, level of steel production, and investments in low-carbon technologies, etc.

Key findings from climate scenario analysis and risk assessment

SGX Group's direct exposure to climate-related physical risks is minimal. These risks are likely to have indirect impacts, affecting future revenues and expenses rather than assets and liabilities. As a marketplace for capital raising and trading, SGX Group does not hold significant real assets in its portfolio.

Material Factors

On the other hand, the most immediate impacts are likely to be from transition risks given the highly regulated nature of the financial sector, and wider trends of increasing climate-related regulations, increased corporate climate action, and investor focus on climate considerations.

Physical risks

SGX Group notes that while our offices globally could be impacted by extreme weather, which is increasing in frequency globally, the direct financial impact to SGX Group is expected to be limited, as all facilities are leased and are evaluated for vulnerability to physical risks during the selection process. These sites are selected for their reduced exposure to weather hazards where possible.

Nonetheless, SGX Group recognises that climate risks such as heatwaves and flash floods have wider geographical impact that may potentially disrupt our operations, particularly in Singapore where the majority of our operations are based. For example, while intense rains leading to flash floods tend to be highly localised and acute weather events, these may disrupt time-sensitive operational activities such as the processing of shares issuances for IPOs and settlement. The potential impact of operational disruption is low as these risks have been mitigated through the digitalisation of processes, and our staff's ability to work from multiple locations. The operational resilience of these processes was most recently tested during the COVID-19 pandemic.

The first of these conditions was experienced in April 2024, with a heatwave lasting over two weeks affecting the majority of Southeast Asia. This heatwave did not have an impact on SGX Group's operations in the region. The operational impact of heatwave on our data centres and trading platform has also been

assessed to be minimal. We have been collaborating with experts to understand the impact of increased urban heat on our data centres. In the long term, SGX Group is not exposed to coastal flood risk given the location of our premises and the adaptive action taken by the Singapore government in terms of coastal defence. We remain keenly aware of the threats that chronic physical risks may pose to our operations and have actively sought to understand them.

Transition risks

Regulations are expected to be a significant driver of transition risks. The continued focus placed by financial authorities on addressing greenwashing claims amidst continued sustainability product launches and investor interest has led us to maintain our reputational risk assessment due to possible greenwashing risks.

Another source of potential transition risk is carbon pricing. In Singapore, the government has announced plans to implement carbon taxes with a projected upper boundary of S\$80/tCO₂e by 2030. Though limited, SGX Group has indirect exposure to carbon taxes in the form of higher energy prices, through our energy-intensive data centre operations.

In our analysis across three scenarios, SGX Group faces minimal transition

risk on operational costs due to its low Scope 1, 2, and 3 emissions. Over the long term, expected rises in emission costs are counterbalanced by energy consumption reductions driven by global energy efficiency improvements.

On the opportunities front, under the 'Net Zero 2050' and 'Delayed Transition' scenarios, SGX Group may benefit from growth and investor interest in green and sustainable products, driven by the implementation and tightening of climate policies. Conversely, in the 'Current Policies' scenario, missed green opportunities are compensated by growth in other asset classes within our multi-asset exchange. Throughout these scenarios, SGX Group's business revenue remains resilient in the face of climate change.

Our journey forward

Looking ahead, SGX Group is committed to enhancing our climate scenario analysis within the framework of IFRS S2 reporting. We will continue to refine our assessment of physical climate risks, including flash floods and heatwaves. Our scenario analysis models will also be updated in line with periodic updates by NGFS. Ultimately, the insights gained from this process will guide SGX Group's climate transition planning, contributing to a more sustainable financial sector and decarbonisation of the economy.

On the opportunities front, under the 'Net Zero 2050' and 'Delayed Transition' scenarios, SGX Group may benefit from growth and investor interest in green and sustainable products, driven by the implementation and tightening of climate policies.

Material Factors

Climate-related risks and opportunities across our business

Scenario Name	Net Zero 2050 (1.5°C)		Current Policies	
Scenario description	Strong and sustained decarbonisation efforts driven by stringent climate policies, regulation and innovation. Governments internationally actively align on science-based legislation and achieve net zero GHG emissions by 2050. Climate-driven investment processes are mainstream.		Only currently implemented policies are preserved, leading to greater physical risks in the long run. Governments take divergent approaches towards climate action legislation. Disjointed regulations across jurisdictions leading to different stages of integration of climate factors into investment processes and portfolios. There is still some demand for climate-driven products, however, demand is dispersed or sporadic.	
	Time horizon	Potential result	Time horizon	Potential result
Physical Risks				
Acute & Chronic	-	No climate-related physical risks beyond what is presently experienced.	●	Flash floods and other acute weather events may disrupt operational activities such as the processing of shares issuances for IPOs, settlement, etc. However, we view the risk of such disruptions as having minimal impact to our operations. Heatwaves have potential to lead to operational disruption. Impact is assessed to be minimal.
Transition Risks				
Policy & Legal	● ●	SGX Group's listing rules will need to keep pace with leading climate-related regulatory developments globally to ensure that our products and platform remain relevant.	●	Issuers and investors may potentially seek to list/invest in jurisdictions with less strict climate laws in the short-term to avoid unfavourable laws and regulations.
Market & Economy	● ●	Demand for sustainable investing products and data will increase rapidly. SGX Group risks losing market share if product launches are mis-timed, or product development misreads market dynamics.	● ●	Risk of low adoption of climate-related launched products due to the market failing to integrate climate factors into portfolios. Current product suite aimed at capturing low-carbon or transition-driven demand may not realise expected potential.
Reputation	● ●	SGX Group has been strongly promoting and acting on climate action and is actively involved in various climate action alliances. Nonetheless, we recognise that we may face some reputational risks due to enhanced scrutiny of climate credentials.	● ●	Climate action is a core part of SGX Group's sustainability strategy. However, we recognise that we may face some reputational risks due to enhanced scrutiny of climate credentials.
Technology	-	SGX Group is not exposed to risk of technology obsolescence due to climate transition.	-	SGX Group is not exposed to risk of technology obsolescence due to climate transition.

● ST – short-term (1 to 3 years)

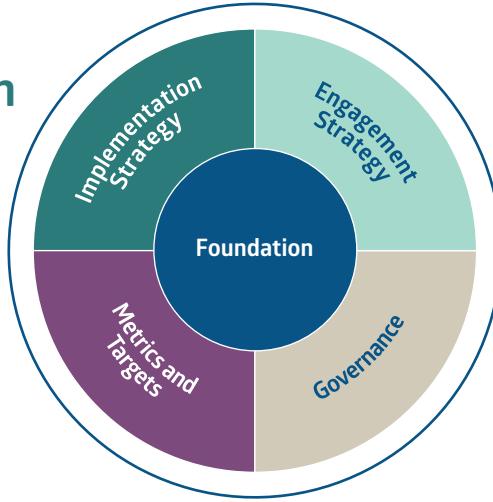
● MT – medium-term (3 to 10 years)

● LT – long-term (beyond 10 years)

Material Factors

SGX Group's Climate Transition Plan

SGX Group's climate transition plan demonstrates our commitments, efforts and actions to support the transition to a low-carbon and resilient future. Building upon the analysis of climate-related risks and opportunities using the TCFD framework, our strategy and actions include decarbonisation of our operations and aim to support the net zero transition of our marketplace and ecosystem using different levers. Please refer to our full Sustainability Report FY2024 for details of our climate transition plan.



With reference to



Foundation	Implementation Strategy	Engagement Strategy	Governance
<p>Objectives and priorities</p> <ul style="list-style-type: none"> To reach net zero by 2050 Support the net zero transition of our operations, marketplace and ecosystem through three key strategic priorities 	<p>Strategic priority 1: SGX Group's own decarbonisation and emissions reduction</p> <ul style="list-style-type: none"> Implementing our science-based targets and reporting progress in our sustainability report since FY2021 <p>Strategic priority 2: Facilitate credible transition of our marketplace and support capital mobilisation through sustainable/transition products and solutions as a trusted infrastructure provider</p>	<p>Strategic priority 3: Market stewardship and influence through ecosystem collaboration</p> <p>Internal</p> <ul style="list-style-type: none"> Regular and accessible climate and sustainability-related education and training for staff to implement SGX Group's climate priorities and policies <p>External</p> <ul style="list-style-type: none"> SGX Group's capacity development initiatives involve active engagement with a broad range of ecosystem stakeholders to promote climate-related disclosures and advance climate actions 	<p>Robust governance structures across various levels are in place and foundational at SGX Group for driving our climate and sustainability ambitions and actions</p>

Metrics and Targets

Focus areas:

Exchange focused targets

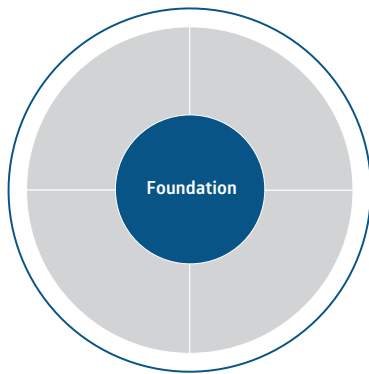
- Emissions reduction and net zero targets
- Maintain robust governance structure and adequate staff training to support our climate actions

Market focused targets

- Transparency and education:** Provide training, awareness activities and guidance to encourage market participants to advance their climate-related disclosures and promote net zero commitments
- Products and services:** Promote adoption of climate focused products, solutions and platforms. Collaborate with ecosystem partners to develop products and solutions that incorporate climate and sustainability considerations
- Policy, persuasion and engagement:** Proactive engagement with stakeholders, including market participants, partners, policy makers and standard setters, to advance on net zero commitments

Material Factors

The following section provides details of SGX Group's climate transition plan around five core components, namely foundations, implementation strategy, engagement strategy, targets and metrics, and governance.



Foundation

As a listed company, SGX Group has embedded net zero commitments in our operations. As Asia's trusted infrastructure provider in the global financial and capital marketplace, we are committed to support the transition of our marketplace by embedding climate action into relevant listing rules, platforms, products and services. In the ecosystem, we strive to enhance our climate leadership by facilitating the transition of our ecosystem stakeholders.

Approach

As a signatory of NZFSPA, SGX Group has referenced the 'Net Zero: Target Setting Guidance for Exchanges, First Edition 2023' for our target setting process. While there is currently no explicit transition plan guidance for exchanges, we have referred to market best practice frameworks, such as the GFANZ Net Zero Transition

Plan Framework for Financial Institutions, guidance on transition planning for financial institutions by the Monetary Authority of Singapore (MAS), as well as international developments such as the Transition Plan Taskforce (TPT). In June 2024, IFRS Foundation announced that it will assume responsibility for TPT's disclosure-specific materials.

This is our first climate transition plan representing a structured approach that brings together our climate vision, targets, strategy and comprehensive programme to support our ambitions and plans, underpinned by transparent reporting. This will be an iterative and multi-year process as a transition journey, and we will continue to review and refine our approach drawing on new knowledge, methodologies, frameworks or standards as they develop and become adopted.

Objectives and priorities

We aim to reach net zero by 2050 as a company and have set science-based targets consistent with limiting global temperature rise to 1.5°C. Our long term target is supported by our short and interim targets (refer to 'Metrics and Targets' section below for the details). To support the net zero transition of our marketplace and ecosystem, our climate transition plan does not simply focus on SGX Group's operational emissions reduction, but

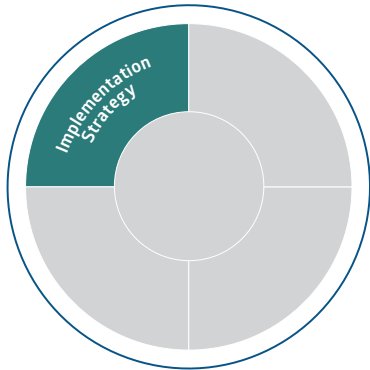
also our sphere of influence as a marketplace and through our ecosystem. Its successful implementation will help ensure a sustainable future for our ecosystem and create new economic opportunities for our business. As a financial markets infrastructure provider, SGX Group provides a marketplace for issuers, investors and other market participants, facilitating capital mobilisation, trading, and price discovery across multiple asset classes. We do not hold significant real assets or investments in our portfolio. We have been developing our climate transition strategy around three strategic priorities, which are aligned with the NZFSPA's target-setting guidance for exchanges:

- **Lead with SGX Group's transition journey and decarbonisation and emissions reduction**
- **Facilitate credible transition of our marketplace and support capital mobilisation through sustainable/transition products and solutions as a trusted infrastructure provider**
- **Market stewardship and influence through ecosystem collaboration**

SGX Group's climate transition plan builds upon the analysis of our most material climate-related risks and opportunities across our business using the TCFD framework as described on [page 21](#) of this report. While climate change does not fundamentally affect our business model, if we do not adequately address transition risks and leverage emerging opportunities, our future revenue and expenses could be affected. Our climate transition plan should be read in conjunction with the rest of this report and our **Annual Report** for holistic understanding of SGX Group's climate and sustainability journey.

We have been developing our climate transition strategy around three strategic priorities, which are aligned with the NZFSPA guidance for exchanges.

Material Factors



Implementation Strategy

Climate management, sustainability products and services, and stewardship of the financial ecosystem are core material factors for SGX Group. While this segment focuses on SGX Group's climate transition plan, it forms part of our holistic approach in integrating sustainability (including climate) into our overall strategy that covers key themes: (1) building a sustainable business, (2) empowering the community and growing the ecosystem, (3) advancing the global climate transition, and (4) transparency and accountability. Please refer to Materiality Assessment on page 13 of this report for more information.

Strategic Priority 1: SGX Group's own decarbonisation and emissions reduction

We have been disclosing our operational emissions, related targets and progress in our sustainability report

since FY2021 following our commitment to set science-based GHG emissions reduction targets in July 2021 (please refer to page 65-66 of our FY2021 Sustainability Report for details). We are committed to reducing absolute Scope 2 emissions by 42% by FY2031 from a FY2021 baseline. Our targets exclude Scope 1 emissions as they are immaterial (less than 5% of total combined Scope 1 and 2 emissions). We also set a Scope 3 emissions target to engage with our data centre supplier to establish science-based emissions reduction targets within five years of our target-setting year. Our emissions from our co-location services alone accounted for over 70% of our total Scope 3 emissions in our target-setting year. Our Scope 3 engagement target has been met as our data centre provider have set their own science-based targets within this timeframe. We continue to engage with our data centre provider as any changes to the facility made by the data centre provider potentially impacts the carbon footprint of our operations and our co-location clients. Our targets were validated by SBTi in August 2022 and we remain on track to achieve these targets.

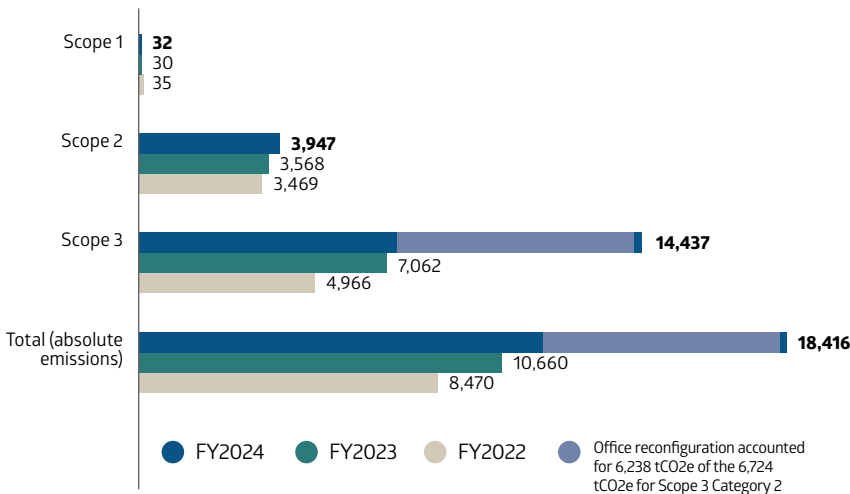
Our emissions are calculated in alignment with GHG Protocol Corporate Accounting and Reporting Standard

(revised edition). SGX Group uses an 'Operational Control' boundary for our GHG and environmental reporting. An organisation has operational control if it has, or its subsidiaries have, the full authority to introduce and implement its operating policies. This approach accounts for 100% of emissions from facilities, operations, and vehicles (whether leased or owned) over which SGX Group has operational control. The GHG emissions in our FY2024 Sustainability Report have been externally verified in accordance with ISO 14064-3. Please refer to pages 58 to 60 of this report.

In FY2024, our Scope 1 emissions are largely unchanged from FY2023 as the majority of these are fugitive emissions. There was a temporary increase of our Scope 2 emissions due to the reconfiguration and consolidation of our office footprint and data centres in Singapore. We have seen reductions in our monthly emissions following the completion of the consolidation in H2 FY2024. We expect our Scope 2 emissions for FY2025 to stabilise as we operate from a reduced physical footprint in Singapore, where the majority of our operations is based. To remain in line with our decarbonisation pathway, we have reduced our Scope 2 emissions primarily through the procurement of renewable energy certificates (RECs) for our Singapore-based operations. (See our Performance Metrics report for details).

We have been reviewing and expanding the categories of our Scope 3 disclosures, with the support of a GHG accounting solution that was onboarded in Q3 FY2024. We have expanded our scope of disclosed categories to include Category 2 (Capital goods) and Category 15 (Investments) in FY2024, in addition to Category 1 (Purchased goods and services), Category 5 (Waste generated in operations), Category 6 (Business travel), Category 7 (Employee commuting) and Category 13 (Downstream leased assets) that we

Carbon Disclosure (total, tCO₂e)



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have been reporting. Our Scope 3, Category 2 emissions are elevated in FY2024 due to one-time renovation works associated with the reconfiguration and consolidation of our office footprint which accounted for approximately 6,238 tCO₂ of the 6,724 tCO₂ total for Category 2. We will continue to review and disclose Scope 3 categories where relevant and work to improve the accuracy of disclosed Scope 3 categories as data availability and methodologies develop.

Strategic Priority 2: Facilitate credible transition of our marketplace and support capital mobilisation through sustainable/transition products and solutions as a trusted infrastructure provider

As Asia's trusted infrastructure provider in the global financial and capital marketplace, SGX Group strives to build a sustainable business and marketplace by expanding the suite of climate and sustainability products and solutions on our platforms. Besides contributing to our business resilience, we are tapping on new growth opportunities and supporting the transition of our ecosystem stakeholders.

Key asset class focus in our climate transition planning include:

1. Equities
2. Fixed Income
3. Derivatives (Equities and Commodities)

As we develop our strategy to support the transition of our multi-asset platform and ecosystem to net zero, we consider our role as a marketplace, the nature of the products and solutions, our potential influence and outcome, as well as available science and market consensus or guidance. The areas of our focus include:

1. Promoting availability and transparency of high-quality climate information and guidance;
2. Incorporating climate-related considerations into relevant

- products and services; and
3. Promoting these climate-themed products and solutions

We recognise that we can play a key role in facilitating financing to support the transition of our real economy. Many products and solutions listed and traded in our markets are often developed in collaboration with partners such as asset managers, data and index providers.

Equities

Key focus 1: Implementing mandatory climate-related disclosures for SGX-listed companies

Net zero commitments globally are driving regulations, standards and frameworks. Climate reporting, in particular, has gained tremendous traction in recent years with the adoption of TCFD-aligned climate-related disclosures by jurisdictions and the ongoing adoption of ISSB Standards as a global baseline. We see climate-related disclosures and transparency as a fundamental step in steering our listed companies towards their transition planning and bolstering their resilience to climate change risks.

SGX Group has always regarded sustainability reporting as important and complementary to financial reporting by our listed companies. We mandated climate-related disclosures based on TCFD recommendations as part of our sustainability reporting rules in 2022, in line with developments in other jurisdictions. With the finalisation of the ISSB Standards, we issued a public consultation in March 2024 on how the ISSB Standards are to be incorporated into our sustainability reporting rules for climate-related disclosures. It was proposed that ISSB Standards be implemented from FY2025 for companies with annual reporting periods starting 1 January 2025.

As our listed companies embark on their reporting and transition planning

journey, we recognise that tools and training are essential to educate and drive adoption. In September 2022, we introduced ESGenome, a digital disclosure portal to assist companies in their climate-related disclosures and sustainability reporting leveraging structured and streamlined ESG data. This will also help provide investors with a standardised ESG dataset. We published a recommended list of 27 Core ESG Metrics in 2021 for listed companies to use as a starting point for sustainability reporting. These core ESG metrics are intended to better align users and reporters of ESG information through a common and standardised set of ESG metrics. We will continue to support our companies to move towards ISSB-aligned climate-related disclosures.

Key focus 2: Mobilising capital through products and solutions that incorporate climate-related considerations in collaboration with market partners

ETF adoption across market segments on SGX has been growing since 2020. Sustainable ETF AUM listed on SGX has seen accelerated growth in recent years from S\$85 million at the end of 2021 to S\$927 million at the end of FY2024. This significant growth is particularly attributable to our collaboration with MSCI and Blackrock to list and trade the iShares MSCI Asia ex Japan Climate Action ETF, the largest equity ETF in Singapore with initial assets under management of S\$583 million at launch. The MSCI Climate Action methodology had been developed collaboratively by MSCI, SGX and Ilmarinen (a Finnish pension fund) and received feedback from asset owners globally. This bottom-up and sector diversified methodology aims to drive climate transition and real-world decarbonisation by mobilising capital and supporting corporate engagement in index-based investing strategies. It serves as a consistent framework to encourage carbon emissions reduction by identifying companies that are comparatively more prepared to lead their sectors' low-carbon transition than their peers while

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maintaining overall characteristics of the parent index.

We will continue to collaborate with market partners and seize the opportunities to implement relevant climate and sustainability-focused products and solutions as the demand and supply dynamics evolve. For example, we have launched the UOB APAC Green REIT ETF, Lion-OCBC Securities Singapore Low Carbon ETF, and CSOP CGS-CIMB FTSE Asia Pacific Low Carbon Index ETF.

Fixed income

Key focus: Mobilising transition and sustainable finance through fixed income

SGX Group is a leading listing venue for international APAC G3 bonds, including green, social, sustainability, and sustainability-linked bonds. In November 2022, we launched the SGX Sustainable Fixed Income initiative with regulatory backing as part of our ongoing efforts to promote transparency, credibility and visibility of these instruments, as well as of their issuers. Our fixed income platform has strong nexus to APAC, a region which is critical in the global climate action and transition journey. Therefore, we will focus on market engagement, as well as capacity development and education initiatives to increase knowledge in and adoption of sustainable fixed income instruments as tools to scale transition and sustainable financing. We are closely monitoring developments of transition finance through the fixed income market and aim to support our market with relevant products and solutions in a timely manner.

Derivatives (Equities)

Key focus: Develop and promote awareness and adoption of products and solutions that incorporate climate-related considerations

Derivatives promote price discovery and are used as financial tools to access or risk manage exposures to underlying assets or markets. In equity derivatives,

as more portfolios are channelling capital towards environmental, social and governance investments, SGX Group has been broadening our product shelf with derivative contracts to facilitate the efficient management of this evolution. Through partnerships with leading solutions providers, we have been growing our suite of sustainability-related derivative contracts. These include SGX FTSE Blossom Japan Index futures contracts that allow investors to access Japanese companies with strong ESG practices based on FTSE4Good Index Series, and regional ESG products covering emerging markets and Asia based on FTSE ESG Index Series that is industry-neutral and designed to help investors align investment and ESG objectives into a broad benchmark.

In June 2023, we launched a global suite of MSCI Climate Action Index futures contracts based on the MSCI Climate Action Index methodology that was collaboratively developed by MSCI, SGX and Ilmarinen (see also the section on Equities Key focus 2 above). There are ongoing efforts towards increasing market awareness and supporting adoption. These futures contracts are SGX MSCI Europe Climate Action NTR (USD), SGX MSCI World Climate Action NTR (USD), SGX MSCI AC Asia ex Japan Climate Action NTR (USD), SGX MSCI USA Climate Action NTR (USD), and SGX MSCI Japan Climate Action NTR (USD) Index futures. They provide investors with a tool to access a free float-adjusted, market capitalisation-weighted index built on MSCI Climate Action Index methodology that is publicly available.



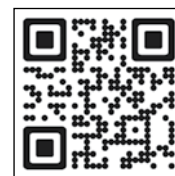
SGX MSCI Climate Action Indexes
Scan the code or visit sgx.com/campaign/msci-cai-futures

Derivatives (Commodities)

Key focus: Risk management and price discovery tools for commodities to support climate transition

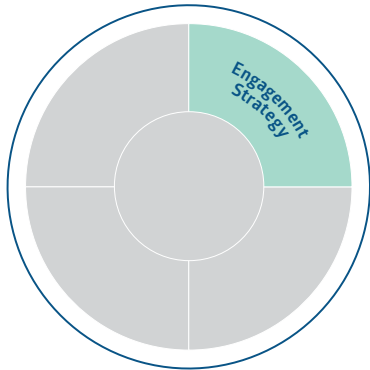
We see opportunities to leverage our strength and ecosystem as a global derivatives platform to meet evolving changes in commodity consumption and facilitate the transition to a low-carbon economy. In response to the rising demand for electric vehicles as part of efforts to decarbonise the transport sector, we launched a suite of new energy metals (cobalt and lithium) derivative contracts in September 2022. In October 2023, we launched ammonia derivative contracts as risk management tools to foster the global transition towards low-carbon energy matrix with the potential of ammonia as a key alternative source and carrier of cleaner and renewable energy, particularly in the maritime industry. Where there is physical delivery of underlying commodities, namely rubber, we work closely with the physical market to support price discovery of rubber against evolving sustainability requirements, as well as to understand the implications of emerging sustainability regulations such as the EU Deforestation Regulation (EUDR). We also took a strategic stake in Agridence, which provides data and technology solutions while enhancing transparency, traceability and sustainability within the commodities supply chain.

For latest updates and progress regarding SGX's sustainability products and services, please refer to Sustainability Products and Services on pages 39-40 of this report.



Sustainability Products and Services
Scan the code or visit sgx.com/sustainable-finance

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Engagement Strategy

Strategic Priority 3: Market stewardship and influence through ecosystem collaboration

The journey towards a net zero future requires a systemic transformation. We recognise that we can play a key role to develop capacity and influence our ecosystem, as well as contribute to the evolving conversations around transition. Stakeholder engagement (both internal and external) is an integral part of our climate transition planning.

Internal

To equip staff with the knowledge and expertise that implement SGX Group's climate priorities and policies,

regular and accessible climate and sustainability-related education and training is a priority. We have incorporated climate and sustainability-related content within the broad spectrum of our sustainability and sustainable finance capacity development programme for staff across different levels, including our Board of Directors. We also provide training and engagement opportunities across different channels such as e-learning modules, SGX Group sustainability huddles and town halls, and learning experiences outside office. As we incorporate international standards like GRI, SASB, TCFD and the upcoming IFRS S2 into our climate reporting, we also conducted relevant training and courses for our staff, particularly those involved in the development and implementation of SGX Group's climate action plan. In FY2024, we enhanced our curriculum with a new in-person sustainable finance programme curated for SGX Group staff training in collaboration with an IBF accredited training provider and in line with MAS's Sustainable Finance

Jobs Transformation Map (JTM) initiative launched in April 2024.

More information regarding our internal capacity development updates and progress for FY2024 can be found in Internal Capacity Building and Employment Practices and Employment Development on **pages 12 and 46** respectively of this report.

External

SGX Group is proactive in engaging our broad range of external stakeholders, including issuers, intermediaries, investors, other market participants, policy makers, regulators, and standard setters, in support of our shared responsibility to transition to a low-carbon future. This is critical as we need to navigate and transition as a whole market and ecosystem to achieve our objectives. As a global marketplace with a strong Asian nexus, SGX Group is committed to contribute relevant Asian contexts and considerations in our external engagement on local, regional and global stages. Key platforms that SGX Group has been active on include:

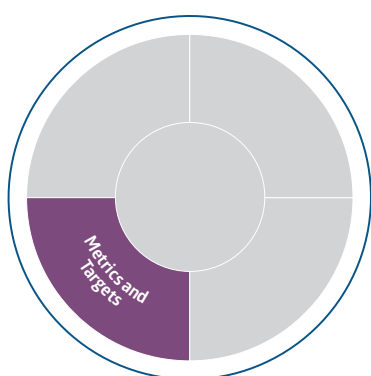
Key Platforms

Glasgow Financial Alliance for Net Zero (GFANZ)	SGX Group CEO is a member of the GFANZ Principals Group, the leadership team that sets GFANZ's global strategic directions, as well as co-chair of the GFANZ Index Investing workstream. SGX Group has supported the set up of the GFANZ APAC network, hosts the APAC central office, and SGX Group CEO is a member of its Advisory Board.
Net Zero Financial Service Providers Alliance (NZFSPA)	SGX Group is a founding signatory of the NZFSPA and is contributing towards shaping of the net zero target-setting guidelines for exchanges.
International Sustainability Standards Board (ISSB)	SGX Group works with IFRS Foundation to promote the use of ISSB Standards in Singapore and supported the global launch of the ISSB Standards in Asia.
Sustainable Stock Exchanges Initiative (SSE)	SGX Group CEO is a member of SSE's Independent Advisory Committee. SGX Group is also the first exchange under the SSE initiative to launch the online training on ISSB (targeting staff and listed companies) in partnership with IFRS Foundation and the International Finance Corporation (IFC). SGX Group is working closely with SSE regarding NZFSPA whereby SSE serves as the secretariat for the exchange subgroup members.

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Key Platforms	
World Federation of Exchanges (WFE)	SGX Group CEO is the chairman of the WFE Board. The WFE is a global industry group for exchanges and clearing houses representing over 250 market infrastructure providers. The WFE works with standard-setters and policy makers, regulators and government organisations around the world to support and promote the development of fair, transparent, stable and efficient markets.
ASEAN Exchanges	SGX Group is member of the ESG working group formed in 2021 to focus on sustainability issues pertinent to ASEAN.
China-Singapore Green Finance Taskforce	SGX Group is co-leading the products and instruments workstream under the China-Singapore Green Finance Taskforce, which is under the auspices of the People’s Bank of China (PBC) and the MAS. Work scope includes development and innovation of green and transition products and solutions.
MOBILIST	Partnered with MOBILIST, which provides funding and technical support to new issuers aligned with the SDGs across emerging and frontier markets.
Singapore Sustainable Finance Association (SSFA)	SGX Group is part of the Executive Committee and a Convening Member of SSFA.
Association for Singapore Listed Companies (SGListCos)	SGListCos is a dedicated association for companies listed on the Mainboard and Catalyst of SGX Group whereby one of the objectives is to provide a platform for listed companies to engage in ESG ecosystem building. SGX Group actively participates and contributes to sustainability-related activities and discussions.

More information regarding updates on our external engagement for FY2024 can be found in Stewardship of the Financial Ecosystem on pages 36 to 38 of this report.



Metrics and Targets

SGX Group’s target setting draws on the NZSFPA target-setting guidance for exchanges. For exchange focused targets, we have set interim science-based targets since July 2021 and have been reporting our progress annually in our sustainability report aligned with the TCFD recommendations. In our first climate transition plan, we have also set market focused

targets around components, namely ‘Transparency and education’, ‘Products and services’, and ‘Policy, persuasion and engagement’. We plan to review our transition plan every two years up to FY2031 and thereafter every five years or sooner when required. We will enhance our climate ambitions and actions on a timely basis to ensure robustness and relevance to latest climate science and regulatory guidance.

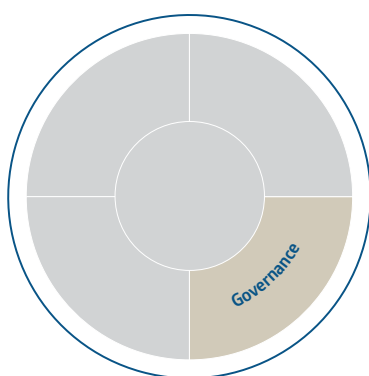
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SGX Group's climate targets

	Target	Metrics and disclosures
Exchange focused		
Emissions reduction	<p>Short-term (next 12 months) and interim (between now and 2030)</p> <ul style="list-style-type: none"> Continue to disclose Scope 1, 2, and 3 emissions Remain on track to reduce Scope 2 absolute carbon emissions by 42% by FY2031 from FY2021 baseline Our Scope 3 emissions target on engaging our data centre supplier to set science-based targets has already been achieved as of FY2022 Conduct a comprehensive review of our emissions reduction targets, including expanding relevant scope 3 emission categories disclosed and potential adjustment due to SBTi Corporate Net-Zero Standard 2.0 Submit revised targets to SBTi for validation <p>Long-term (by 2050)</p> <ul style="list-style-type: none"> To reach net zero emissions by 2050 <p>Levers</p> <ul style="list-style-type: none"> Efforts to minimise and conserve resources. Focus areas include data centres and energy usage reduction for SGX Group and our value chain, as well as digitalisation initiatives Individual staff actions include encouraging staff to reduce resource consumption in line with internal environmental policy, replacing high-consumption lighting, and migrating selected services to cloud Sourcing of renewable energy including through attribution instruments such as RECs and/or vPPAs 	<ul style="list-style-type: none"> Scope 1, 2 and 3 emissions Describe actions to remain on track for our targets
Governance	<p>Short-term (next 12 months) and interim (between now and 2030)</p> <ul style="list-style-type: none"> Ensure governance structures are reviewed and enhanced on a timely basis to maintain robustness and for continued oversight and implementation of SGX Group's transition plan and climate actions Continue to make available climate-related training for staff 	<ul style="list-style-type: none"> Describe SGX Group Board's strategic oversight of climate-related risks and opportunities Describe SGX Group management's role in assessing and managing climate-related risks and opportunities Disclose internal capacity development initiatives Disclose total and average staff training hours focused on climate and sustainability

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	Target	Metrics and disclosures
Market focused		
Transparency and education	<p>Short-term (next 12 months) and interim (between now and 2030)</p> <ul style="list-style-type: none"> Implement initiatives including provision of training, awareness activities and guidance to encourage market participants to advance their climate-related disclosures and promote net zero commitments Promote climate-related disclosures, particularly for listed companies, and offer climate disclosure training at least annually 	<ul style="list-style-type: none"> Disclose actions related to implementing ISSB aligned climate-related reporting, such as the type and format of guidance Disclose types of training or activities offered, target audience, topics and participation statistics
Products & services	<p>Short-term (next 12 months) and interim (between now and 2030)</p> <ul style="list-style-type: none"> Continue to collaborate with ecosystem partners to explore and launch new products and solutions that incorporate climate and sustainability considerations Continue to promote adoption and momentum on the existing suite of climate and sustainability-focused products, solutions and platforms 	<ul style="list-style-type: none"> Disclose actions and information to promote climate and sustainability-themed products, solutions and platforms on SGX website
Policy, persuasion & engagement	<p>Short-term (next 12 months) and interim (between now and 2030)</p> <ul style="list-style-type: none"> Review feedback and if appropriate, implement climate-related disclosures aligned with the ISSB Standards Proactive engagement with stakeholders, including market participants, partners, policy makers and standard setters, to advance on net zero commitments 	<ul style="list-style-type: none"> Disclose relevant engagement efforts providing aggregated feedback e.g. type of engagements, the parties engaged, the nature of engagements, and initiatives undertaken in collaboration with others



Governance

A robust governance structure is foundational in driving our climate and sustainability strategy and actions. This foundation is firmly established in SGX Group and include dedicated roles and responsibilities by our Board of Directors, Risk Management Committee, Audit Committee and Executive

Management Committee (EMCO). The Sustainability Steering Committee discusses and decides the implementation of our key climate and sustainability strategies. The Sustainability and Sustainable Finance team drives and supports our strategic vision, direction, and implementation. SGX RegCo Sustainable Development Office drives regulatory efforts on sustainability including climate-related disclosures, market engagement and education.

A full description of our sustainability governance structures can be found on **pages 9 to 10** of this report. This transition plan has been prepared by the Sustainability and Sustainable Finance team in consultation with the relevant units, Sustainability Steering Committee and approved by EMCO and the Board. We will periodically review and enhance

our governance structure, policies and procedures to ensure that continued accountability and oversight of SGX Group's commitments in our transition journey. In current policies, climate and sustainability-related goals are part of SGX Group's performance and remuneration framework tied to SGX Group's goals. From FY2025 onwards, we aim to broaden our climate and sustainability-related goals in line with our efforts under our transition plan strategy.

We recognise decarbonising our operations is a multi-year journey that requires group-wide commitment. Therefore, we have established a decarbonisation workstream with cross-team collaboration to ensure that we remain on track to reach our net zero targets.

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Climate Management

Our Performance in FY2024

- Disclosed absolute emissions and emission intensity for Scope 1, 2 and 3 in line with Greenhouse Gas Protocol Standards
- Completed consolidation of our office footprint in Singapore
- Reduced Scope 2 emissions in line with our decarbonisation pathway primarily through the procurement of RECs for our Singapore-based operations (see our Performance Metrics report for details)
- Completed disclosure across all TCFD recommended disclosures

Targets and Commitments

Short (next 12 months) and Interim (between now and 2030):

- Continue to disclose Scope 1, 2, and 3 emissions
- Remain on track to reduce Scope 2 absolute carbon emissions by 42% by FY2031 from FY2021 baseline
- Our Scope 3 emissions target on engaging our data centre supplier to set science-based targets has already been achieved as of FY2022
- Conduct comprehensive review of our emissions reduction targets, including expanding relevant Scope 3 emission categories disclosed and potential adjustment due to SBTi Corporate Net-Zero Standard 2.0
- Submit revised targets to SBTi for validation
- Continue to make available climate-related training for staff

Long-term (by 2050):

- To reach net zero emissions by 2050

Transparent Capital Markets

Zero tolerance policy for incidents that jeopardise the operation of a fair, orderly, and efficient marketplace; Uphold high standards of disclosure and transparency to build trust across stakeholders, promoting a liquid market and sustaining long-term capital market growth; and implementation of SGX-ST sustainability reporting rules.

SGX Group is committed to the highest standards of disclosure and transparency to build trust across stakeholders, promote a liquid market and sustain long-term capital market growth.

Creating Sustainability Reporting Baseline

In FY2024, SGX RegCo and the Accounting and Corporate

Regulatory Authority (ACRA), as joint secretariat of the Sustainability Reporting Advisory Committee (SRAC), have accepted the recommendations of the SRAC to introduce mandatory climate reporting following a public consultation conducted from July to September 2023. Listed issuers will be required to provide climate-related disclosures aligned with the ISSB Standards from FY2025. Large non-listed companies with annual revenue of at least \$1 billion and total assets of at least \$500 million will be required to do the same from FY2027.

To put into effect the SRAC's recommendations for listed issuers, SGX RegCo has issued a consultation paper to incorporate the ISSB Standards into the Listing Rules in

respect of climate-related disclosures and to elevate the requirement to report on the primary components of a sustainability report from a 'comply or explain' basis to a mandatory basis.

Review of Listed Companies' Reporting Practices 3rd Joint Review of Sustainability Reports with NUS CGS

SGX RegCo and the Centre for Governance and Sustainability (CGS) at the NUS Business School published a report on our joint review of SGX-listed companies' sustainability reports and obtained a quantitative and qualitative analysis of the sustainability reporting progress in Singapore. Two previous joint reviews were published in 2019 and 2021. As new

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listing rule requirements to provide climate reporting based on the TCFD recommendations were introduced, the joint review also included for the first time, an analysis of listed companies' disclosure of their climate transition plans. The review found that the overall standard of sustainability reporting among companies has improved since 2019. The review also recommended companies to work towards reporting more specific and meaningful metrics and targets and aligning their sustainability targets with their firm's corporate strategy and financial performance.

Study with the Council for Board Diversity (CBD) on the state of board diversity disclosures

SGX RegCo and the CBD published a study on the state of board diversity disclosures of SGX-listed companies in November 2023. This study follows listing rule amendments to

introduce disclosures on board diversity policy in annual reports for financial years commencing from 1 January 2022.

Advancing Ethics and Compliance

To further strengthen the trust and confidence of investors in the market's integrity, SGX RegCo has in recent years introduced changes to the Listing Rules governing enforcement actions for greater and swifter accountability and clarity in the securities market. Regulatory and enforcement statistics are published on SGX RegCo's website.

SGX RegCo has an independent Whistleblowing Office for members of the public and investors to report any regulatory issues concerning listed companies (except SGX Group), and to bolster Transparent Capital Markets confidence that

reports received are properly managed and given due attention.

Corporate Disclosure Policy

We have a corporate disclosure policy regarding the timing and nature of public release of information by listed companies that may affect a stock's price. Details can be found in Appendix 7.1 of the SGX Listing Rules (Mainboard) and Appendix 7A of the SGX Listing Rules (Catalist).

Trading Halts and Pauses

The policies related to trading halts and pauses can be found in Appendix 7.1 of the SGX Listing Rules (Mainboard) and Appendix 7A of the SGX Listing Rules (Catalist).



**SGX-ST
Listing Manual**
Scan the code or visit
rulebook.sgx.com

Our Performance in FY2024

- Disclosed corporate disclosure policy
- Disclosed policies for sustainability disclosures of listed companies
- Disclosed number of voluntary trading halts due to public release of information and market volatility. During the year, there were 155 trading halts relating to the public release of information and four occurrences of trading pauses related to trading volatility. The average duration of trading halts per counter was 697 minutes. Please see Note below for more information.
- Disclosed involvement in automated trading and associated risks and opportunities
- Disclosed percentage of trades generated from automated trading system
- Disclosed percentage of screen trades
- Disclosed alert policy
- Published quarterly Public Quantitative disclosures in line with Committee on Payments and Market Infrastructures- International Organisation of Securities Commissions (CPMI-IOSCO) guidelines, providing transparency on how SGX's post trade, clearing, settlement and depository activities are governed and operated, and risks managed
- Accepted SRAC's roadmap for mandatory climate reporting for listed companies and large non-listed companies in Singapore
- Issued a consultation paper to incorporate the ISSB Standards into the SGX-ST sustainability reporting rules in respect of climate-related disclosures

Note: Includes stocks, rights, company warrants, REITS and business trusts only. Trading halts could occur multiple times during a trading day and a trading halt could last up to three days. In FY2024, we have refined our data extraction and computation methodology for trading halts to reflect discrete events of trading halts compared to the previous methodology, which was based on daily records of counters with trading halt status (for example, a counter halted for two days was counted twice). Please refer to Performance Metrics report for restated figures for past financial years.

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Targets and Commitments

- Continue to disclose policies relating to alerts and disclosure of material information of listed companies
- Continue to disclose number of voluntary trading halts, and number of halts due to market volatility
- Continue to encourage disclosure of sustainability information by listed companies
- Review feedback and if appropriate, implement climate-related disclosures aligned with the ISSB Standards

Stewardship of the Financial Ecosystem

Efforts to advance the adoption of globally recognised sustainability and climate-related guidelines and frameworks, through partnerships and fostering an educated ecosystem, and supporting the global transition journey.

To ensure that our market continues to thrive amid changing regulations and developments driven by sustainability and climate change, SGX Group is committed to actively engage the ecosystem, particularly in areas where Asian perspectives are underrepresented. As a thought and action leader in sustainability and sustainable finance, we will continue to lead in conversations and build capacity to guide and support the global transition journey.

External Capacity Building

SGX Group emphasises capacity building of our wider ecosystem through various initiatives.

Issuers and Corporates

ISSB Training

In collaboration with the SSE, IFRS Foundation and the International Finance Corporation (IFC), SGX Group conducted a training in November 2023 on the ISSB Standards to listed companies and market professionals to help participants implement the new standards and to build capacity for consistent global uptake. SGX Group

is the first exchange globally to offer the flagship training to its market.

SGX-GRI Sustainability Reporting Learning Series

SGX RegCo continued its partnership with GRI to launch a learning series as part of our capacity building initiative to increase the sustainability reporting knowledge of our listed companies. Since the inaugural session in March 2023, SGX RegCo has organised six sessions under the learning series, including a session on reporting GHG emissions according to the GHG Protocol.

Investors

Every year, SGX conducts several sustainability-themed education events for institutional investors, retail investors, family offices, private banks, corporate issuers, small and medium-sized enterprises (SMEs), and other stakeholders. As part of WMI's Family Office Discovery Series, we offered our expertise in the Wealth Management Institute Discover Series on Public Markets and participated in the Raffles Family Office (RFO) x SGX 'Legend Talk' series on the topic of green real estate in APAC. SGX has published its 5 in 5 Research Report Series and ESG Brew Interview Series which provide insights into the sustainability efforts of SGX-listed companies. SGX Group co-hosted the Global Transition Finance Summit (GTFS), a premier

platform for public and private sector leaders and experts to engage in high-level dialogue on achieving net zero targets and how to facilitate the low-carbon transition by leveraging capital.

Community

SGX RegCo organised its fifth sustainability-themed case competition together with the National University of Singapore (NUS) Business School students' club to raise awareness of the sustainability agenda among university students, in line with our efforts in facilitating collaboration within the ecosystem. Student teams competed to present a business case on the recently launched Singapore-Asia Taxonomy. SGX Group also collaborates with the NUS Sustainable and Green Finance Institute's Capstone Projects to provide students with exposure to real-life challenges in the field of sustainable finance.

Ecosystem Engagement Sustainability-related Networks

SGListCos is a dedicated association for companies listed on the Mainboard and Catalist of SGX Group. These include a wide spectrum of Straits Times Index (STI) component stocks, large/mid-caps, SMEs, and capital market intermediaries. SGX Group is a member of SGListCos. In FY2024, SGListCos was proactive in engaging

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with the ecosystem on matters relating to sustainability reporting. The association held a pilot workshop on 'ESG Data Collection, Processing and Reporting' and held 'IFRS/ISSB in Conversation' with SGListCos members. A guidance paper on RECs which guides listed companies on the utilisation of RECs as a Scope 2 market-based emissions reduction tool was also launched, with contributions from EMC.

Following the term completion of the Green Finance Industry Taskforce (GFIT), the SSFA was

established to continue to drive collaboration across the financial and real economy to support the growth of Singapore as a trusted, vibrant and inclusive sustainable finance centre. SSFA is supported by the MAS and the Association of Banks in Singapore (ABS) with membership spanning across sub-sectors of the Finance community. SGX Group is part of the Executive Committee and a Convening Member. SSFA has launched five priority workstreams covering carbon markets, transition finance, blended finance, natural capital and biodiversity, and taxonomy.

SGX Group co-hosted the Global Transition Finance Summit (GTFS) for public and private sector leaders and experts to engage in high-level dialogues on achieving net zero targets and low-carbon transition by leveraging capital.



SGX Group, Bursa Malaysia, Indonesia Stock Exchange and Stock Exchange of Thailand have signed an MOU to form the ASEAN Interconnected Sustainability Ecosystem (ASEAN-ISE). The ASEAN-ISE seeks to create an integrated ESG ecosystem through initiatives such as the development of common data standards and frameworks to enhance the interoperability of ESG datasets and mobilise capital towards sustainability efforts in the region.

From December 2022 to September 2023, the ASEAN exchanges have recommended for disclosure by listed companies an aligned set of foundational Environmental, Social, and Governance metrics, as follows:

Environmental Metrics

Topic	Common Metric
Greenhouse Gas Emissions (GHG)	Absolute emissions: Scope 1 & Scope 2
Energy Consumption	Total energy consumption
Water Consumption	Total water consumption
Waste Generation	Total waste generated

Social Metrics

Topic	Common Metric
Gender Diversity	Percentage of enterprise headcount held by men and women
	Percentage of entry- and mid-level positions held by men and women
	Percentage of senior- and executive-level positions held by men and women
	Number of employee level (entry, mid, senior, executive) held by men and women by age group
Employee Turnover	Percentage of year-over-year change for full-time employees
Non-Discrimination	Company policy regarding sexual harassment and/or non-discrimination
Injury Rate	Frequency of injury events relative to total workforce time or total number of serious accidents
Development & Training	Average training hours per employee
Human Rights	Company policy regarding sexual harassment and/or non-discrimination
	Number of incidents regarding human rights abuse
Child & Forced Labor	Company policy regarding child and/or forced labour
Temporary Worker Ratio	Total enterprise headcount held by contractors and/or consultants
Social and Community Investment	Total amount of corporate or group donations and community investments made to registered not-for-profit organisations

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Governance Metrics	
Key Governance Topics	Metrics
Board Diversity	Percentage of board seats occupied by men and women
Board Independence	Percentage of board seats occupied by independent directors/commissioners
	Separation of the Chairman of the board and CEO
Board Appointment and Re-Election	Criteria used in the selection of new directors/commissioners
Board Meeting Attendance	Percentage of board meeting attendance by each director/commissioner during the year
Board Appraisal	Annual performance assessment of the board of directors/commissioners and disclosure of the criteria and process followed for the assessment
Board Training and Development	Company policy regarding ongoing or continuous professional education programs for directors/commissioners
Business Ethics	Disclosure of the details of the code of ethics or conduct
Equitable Treatment of Shareholders	Company policy prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market
Equitable Treatment of Shareholders	Company policy requiring directors/commissioners to disclose their interest in transactions and any other conflicts of interest

Source: <https://www.aseanexchanges.org/content/common-esg-metrics/>

Taskforce on Nature-related Financial Disclosures (TNFD)



In September 2023, the TNFD launched its final recommendations for businesses and financial institutions to disclose their material interactions with nature. SGX Group Head of

Sustainability and Sustainable Finance was a member of the global taskforce that delivered the final framework, which will be built upon by ISSB in their research on biodiversity-related risks and opportunities as part of their next phase of work. In April 2024, TNFD and SSFA with support from SGX, held an event to deepen the understanding of the risks and

opportunities that result from their impacts and dependencies on nature.



Sustainability Knowledge Hub
Scan the code or visit sgx.com/sustainable-finance/sustainability-knowledge-hub

Our Performance in FY2024

- Continued facilitating the navigation of sustainability reporting requirements for our listed companies by offering relevant capacity building workshops and resources
- Introduced roadmap for mandatory climate reporting for listed companies and large non-listed companies in Singapore through the Sustainability Reporting Advisory Committee
- Issued a consultation paper to incorporate the ISSB Standards into the SGX-ST Listing Rules in respect of climate-related disclosures

Targets and Commitments

- Continue proactive engagement with stakeholders, including market participants, partners, policy makers and standard setters
- Implement initiatives including provision of training, awareness activities and guidance to encourage market participants to advance their sustainability journey and promote net zero commitments
- Promote climate-related disclosures, particularly for listed companies, and offer climate disclosure training at least annually

Material Factors

Sustainability Products and Services

Building a sustainable business by expanding sustainability-related product shelf, contributing to business resilience and engaging stakeholders to gather adoption and momentum on current products.

As Asia's trusted infrastructure provider in the global financial and capital marketplace, SGX Group strives to facilitate and scale credible transition and sustainable finance by expanding the suite of climate and sustainability products and solutions on our multi-asset platforms. The momentum for transition and sustainable finance is increasing as the race to decarbonise

and transition intensifies on the back of regulatory development, investors' influence and companies' commitments. Building and promoting sustainable products and solutions contribute to our business resilience, allow us to tap on new growth opportunities and support the transition of our ecosystem stakeholders.

We continue to develop and provide a wide range of sustainability products across various asset classes, including securities, fixed income, equity derivatives, commodity derivatives and indices. Many products and solutions listed and traded in our markets are

often developed in collaboration with partners such as asset managers, and data and index providers.

For more information on our sustainability products and services, please refer to the respective pages for additional details and latest information, as well as our Climate Transition Plan on pages 25 to 34 of this report.



Sustainability Products and Services
Scan the code or visit sgx.com/sustainable-finance

Our Performance in FY2024

Equities

- Launched the largest equity ETF in Singapore on 14 September 2023 with initial assets under management of S\$583 million. The iShares MSCI Asia ex Japan Climate Action ETF gives access to a bottom-up approach and selects the top 50% of companies in each GICS® sector based on the company's carbon intensity and commitments such as science-based target setting, green revenues or opportunities, together with its climate risk management. As of 30 June 2024, SGX Group has listed six sustainability-themed ETFs with total AUM of S\$927 million
- Formally launched the GFANZ Index Investing workstream, co-chairing with LGIM and PKA. The workstream aims to produce best practice guidance on 'transition to net zero' index methodologies with a public consultation expected in Q4 2024
- Launch of ESG Brew, an interview series that features Chief Sustainability Officers or sustainability champions of SGX-listed companies
- Continued engagement with SGX Group-listed companies on ESGenome - SGX Group's ESG digital disclosure portal

Equity Derivatives

- The first global suite of futures tracking MSCI Climate Action Indexes Net USD (World, Europe, USA, Japan and Asia ex Japan) to provide investors with efficient tools to access and manage their decarbonisation objectives, has grown an open interest of US\$140M
- SGX FTSE Blossom Japan Index Futures remain a leader in the Japan ESG derivatives space with open interest at US\$112M. Consistent out-performance to TOPIX has been observed, driven by the ESG factor as ESG scores of an increasing number of companies rises beyond the threshold

Fixed Income

- Maintained growth of GSSS bonds listed on with over 400 bonds listed to date
- Organised seminars and other events focused on GSSS bonds and transition finance to support issuer capacity development and development of sustainable finance ecosystem in Singapore and the broader APAC region. Examples include partnership with Environmental Finance for the Sustainable Debt Asia 2024 conference, partnership with the World Bank on Unlocking Sustainable Financing Flows for Environmental & Social Impact in Emerging Markets event, and partnership with Climate Bonds Initiative on the Climate Bonds SLB report launch webinar
- Co-leading of products and instruments workstream under the China-Singapore Green Finance Taskforce that aims to scale cross-border green and transition finance. Pilot tested a green panda sustainability-linked bond transaction under the Green Corridor framework, which is aimed to continue expanding

Material Factors

Our Performance in FY2024

Commodities

- Listed ammonia derivatives as an early action to support price discovery and risk management in the energy transition, as ammonia has the potential to play a key role as an alternative source of cleaner fuel for power generation and shipping in the future
- Jointly organised the 11th edition of Singapore International Ferrous Week, with a strong focus in providing thought leadership and facilitating dialogues around innovation and opportunities in green steel production and sustainability across the ferrous and shipping markets
- Further to the launch of the Baltic Exchange microsite to support the maritime sector's decarbonisation efforts, the EU ETS Carbon calculator for emissions is now live for Dry, Tanker and Gas vessels. Carbon Intensity Indicator heatmaps are also now available for Dry and Tanker vessels
- A weekly carbon report providing pricing for the cost of EU ETS in freight commenced on 24 January 2024

Indices

- As of FY2024, iEdge indices with ESG and climate themes are referenced by assets exceeding S\$9 billion
- Hosted joint marketing seminars involving presentations, fireside chats, panel discussions with ESG ETF issuers across iEdge ESG indices with an aim to raise product awareness
- Scientific Beta's ESG customisation capabilities led to an additional AUM of more than US\$1.5 billion, which is linked to a custom Scientific Beta ESG and Low Carbon multi-factor index

Targets and Commitments

- Continue to collaborate with ecosystem partners to explore and launch new products and solutions that incorporate climate and sustainability considerations
- Continue to promote adoption and momentum of the existing suite of climate and sustainability-focused products, solutions and platforms
- Continue support for ESGenome as a disclosure utility to meet the reporting needs for companies
- Continue efforts on sustainable fixed income initiatives and support mobilisation of transition and sustainable finance through the fixed income market
- Continue to develop price risk management tools to support the energy transition

Material Factors

Economic Performance

Revenue and other indicators of business growth which contribute to the wider economy by creation of jobs and delivering value to our stakeholders.

Economic performance encompasses SGX Group's financial performance, value creation and distribution, risk management and climate-related financial implications. We are committed to generating long-term value for our

stakeholders by strategically positioning as a leading international exchange group for capital raising, risk management and price discovery in Asia. We remain a key contributor to Singapore's financial ecosystem as the governing and regulatory body for exchange-based financial markets.

Please refer to the sections on Performance Overview (pages 6 to 10), Risk Management (pages 31 to 36)

and Governance (pages 46 to 75) of our Annual Report; and the sections on Climate Management (pages 20 to 34) and Employment Practices and Employee Development (pages 45 to 47) of this report.



SGX Group Annual Report
Scan the code or visit investorrelations.sgx.com/financial-information/annual-reports

Our Performance in FY2024

- Disclosed the group's financial statement in accordance with the accepted financial reporting standards

Targets and Commitments

- Continue to disclose the group's financial statement in accordance with the accepted financial reporting standards

Business Continuity

Robust and well tested recovery plans to ensure operational resilience and maintain high levels of trust from market participants, and prevention of technology errors and market disruptions.

SGX Group has a set of established and well tested business continuity plans to ensure resilience and quick recovery against business and operational disruptions which can impact the market. Given the inter-dependencies between SGX Group and its diverse participants,

our continuous investment in well-designed and coordinated recovery plans has safeguarded fully functioning and well-regulated markets.

We place a high priority on cybersecurity and data protection to ensure the robustness and integrity of our operations and safeguard the interests of our stakeholders. Besides our technology resilience framework, we practice proactive measures, guidelines, and drills to maintain a

secure and resilient trading environment. We also maintain specific IT and data security requirements for our members and listed companies, and issue regular public updates and advisories online in our official **Cyber Security page**.



SGX Group Cyber Security
Scan the code or visit sgx.com/cyber-security

In FY2024, our markets achieved 100% uptime. We did not have any significant data breaches, defined as unauthorised movements or disclosures of sensitive information to parties that are not authorised to consume the information. Fundamental to prevention of errors, breaches and disruptions are our various technologies and data-related policies and controls.

Material Factors

Policies/Procedures/Frameworks	Efforts taken to prevent errors, breaches, and disruptions
Cyber Security and Technology Risk Management Framework	Our approach to manage cybersecurity and technology risks by ensuring that the risks are managed in a holistic and consistent manner within SGX Group's risk appetite to ensure cyber and technology resiliency and in accordance with our regulatory obligations.
IT Resilience Framework	<p>Aims to establish guiding principles and controls to ensure secure, effective and efficient delivery of IT services. Specifically, it focuses on IT infrastructure and shared services provided or supported by SGX Group technology.</p> <p>Policies and processes such as information security (including access management vulnerability management, etc.) and application development and testing are in place within the framework.</p>
Common Vulnerabilities and Exposures (CVE) Handling Procedure	A comprehensive framework that identifies, prioritises, manages, and remediates threats and vulnerabilities from CVEs, regulatory bodies, and vendor advisories timely.
Integrated Enterprise Command Centre and Control Centre	An Integrated Enterprise Command and Control Centres consisting of Enterprise Command Centre (ECC) and Security Operations Centre (SOC) that provides monitoring, detection, analysis, processing, and recovery of all technical and cyber incidents within SGX Group. This ensures rapid response to maintain the highest level of availability and security of our IT Services.
Stringent Data Centre Physical Access Procedures	Strict physical access controls are in place to ensure only authorised personnel are allowed access to the data centre on an as-needed basis.
IT Disaster Recovery (ITDR) Plan	<p>The objective is to enable IT to recover the operation of its critical systems in the ITDR site (i.e., SGX Group Secondary Data Centre) in a planned and orderly manner.</p> <p>The annual industry wide Business Continuity Plan (BCP) exercise practiced the ITDR Plan to simulate an intra-day scenario to failover systems from SGX Group Primary Data Centre to SGX Group Secondary Data Centre.</p> <p>The last BCP Exercise was successfully conducted in May 2024.</p>
Member Disaster Recovery Test	A window opens once a year where SGX Group Production systems are made available for members to carry out BCP testing from their backup systems.
Industry-wide Data Corruption Recovery Test	Tests with market participants were conducted to ensure their ability to recover their data and to reconcile them against SGX Group platforms using SGX Group's data as the 'golden source'. This will help market participants to resume trading, clearing and settlement services expeditiously in a data corruption scenario.
Proactive Capacity Management	The objective of capacity management is to ensure applicable technology resources are right-sized to meet current and future business requirements cost-effectively.
Robust Change Management Process	An established change management process is in place. Augmenting the process is the use of visualisation tools to provide a multi-dimensional view that shows interdependencies, thus improving risk assessment and enabling SGX Group to effectively manage risk.
Digital Tools Process	We continue to embrace digital tools to drive digital transformation within the organisation. For example, business analytics dashboard and red flag alerts were implemented.

Material Factors

Policies/Procedures/Frameworks	Efforts taken to prevent errors, breaches, and disruptions
Intelligent Operations	<p>AIOps (Artificial Intelligence for IT Operations) plays an important role in enhancing IT efficiency through:</p> <ol style="list-style-type: none"> 1. Correlation of events across various IT systems 2. Detection of anomalies through continuous monitoring of system behaviour, and alerting support teams promptly 3. Usage of Bots to automate routine tasks and information dissemination
Monitoring of Energy Consumption in Data Centres	<p>SGX Group conducts regular assessments of its Data Centre environment using both power and environmental monitoring equipment. These reviews ensure that the environment operates at peak efficiency, minimising waste while maintaining operational sustainability.</p>

Our Performance in FY2024

- Zero significant market disruptions or downtime
- Zero material data breaches
- Disclosed efforts to prevent technology errors, security breaches and market disruptions. Efforts included conducting 18 business continuity and IT disaster recovery exercises, of which three exercises involved industry participants

Targets and Commitments

- Continue to set high standards and maintain vigilance in operational and technological risk management to prevent errors, security breaches and market disruptions
- Continue business continuity exercises across multiple domains, with relevant internal stakeholders and industry-wide participants
- Achieve mandatory annual information security training for all applicable staff

Ethics and Compliance

Efforts to combat corruption, comply with tax and relevant regulations, and manage conflicts; and maintain SGX Group and the broader capital market infrastructure as fair, orderly and transparent markets, and safe and efficient clearing houses.

At SGX Group, we aim to uphold and advocate the highest level of conduct and ethical standards to maintain a robust governance structure. We are guided by well-defined and concrete policies that frame the way we operate.

Internal Ethical Standards

SGX Group is committed to deliver outcomes that drive long-term success to build trust with our stakeholders.

The following key aspects of our Code of Conduct and Ethics, compliance, HR and employment policies may be found on our policies page.

Compliance

- Anti-Corruption, Gifts and Entertainment
- Anti-Money Laundering, Terrorism Financing and Sanctions
- Compliance Framework
- Conduct and Ethics
- Personal Data Protection

Human Resources

- Employee Recruitment (including grievance handling)
- Misconduct Reporting and Handling
- Workplace Anti-Harassment

Regulatory

- Regulatory Conflicts Governance Framework

Finance-related

- Environmental
- Procurement
- Tax

Audit

- Whistleblowing

These policies provide overall guidance on appropriate conduct for common ethical issues, such as conflicts of interest, bribery and corruption, fair compensation, anti-money laundering/terrorist financing and sanctions, confidential information, insider trading, workplace harassment, among others. All employees are required to undergo rigorous training, including annual compliance training on all the above.

Material Factors

In addition, SGX Group maintains a Whistleblowing Policy with reporting and communication channels direct to the Head of Audit.

SGX Group had no monetary losses because of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations in FY2024.

There were no cases of bribery, corruption, anti-competitive behaviour, or other material non-compliance with the law at SGX Group in FY2024.

Tax Policy Approach to Tax

SGX Group is committed to regulatory compliance as part of our tax strategy, which involve:

- Complying with applicable tax laws and regulations across countries and territories in which we operate
- Filing accurate tax returns in a timely manner and ensuring all applicable tax obligations are fulfilled appropriately
- Paying our fair share of taxes and considering tax planning activities that are in accordance and in full compliance with tax laws before implementing business plans
- Consulting independent third-party advisors and tax authorities on transactions with significant tax uncertainty

The CFO is responsible for oversight of SGX Group's tax strategy and overall function, with support from the Head of Tax. SGX Group is committed to tax compliance and our dealings with authorities are regular and based on mutual respect and trust.

Tax Governance, Control and Risk Management Framework

The tax function is part of our finance team and within the responsibility of

the CFO. Both CFO and Head of Tax will update tax developments and tax risk assessments of our business to the Board of Directors, as necessary. Our tax function oversees our day-to-day responsibility for tax and ensures tax compliance and robust management of tax risks and exposures.

Our appetite for tax risks is low. SGX Group manages risks associated with the organisation's tax practices that might lead to a negative effect on the goals of the organisation, or to financial or reputational damage.

Our tax risk management is based on the following principles:

- We only undertake transactions which are for genuine commercial considerations that we are prepared to fully disclose
- We ensure that tax risks and tax implications are carefully thought through and communicated effectively to all stakeholders
- We seek professional advice from third-party advisors and consult with tax authorities on transactions with significant tax uncertainty
- We are committed to tax compliance and ensure all tax returns are duly filed both accurately and in a timely manner

To ensure compliance with framework, independent internal assessments are done periodically.

SGX Group has a whistleblowing policy in place to report any concerns.

Our assurance process includes the following, as part of our governance control framework:

SGX Group has participated in the IRAS' Assisted Compliance Assurance (ACAP) programme to ensure that its GST controls are reviewed periodically. We have been

awarded 'ACAP Premium' status, the highest awarded status. Checks, where required, will also be conducted by third-party advisors to ensure procedures submitted are adhered to and address gaps, if any.

Tax returns are also prepared by third party advisors for the assurance of quality, as required. Our in-house tax professionals and senior management will review the tax returns before approving the submission to relevant tax authorities.

Stakeholder Engagement and Management of Concerns Related to Tax

SGX Group seeks to build relationships with tax authorities and to be transparent and forthcoming about our business with relevant tax authorities. We ensure that any tax queries raised by tax authorities are responded to in a timely and transparent manner. Where there are contentious tax issues, we will seek clarifications from relevant tax authorities or seek advanced rulings to confirm tax positions.

We also constantly engage our members, the industry and relevant authorities on tax initiatives and feedback to update existing or implement new tax regulations.

Country-by-country Reporting

SGX Group will ensure that the relevant information required for country-by-country reporting will be provided to the tax authorities once it is obligated to do so.



Sustainability Policies
Scan the code or
visit [sgxgroup.com/
sustainability/policy](https://sgxgroup.com/sustainability/policy)

Material Factors

Our Performance in FY2024

- Disclosed the key principles of our Code of Conduct and Ethics Policy and Tax Policy
- Zero cases of bribery, corruption, anti-competitive behaviour, or other non-compliance with the law
- Zero monetary losses as a result of legal proceedings arising from relevant financial industry laws or regulations
- Disclosed processes for identifying and assessing conflicts of interest, including key principles of Conduct and Ethics Policy and Regulatory Conflicts Governance Framework

Targets and Commitments

- Maintain zero cases of material non-compliance with laws
- Disclose number of material non-compliance with laws
- Disclose number of incidents of corruption and actions taken
- Achieve mandatory annual ethics and compliance training for all applicable staff

Employment Practices and Employment Development

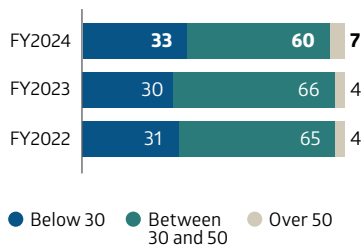
Employment practices to retain talent and ensure the health, safety and well-being of our staff, and employee development.

Our employees come first. We are committed to advancing employees' growth and career development. SGX Group strives to maintain a positive work environment that values integrity, diversity, collaboration, and communication, while ensuring the well-being of our employees. Our continued success in attracting and retaining talent is a key contributor to our ability to remain commercially viable and competitive.

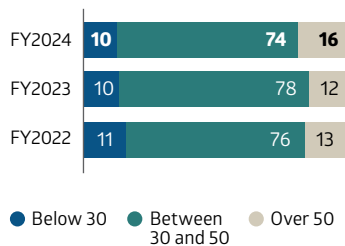
In addition, we recognise that the world around us is fast-evolving. We are all impacted by climate change, technological innovation & disruptions, as well as rising geopolitical tensions. This means our people need to become better at adapting to these macro socioeconomic trends and be equipped with the right skillset and mindset to navigate these potentially challenging conditions.

To this end, we continued our cultural transformation journey of

New Hires by Age (%)

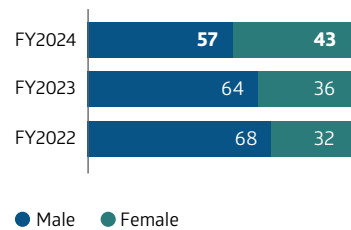


Attrition by Age (%)

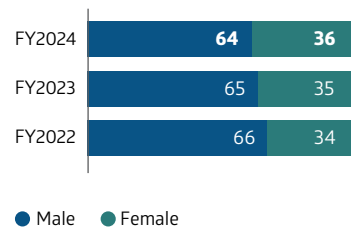


Accountability, Innovation and Making a Difference (AIM) to enable our people, particularly new joiners, to thrive in the current and future environment. Accountability brings end-to-end ownership of the decisions in driving towards successful outcomes; innovation means translating an idea into products, services or rules to create

New Hires by Gender (%)



Attrition by Gender (%)



transformative value and experience for clients; and Making a Difference is demonstrated by intentionally driving purposeful outcomes. We have conducted 47 workshops, six in FY2024, and have now engaged more than 85% of our colleagues in Singapore on the importance of AIM behaviours since its launch.

Material Factors

Talent Management and Retention

SGX Group consistently dedicates resources to developing a comprehensive talent strategy aimed at strengthening our internal capabilities. Talent management focuses on attracting, developing and retaining skilled individuals within the organisation while considering environment, social and economic sustainability. It involves creating a supportive work environment that nurtures talent, aligns with our sustainable values, and contributes to the long-term success of SGX Group and our society.

Learning and Development

Recognising the importance of investing in the growth and development of our employees, we promote a culture of lifelong learning and implemented programmes to upgrade the skills of employees. To support our employees' learning and development holistically, we offer a wide range of structured training for both technical and soft skills, and on-the-job learning opportunities.

In FY2024, an average of 45 hours of learning were recorded per employee for SGX and 34 hours for SGX Group. Training for staff in our subsidiaries will be stepped up with the aim of achieving our target of average 40 hours for SGX Group. 830 hours of sustainability-related training was

recorded, with over 120 cumulative attendances in in-person sessions or eLearning modules. Topics included sustainability, sustainable investing and carbon accounting.

The 'Introduction to Sustainable Finance' workshop series was launched in May in collaboration with an IBF accredited training provider. This is in line with the Jobs Transformation Roadmap (JTM) jointly commissioned by the MAS and IBF with the involvement of an industry steering committee that included SGX Group Head of Sustainability and Sustainable Finance. The in-house training initiative underscores our commitment to embedding sustainable practices and governance excellence across all levels of operations. Training modules cover foundational ESG concepts, sustainable investment strategies, climate risk assessment, decarbonisation strategies, and the practical application of ESG principles and frameworks. This curriculum is designed to not only align with SGX Group of strategic goals but also to bolster our employees' individual capability in these critical areas.

SGX Group continues to offer learning programmes that develop and enhance the capabilities of our leaders. We partner reputable and established best-in-class training programme providers to engage and grow those in supervisory and management roles, from first-level line managers to senior

leaders. As part of our ongoing efforts to foster a positive and empowering work environment, we introduced the Managing Professional Boundaries workshop, which equips first responders, with the knowledge and skills required to create a safe and supportive environment, initiate open dialogue, and practice active listening if approached by others on workplace harassment issues.

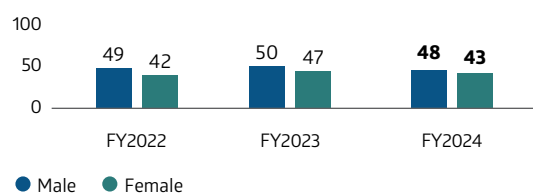
Workshops on Generative AI: Applications, Prompt Engineering and the power of ChatGPT were introduced where participants learnt the fundamentals of Generative AI, examined its benefits and how to employ its technology in businesses. We also conducted talks on preparing for performance appraisals and individual development planning, to facilitate career planning and development conversations for our employees. In addition, our staff completed annual refresher training on general compliance, staff dealing, regulatory conflicts, information security, risk awareness, procurement policies and anti-discrimination and harassment related topics.

Through these initiatives, we aim for our staff to develop into highly skilled and well-rounded employees, with transferrable experiences and expertise that would make them an asset to any organisation.

Average Training per Employee (hours per year)

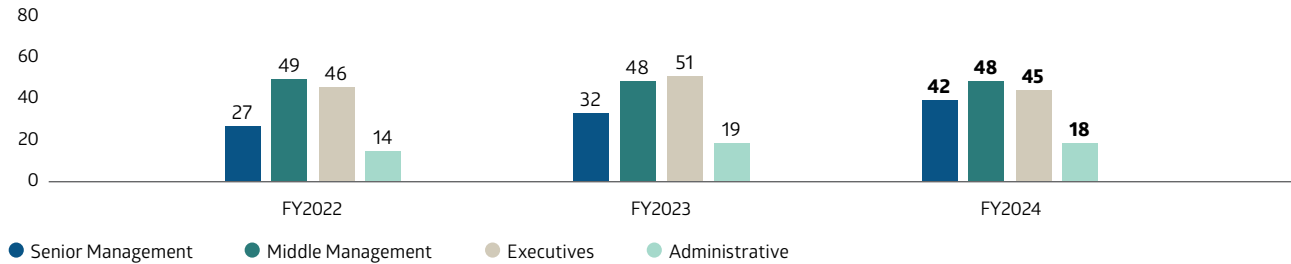


Average Training per Employee by Gender (hours per year)



Material Factors

Average Training per Employee by Employee Category (hours per year)



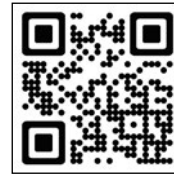
Employment Practices

SGX Group has in place employment practices that ensure the health, safety, and well-being of our staff. SGX Group has successfully attained the ISO 45001 (Occupational Health and Safety Management Systems) certification for the fourth consecutive year since June 2021. We continue to put in place measures to promote and safeguard the safety and health of our employees in the workplace including providing onsite occupational first aid training,

onsite psychological first aid training, physical and mental wellness webinars, and conducting emergency preparedness exercises attended by both employees and vendors working in SGX Group premises.

SGX Group has also launched the 'SGX Group Wellbeing Charter' that provides guidance to our staff in managing the shift to working from home, and to promote a healthy workplace interaction.

SGX Group has in place employment practices that ensure the health, safety, and well-being of our staff.



Sustainability Policies
Scan the code or
visit [sgxgroup.com/
sustainability/policy](https://sgxgroup.com/sustainability/policy)

Our Performance in FY2024

- Average training hours per employee at 45 hours for SGX and 34 hours for SGX Group, exceeding our target of 40 average training hours per employee (for SGX)
- Launched in-person sustainable finance programme with comprehensive coverage on foundational ESG concepts, climate change management, sustainable investment and carbon markets
- Implemented in-person workshops on emerging key market trends such as generative AI

Targets and Commitments

- Achieve 40 average training hours per employee or more
- Implement programmes for upgrading employee skills and transition assistance programmes for the purpose of incorporating sustainability and climate knowledge into their scope of work

Material Factors

Diversity and Inclusivity

Embracement of diversity amongst our staff, any discrimination based on gender, age or other socio-cultural factors is prohibited, maintaining an inclusive work environment.

SGX Group embraces diversity among our staff, regardless of gender, age, disability, and other socio-cultural differences. We value how diversity broadens our collective skills and perspectives, driving innovation within our organisation, as guided by our Workplace Anti-Harassment Policy.

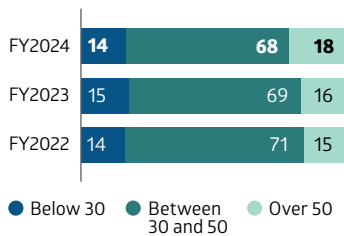
We hire on a meritocratic system and provide a competitive and fair compensation and benefits package. Our talent strategy

ensures that employees are given fair opportunity for learning and development so that they can achieve their best potential. Our gender-pay ratio is generally within a 10% range across all ranks within our organisation. The self-empowerment team – an employee-led group originally formed to promote career development of female employees has since evolved to include male employees and with its agenda expanded to include promoting workplace diversity, equity, and inclusion. 36% of our Board is represented by female directors and 28% of senior management (managing director equivalent and above) is represented by female senior management, which contributes to the diversity of views

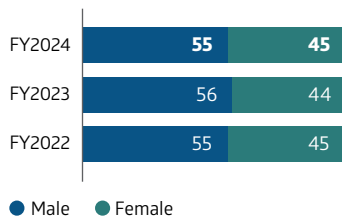
and perspectives at our most senior levels.

Since 2012, SGX Group has been leading in the advocacy for Women on Boards in Singapore. We view board diversity as an avenue towards better decision making with the inclusion of additional perspectives, ideas and experiences to anticipate future challenges and to overcome unanticipated challenges that may present. According to the Singapore Board Diversity Review 2024 by the Council of Board Diversity, the top 100 SGX-listed companies' women's participation on boards (WOB) increased to 23.7% with SGX Group achieving over 30% of female directors on the Board and exceeded our target goal for FY2024.

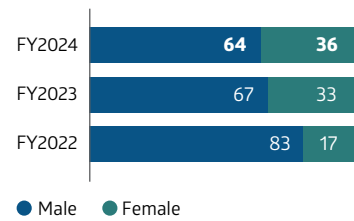
Age Diversity (%)



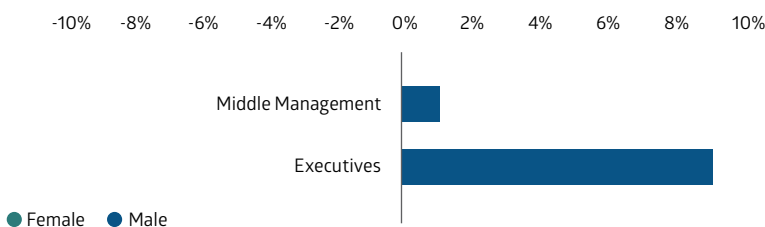
Gender Diversity (%)



Board Gender Diversity (%)



Gender Pay Gap



Note: Middle management is defined as Executive Director and below or equivalent, and Executives are defined as Assistant Vice President and below or equivalent. A band on the right indicates males are paid higher.

Total number of employees	1,176
SGX	778
Baltic Exchange	47
BidFX	128
EMC	69
MaxxTrader	116
Scientific Beta	38

Material Factors

Material Factors

By Gender

Reporting Period – FY2024	Female	Male	Others / Not Disclosed	Total
Total Number of employees	527	649	0	1,176
Permanent / Full-time employees	511	630	0	1,141
Temporary / Part-time employees	16	19	0	35
Non-guaranteed hours employee	0	0	0	0

By Region

Reporting Period – FY2024	Singapore	Asia ex Singapore	Rest of the World	Total
Total Number of employees	880	82	214	1,176
Permanent / Full-time employees	847	81	213	1,141
Temporary / Part-time employees	33	1	1	35
Non-guaranteed hours employee	0	0	0	0

Note: Asia includes countries such as China, India, Hong Kong, Japan and Dubai and the Rest of the world includes countries such as US, UK, Australia, Milan, France and Geneva. Total number of headcount are tabulated based on the final number of employees at the end of the reporting year.

Our Performance in FY2024

- In ensuring gender diversity on the Board, SGX Group has appointed one female candidate to be part of the Board in FY2024. Ms Claire Perry O'Neill was appointed onto the SGX Board in FY2024. Her appointment will contribute significantly to the diversity of skillsets, geographical experience, and in-depth understanding of different industries on the SGX Board

Targets and Commitments

- Continue to ensure diversity to achieve the strategic and business objectives of the company
- Where external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to present female candidates
- In ensuring gender diversity on the Board, SGX Group actively strives to have at least 25%-30% representation of female directors on the Board. Since FY2023, SGX reached its target goal in achieving 30% representation of female directors on the Board. Notwithstanding this, the Nominating and Governance Committee (NGC) will continue as part of its Board succession planning, to identify and evaluate suitable candidates to maintain diversity, including gender diversity, on the Board



**Independent
Limited
Assurance**

Independent Limited Assurance Statement

Singapore Exchange Limited (“SGX”)

28 August 2024

Independent Limited Assurance Statement in connection with the Subject Matter included in the SGX 2024 Sustainability Report

To the Management of SGX

Scope

We have been engaged by SGX to perform a ‘limited assurance engagement’, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on SGX’s selected sustainability information as detailed below (the “Subject Matter”) contained in SGX’s 2024 Sustainability Report for the period from 1 July 2023 to 30 June 2024 (“FY2024”) (“the Report”) as set out in the Subject Matter and Criteria section below as of 22 April 2022 and associated addendums dated 12 August 2022, 30 March 2023, 21 August 2023 and 26 August 2024.

Subject Matter and Criteria

The criteria (“The Criteria”) for our assurance evaluation are as follows:

- Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”) and
- Sustainability Accounting Standards Board Security and Commodity Exchanges Sustainability Accounting Standard (“SASB Standards”)

The Subject Matter is set out in the table below:

GRI Standards Disclosures

GRI Standards Disclosures	Sub-indicators under “Shall” requirements (referenced as per GRI Standards)	Scope
302-1 Energy consumption within the organisation	a) Total fuel consumption within the organisation from non-renewable sources, in joules or multiples, and including fuel types used.	SGX Group ¹
	b) Total fuel consumption within the organisation from renewable sources, in joules or multiples, and including fuel types used.	
	c) In joules, watt-hours or multiples, the total: <ul style="list-style-type: none"> i. electricity consumption; ii. heating consumption; iii. cooling consumption; iv. steam consumption. 	
	d) In joules, watt-hours or multiples, the total: <ul style="list-style-type: none"> i. electricity sold; ii. heating sold; iii. cooling sold; iv. steam sold. 	
	e) Total energy consumption within the organisation, in joules or multiples.	
	f) Standards, methodologies, assumptions, and/or calculation tools used.	
	g) Source of the conversion factors used.	
	2.1 When compiling the information specified in Disclosure 302-1, the reporting organisation shall: <ul style="list-style-type: none"> 2.1.1 Avoid the double-counting of fuel consumption, when reporting self-generated energy consumption. If the organisation generates electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted once under fuel consumption; 	

¹ SGX Group under the audit scope comprises all SGX Group entities, including overseas offices and acquired subsidiaries.

Independent Limited Assurance Statement

GRI Standards Disclosures	Sub-indicators under "Shall" requirements (referenced as per GRI Standards)	Scope
302-1 Energy consumption within the organisation	2.1.2 Report fuel consumption separately for non-renewable and renewable fuel sources;	
	2.1.3 only report energy consumed by entities owned or controlled by the organisation;	
	2.1.4 Calculate the total energy consumption within the organisation in joules or multiples using the following formula: Total energy consumption within the organisation = Non-renewable fuel consumed + Renewable fuel consumed + Electricity, heating, cooling, and steam purchased for consumption + Self-generated electricity, heating, cooling, and steam which are not consumed – Electricity, heating, cooling, and steam sold.	SGX Group ¹
302-3 Energy intensity	a) Energy intensity ratio for the organisation.	
	b) Organisation-specific metric (the denominator) chosen to calculate the ratio.	
	c) Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.	
	d) Whether the ratio uses energy consumption within the organisation, outside of it, or both.	SGX Group
	2.5 When compiling the information specified in Disclosure 302-3, the reporting organisation shall:	
	2.5.1 Calculate the ratio by dividing the absolute energy consumption (the numerator) by the organisation-specific metric (the denominator);	
	2.5.2 If reporting an intensity ratio both for the energy consumed within the organisation and outside of it, report these intensity ratios separately.	
305-1 Direct (Scope 1) GHG emissions	a) Gross direct (Scope 1) GHG emissions in metric tons of CO ₂ equivalent.	
	b) Gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all.	
	c) Biogenic CO ₂ emissions in metric tons of CO ₂ equivalent.	
	d) Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.	SGX Group
	e) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.	
	f) Consolidation approach for emissions; whether equity share, financial control, or operational control.	
	g) Standards, methodologies, assumptions, and/or calculation tools used.	

Independent Limited Assurance Statement

GRI Standards Disclosures	Sub-indicators under "Shall" requirements (referenced as per GRI Standards)	Scope
305-1 Direct (Scope 1) GHG emissions	2.1 When compiling the information specified in Disclosure 305-1, the reporting organisation shall:	SGX Group
	2.1.1 Exclude any GHG trades from the calculation of gross direct (Scope 1) GHG emissions; 2.1.2 Report biogenic emissions of CO ₂ from the combustion or biodegradation of biomass separately from the gross direct (Scope 1) GHG emissions. Exclude biogenic emissions of other types of GHG (such as CH ₄ and N ₂ O), and biogenic emissions of CO ₂ that occur in the life cycle of biomass other than from combustion or biodegradation (such as GHG emissions from processing or transporting biomass).	
305-2 Energy indirect (Scope 2) GHG emissions	a) Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent.	SGX Group
	b) If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent. c) If available, the gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all. d) Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. e) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f) Consolidation approach for emissions; whether equity share, financial control, or operational control. g) Standards, methodologies, assumptions, and/or calculation tools used.	
	2.3 When compiling the information specified in Disclosure 305-2, the reporting organisation shall:	
	2.3.1 Exclude any GHG trades from the calculation of gross energy indirect (Scope 2) GHG emissions;	
	2.3.2 Exclude other indirect (Scope 3) GHG emissions that are disclosed as specified in Disclosure 305-3;	
	2.3.3 Account and report energy indirect (Scope 2) GHG emissions based on the location-based method, if it has operations in markets without product or supplier-specific data;	
	2.3.4 Account and report energy indirect (Scope 2) GHG emissions based on both the location-based and market-based methods, if it has any operations in markets providing product or supplier-specific data in the form of contractual instruments.	

Independent Limited Assurance Statement

GRI Standards Disclosures	Sub-indicators under "Shall" requirements (referenced as per GRI Standards)	Scope
<p>305-3</p> <p>Other indirect emissions (Scope 3) emissions</p>	<p>a) Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b) If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c) Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>d) Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</p> <p>e) Base year for the calculation, if applicable, including:</p> <ul style="list-style-type: none"> i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>f) Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>g) Standards, methodologies, assumptions, and/or calculation tools used.</p> <p>2.5 When compiling the information specified in Disclosure 305-3, the reporting organisation shall:</p> <p>2.5.1 Exclude any GHG trades from the calculation of gross other indirect (Scope 3) GHG emissions;</p> <p>2.5.2 Exclude energy indirect (Scope 2) GHG emissions from this disclosure. Energy indirect (Scope 2) GHG emissions are disclosed as specified in Disclosure 305-2;</p> <p>2.5.3 Report biogenic emissions of CO₂ from the combustion or biodegradation of biomass that occur in its value chain separately from the gross other indirect (Scope 3) GHG emissions. Exclude biogenic emissions of other types of GHG (such as CH₄ and N₂O), and biogenic emissions of CO₂ that occur in the life cycle of biomass other than from combustion or biodegradation (such as GHG emissions from processing or transporting biomass).</p>	<p>SGX Group</p>
<p>401-1</p> <p>New employee hires and employee turnover</p>	<p>a) Total number and rate of new employee hires during the reporting period, by age group, gender and region.</p> <p>b) Total number and rate of employee turnover during the reporting period, by age group, gender and region.</p>	<p>SGX Group</p>
<p>404-1</p> <p>Average hours of training per year per employee</p>	<p>a) Average hours of training that the organisation's employees have undertaken during the reporting period, by:</p> <ul style="list-style-type: none"> i. gender; ii. employee category. 	<p>SGX Group</p>

Independent Limited Assurance Statement

GRI Standards Disclosures	Sub-indicators under "Shall" requirements (referenced as per GRI Standards)	Scope
405-1 Diversity of governance bodies and employees	<p>a) Percentage of individuals within the organisation's governance bodies in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p> <p>b) Percentage of employees per employee category in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p>	SGX Group

SASB Standards Disclosures

SASB Standards Disclosures	Sub-indicators under "Shall" requirements (referenced as per SASB Standards)	Scope
Promoting Transparent & Efficient Capital Markets	FN-EX-410a.1 (1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility.	
Managing Conflicts of Interest	FN-EX-510a.1 Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	SGX Group
Managing Business Continuity & Technology Risk	FN-EX-550a.1 (1) Number of significant market disruptions and (2) duration of downtime.	
	FN-EX-550a.2 (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected.	

SGX Management's responsibilities

SGX Management is responsible for selecting Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with SGX as of 22 April 2022 and associated addendums dated 12 August 2022, 30 March 2023, 21 August 2023 and 26 August 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Independent Limited Assurance Statement

Our independence and quality control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

1. Inquiries with SGX's Sustainability teams to
 - a. Understand principal business operations,
 - b. Appreciate key sustainability issues and developments,
 - c. Map out information flow for sustainability reporting and the relevant controls,
 - d. Identify data providers with their responsibilities, and
 - e. Recognise the likelihood of possible manipulation of sustainability information and data.
2. Virtual meetings with SGX's data stakeholders and management.
3. Process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms, assessing and testing the controls in relation to the Subject Matter in the Report.
4. Interviews with employees and management in SGX (Sustainability and Sustainable Finance, Human Resources, Operations and Technology, and Legal, Compliance & Corporate Secretariat) to understand key sustainability issues related to the selected indicators and processes for the collection and accurate reporting of performance information.
5. Obtaining of documentation through sampling methods to verify assumptions, estimations and computations made by management in relation to the Subject Matter in the Report.
6. Checking that data and statements had been correctly transcribed from corporate systems and / or supporting evidence, into the Report.
7. Obtaining of third-party reports, invoices and confirmations in relation to the Subject Matter in the Report.
8. Relying on SGX's management representation letter on the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Independent Limited Assurance Statement

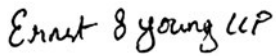
Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 28 August 2024 for the year ended 30 June 2024, in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of the Management of SGX and is not intended to be and should not be used by anyone other than those specified parties.

Ernst & Young LLP



Signed for Ernst & Young LLP by
Praveen Tekchandani
Partner, Climate Change and Sustainability Services
Singapore
28 August 2024

Independent Limited Assurance Report

Singapore Exchange Limited ("SGX")

28 August 2024

Independent Limited Assurance Report on SGX's 2024 Greenhouse Gas ("GHG") Emissions Report

To the Management of SGX

Scope

We have been engaged by SGX to perform a 'limited assurance engagement', as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the accompanying GHG Emissions Report of SGX's 2024 Sustainability Report for the period from 1 July 2023 to 30 June 2024 ("FY2024") ("the Report") as set out in the Subject Matter and Criteria section below as of 24 June 2022 and associated addendums dated 30 March 2023, 16 June 2023, 21 August 2023 and 26 August 2024.

Subject Matter and Criteria

The criteria ("The Criteria") for our assurance evaluation are as follows:

- GHG Protocol Corporate Accounting and Reporting Standard for GHG inventories, and
- ISO 14064-3 Specification with guidance for the validation and verification of GHG assertions

The Subject Matter is set out in the table below:

Greenhouse Gas Emissions Disclosures

Greenhouse Gas Emissions	Coverage	Scope
Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> ▪ Direct emissions from sources owned or controlled by SGX (e.g. stationary combustion emissions, fugitive emissions, mobile combustion emissions). ▪ Generation of Scope 1 emissions: 32.09 tCO₂e¹. 	SGX Group ²
Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> ▪ Indirect emissions from electricity consumption and purchased cooling³. ▪ Generation of Scope 2 emissions (Location-based): 3,946.53 tCO₂e. ▪ Generation of Scope 2 emissions (Market-based): 3,946.53 tCO₂e⁴. 	
Other indirect (Scope 3) emissions⁵	<ul style="list-style-type: none"> ▪ Indirect emissions from purchased goods and services, capital goods, waste generated in operations, employee commuting, domestic and international air travel (business travel) for business purposes and downstream leased assets (electricity consumption from space leased out at data centre). ▪ Generation of Scope 3 emissions: 14,372.19 tCO₂e. 	SGX Group
Total GHG emissions	<ul style="list-style-type: none"> ▪ Total Scope 1, Scope 2 (Location-based), Scope 3⁵ emissions: 18,350.80 tCO₂e. ▪ Total Scope 1, Scope 2 (Market-based), Scope 3⁵ emissions: 18,350.80 tCO₂e⁴. 	

As part of our scope of limited assurance, we have conducted the verification of the GHG emission figures stated above.

SGX Management's responsibilities

SGX Management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the GHG statement, such that it is free from material misstatement, whether due to fraud or error.

¹ tCO₂e refers to the tonnes of carbon dioxide equivalent. Carbon dioxide equivalent is a standard unit for calculating GHGs such as carbon dioxide, methane in a common unit.

² SGX Group under the audit scope comprises all SGX Group entities, including overseas offices and acquired subsidiaries. SGX Group uses an 'Operational Control' boundary for the GHG reporting.

³ Excludes Scope 2 emissions for SGX-owned spaces that are leased to tenants (downstream assets).

⁴ EY observed that SGX intends to reduce Scope 2 emissions through an agreement for the purchase and retirement of 1,490 Singapore Renewable Energy Certificates (RECs), which is expected to correspond to a reduction of 621 tCO₂e. At the time of disclosure, the RECs have not yet been procured or retired. However, SGX presented an agreement with a REC vendor; the agreement highlights that the RECs will be procured and retired by December 31, 2024.

⁵ The assurance scope for other indirect (Scope 3) emissions only covers purchased goods and services, capital goods, waste generated in operations, employee commuting, domestic and international air travel by employees and downstream leased assets.

Independent Limited Assurance Report

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

Our engagement was conducted in accordance with *International Standard for Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410")*, and the terms of reference for this engagement as agreed with SGX on 24 June 2022 and associated addendums dated 30 March 2023, 16 June 2023, 21 August 2023 and 26 August 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our independence and quality control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance review.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

1. Inquiries with SGX's Sustainability teams to
 - a. Understand principal business operations,
 - b. Appreciate key GHG accounting-related issues and developments,
 - c. Map out information flow for GHG reporting and the relevant controls,
 - d. Identify data providers with their responsibilities, and
 - e. Recognise the likelihood of possible manipulation of GHG accounting-related information and data.

Independent Limited Assurance Report

2. Virtual meetings with SGX's data stakeholders and management.
3. Process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms, assessing and testing the controls in relation to the Subject Matter in the Report.
4. Interviews with employees and management in SGX (Sustainability and Sustainable Finance) to understand key GHG accounting-related issues related to the selected indicators and processes for the collection and accurate reporting of performance information.
5. Obtaining of documentation through sampling methods to verify assumptions, estimations and computations made by management in relation to the Subject Matter in the Report.
6. Checking that data and statements had been correctly transcribed from corporate systems and / or supporting evidence, into the Report.
7. Obtaining of third-party reports, invoices and confirmations in relation to the Subject Matter in the Report.
8. Relying on SGX's management representation letter on the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

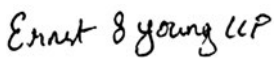
Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 28 August 2024 for the year ended 30 June 2024, in order for it to be in accordance with The Criteria.

Restricted use

This report is intended solely for the information and use of the Management of SGX and is not intended to be and should not be used by anyone other than those specified parties.

Ernst & Young LLP



Signed for Ernst & Young LLP by
Praveen Tekchandani
Partner, Climate Change and Sustainability Services
Singapore
28 August 2024



Singapore Exchange Limited
Company Reg. No. 199904940D

2 Shenton Way
#02-02 SGX Centre 1
Singapore 068804

tel: +65 6236 8888
fax: +65 6535 6994
sgx.com/first