

SINGAPORE
EXCHANGE
SUSTAINABILITY
REPORT

2015

 July 2014 - June 2015

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About this Report

This SGX Sustainability Report 2015 adheres to the reporting principles of the Global Reporting Initiative's G4 "comprehensive" framework. The content and data are for the Singapore-based operations of Singapore Exchange Limited ("SGX") for the period 1 July 2014 to 30 June 2015, unless stated otherwise.

Sustainability Reporting Process

Our sustainability performance is supervised by the Sustainability Committee and the sustainability reporting process is managed by the Investor Relations team. The SGX Chairman is involved in the corporate disclosure process and works closely

SGX has produced a sustainability report annually since 2011 and our previous report was published in 2014.



Please refer to
Sustainability Report 2014

No performance data has been restated in this report, although we have restated selected strategic and governance content to provide context for the reader.

The entities included in our consolidated financial statements published in the SGX Annual Report 2015, which are not included within this Sustainability Report, are: all of SGX's overseas operations and our off-site data centres, which are managed by third parties.

with the CFO and Investor Relations team on the Annual Report, which includes the Sustainability Report.

The SGX Sustainability Committee reviews the option for external assurance of its sustainability report annually. GRI does not require external assurance and this year SGX has chosen not to get such assurance.

For any queries regarding SGX's sustainability reporting, please contact us at sustainability@sgx.com.



Please refer to
Annual Report 2015

This year's reporting scope has been increased beyond our company's operations to include our regulatory role of sustainability disclosure by companies listed on SGX and Catalist.

Statement from the Chair of the SGX Sustainability Committee

Welcome to the SGX Sustainability Report 2015. Our report this year explores the themes of resilience and leadership, and how they relate to SGX's sustainability efforts. By effectively managing relevant non-financial risks, we make our business more resilient and sustainable. As a frontline regulator of the Singapore capital market, we actively play a leading role in promoting sustainability in Singapore.

Business Resilience

Managing our non-financial risks is a continuous process of monitoring and reviewing our Environmental, Social and Governance (ESG) performance. When we track our ESG data we have a much better understanding of how our operations affect the world and various stakeholders around us. By setting goals for improvement, we aim to ensure that we manage our non-financial risks responsibly. We have reporting structures in place to address significant and material ESG issues as they arise.

- Our environmental performance this year has been good. Our aim of decoupling electricity consumption from business growth is achieved and we have set targets for FY2016 to improve upon our success.
- Our workforce performance indicators have also been good. Our aim for next year is to synthesize our employment practices and policies into one cohesive talent strategy, which we will then make public.
- We continue to uphold high standards of corporate governance, both within our organisation and as a frontline regulator of listed companies.

Sustainability Leadership

SGX adopts a leadership position on sustainability reporting as we recognise our unique ability to influence the sustainability practices of companies listed on our exchange. We are progressing in developing new listing rules on sustainability disclosure according to a revised Guide, which will enhance the sustainability efforts of our listed companies.

Another of our over-arching aims this year is to make more of our ESG policies publicly available, so as to demonstrate our commitment to sustainable, resilient business practices.

In summary, we remain committed to our focus on sustainability, in order to make our business more resilient and responsible. We intend to lead and influence our listed companies in sustainability reporting. With the publication of this annual report, we are now one of the first listed companies in Singapore to publish an integrated report.

Our sustainability journey continues.

Chng Lay Chew

CFO and Chair of the SGX Sustainability Committee

Sustainability and SGX

About SGX

Singapore Exchange Limited is a full-service exchange operating trading platforms and clearing houses for both securities and derivative products. Headquartered in Singapore, we have offices in Hong Kong, London, Tokyo, Beijing and Mumbai. We have five major business lines, offering products and services which cover the entire value chain of the exchange business across the major asset classes of equities, commodities, fixed income and currencies.

Supply Chain

Our business inputs include: two offices in Singapore, data centre facilities, manpower from 658 employees, 1,318 vendors such as telecommunications providers, and utilities to deliver a range of exchange-related services.

There have been no significant changes in our supply chain structure in the last reporting period. You can read more about SGX's operations, financial performance and legal structure in our Annual Report 2015.



Please refer to
Annual Report 2015

Our Values and Ethics

A key factor in maintaining high standards of governance at SGX is ensuring that all employees are fully cognisant of SGX's standards and expected behaviours. All employees receive an induction when they join SGX, which includes an explanation of the 'Code of Conduct and Ethics', the 'Code of Confidentiality', and when relevant to the employee's role they also receive a copy of the 'Code of Dealing' and the 'SRO Conflicts Handbook'.

Key inclusions in the 'Code of Conduct and Ethics' are: conflicts of interest

(which covers giving/receiving gifts and entertainment); confidential information; public relationships and communications; protection of SGX's assets; accuracy of books and records; internal controls; cooperation with authorities; compliance with laws; and, good work environment (which covers respect at work and anti-discrimination).

These Codes are the foundation of high levels of business integrity and in this reporting year there were no cases of bribery or corruption in our business, no cases of anti-competitive behaviour and no fines for non-compliance with the law.

Governance of Sustainability at SGX

Sustainability is a journey for every company, on which they aim to improve their non-financial performance. This journey comprises many small steps and milestones towards agreed sustainability goals. At SGX the goals and direction for this journey are set by the Sustainability Committee. Led by the CEO, the Committee also draws on the expertise of the Chief Financial Officer, Chng Lay Chew; Chief Regulatory Officer, Tan Boon Gin; Head of Human Resources, Arulraj

Devadoss; and, Head of Marketing & Communications, Teo Ai June. The Committee Secretary is Darrell Lim, Head of Investor Relations.

The CEO reports sustainability progress, issues and stakeholder feedback to the Board at their regular meetings.

The Sustainability Committee meets quarterly and on an ad-hoc basis as required. The sustainability budget is incorporated into the respective accountable department's operating budgets, except when a significant additional investment is required, in which case the Sustainability Committee will approve the additional budget.

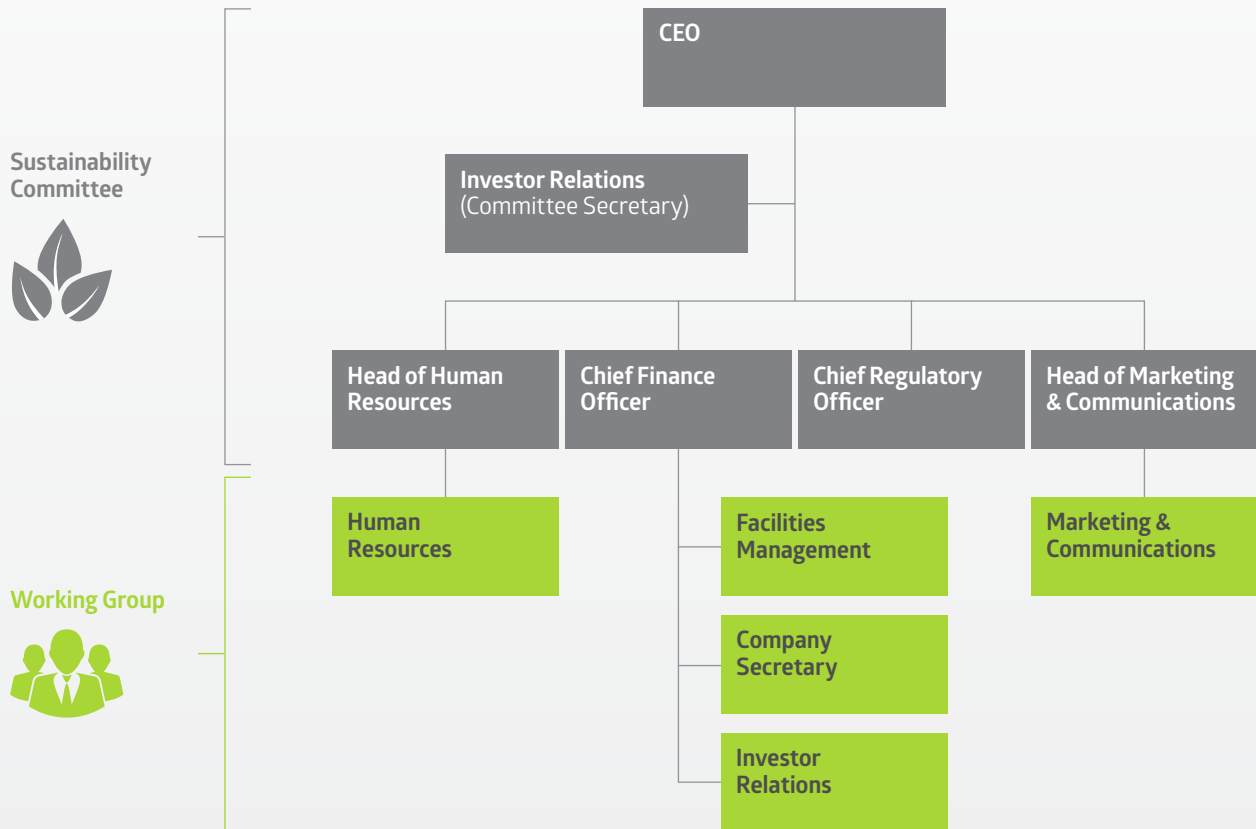
The Sustainability Committee is supported by a Sustainability Working Group to implement strategies and measure performance. The Working Group includes representatives from Human Resources, Communications, Facilities Management, Investor Relations, and Company Secretary.

More information about SGX's corporate governance and board is available in our Annual Report 2015.



Please refer to
Annual Report 2015

Sustainability and SGX



Economic Value	
Generated	Distributed
Revenues	Operating costs
	Compensation & Benefits
	Payments to capital providers
	Taxes
	Community Investments
S\$778,893	S\$439,619

(Accrual based, for FY2015)

Financial Resilience

SGX's sustainability encompasses financial sustainability along with the other non-financial ESG aspects. It is imperative that SGX is financially sustainable and that our business model creates value. You can read more about our financial performance and value creation in our Annual Report 2015.

In FY2015, SGX received S\$118,817 in financial support from the Singapore government in the form of grants.

Our Impacts

SGX's products and services help support a resilient and thriving economy. It is our responsibility to regulate the marketplace fairly to avoid conflicts of interest and to encourage the highest standards of corporate governance amongst the listed companies.

An exchange provides companies with the facility to raise capital for growth through selling shares to the investing public. By enabling this

flow of financial capital, SGX plays a role in economic growth. But our role is much greater than providing a listing and trading platform. SGX regulates the market, and ensures that the market is fair and transparent to all parties – investors and issuers. In so doing, we inculcate high standards of corporate governance and ethics. The result is zero-to-no incidents of bribery or corruption and high levels of compliance. These standards are aligned to the law-abiding culture of Singapore.

Our financial reporting for FY2015 is available in our Annual Report 2015. Our direct financial impact is summarised by our Economic Value Generated and Distributed calculation.

SGX has other impacts beyond enabling economic prosperity and regulating the marketplace. We employ over 600 people, we procure products and services from numerous suppliers, we consume materials, electricity and water, and we are a member of the community in which we operate.

Our Risks

SGX has a robust enterprise risk management system in place, which is overseen by our Chief Risk Officer. You can read our Risk Management Report in our Annual Report 2015. This enterprise risk management is supplemented by our stakeholder engagement and materiality assessment, which flag ESG risks. The Board of SGX reviews the risks identified by this process, on a quarterly basis and our approach to sustainability risk management is precautionary: that is, if we are not sure of the potential impacts of our planned actions, we choose not to implement them.

SGX's operations are not exposed to higher-than-average climate change risks; however, Singapore is a low-lying city State which is naturally vulnerable to the

effects of climate change. As such, we refer to the policies and guidance issued by the National Climate Change Secretariat of Singapore and we aim to manage our own environmental footprint.

Our business relies on recruiting and retaining the best people to deliver high calibre services. Talent attraction and retention is therefore of critical importance in a highly competitive financial hub such as Singapore.

Regulating ESG disclosure by listed companies presents both a risk and an opportunity for SGX. Sustainability reporting is not widely adopted by companies in Singapore and such degrees of transparency and disclosure are not widespread. By making sustainability reporting a listing requirement, we risk deterring companies listing on SGX. However, SGX firmly believes that greater transparency and disclosure of material, non-financial risks is of interest to a wide range of investors and it will improve the quality of the companies listed on our exchange.

Our Opportunities

The SGX management team and Sustainability Committee regularly review opportunities relating to sustainability, both in terms of managing our sustainability performance and potential products and services which we could offer.

For example, the introduction of a new listing rule for sustainability reporting may be regarded as a risk by some, but we see it as an opportunity to further demonstrate the quality of the issuers listed on SGX. Greater transparency by listed companies will attract more investors and build trust in the community.

We periodically review the many opportunities for SGX to be involved

in the broader sustainability agenda. We speak at and attend sustainability conferences in the region; we attended the UN's Sustainable Stock Exchange annual meeting in July 2015; we monitor the development of sustainability indices; and, we keep abreast of innovative financial products and services, such as impact investing.

The diversity of our workforce is a differentiator for SGX and represents an opportunity for us to lead by example. Our workforce is balanced in terms of gender, age, ethnicity and nationality and such diversity is integral to our corporate culture; we embrace different perspectives and retain an international mind-set in a local context. SGX advocates for board diversity by supporting the Singapore BoardAgender initiative and playing an active role in the Diversity Action Committee.

Participating in the Sustainability Dialogue

SGX contributes to the development and advocacy of improved ESG practices. We do this in many ways, including:

- Developing a listing rule to require sustainability disclosure by issuers
- Participation in the Singapore Diversity Action Committee and BoardAgender
- Hosting public ESG events in the SGX Auditorium, such as:
 - An investor briefing, co-hosted with WWF
 - Natural Capital seminar
 - Integrated Reporting seminar for the Investor Relations Professional Association of Singapore
- Public speaking at sustainability and ESG events:
 - Singapore Compact for Corporate Social Responsibility Summit, October 2014
 - Dialogue on Sustainable World Resources, Singapore Institute of International Affairs, May 2015
- Attendance at the United Nations' Sustainable Stock Exchange Global Dialogue, Geneva 2014

Sustainability and SGX

- Singapore Corporate Awards (SCA). The SCA was launched in September 2005 as the umbrella awards for exemplary corporate governance practices in Singapore. The SCA include the Best Annual Report Award (ARA), Best Managed Board Award (BMBA), Best Chief Financial Officer Award, Best Investor Relations Award, and Best Chief Executive Officer Award.

Collectively, the SCA is organised by The Business Times and supported by Singapore Exchange along with partners from other businesses in Singapore.

Stakeholder Engagement and Materiality

This year we engaged our shareholders on ESG topics through an investor perception study. We also reviewed two ESG reports on SGX, which were produced by independent research agencies. And further

stakeholder engagement is being conducted by SGX in an extensive Public Consultation as part of the development of a new Listing Rule on sustainability reporting. This process will engage issuers, investors, sustainability practitioners and the wider public on the subject of our role as market regulator and our influence on the sustainability disclosure practices of companies listed on SGX and Catalist.

Investor Perception Study

SGX conducts a regular investor perceptions study and this year we included questions relating to Environment, Social and Governance ("ESG") themes. This study was conducted by a third party organisation who spoke to 12 investment professionals from Singapore, Hong Kong, USA and UK. The investors said that:

- SGX is a good market regulator
 - 66% of the investors who commented on SGX's role as

regulator said that we fulfil this role effectively

- One of the 12 investors urged SGX to move towards a 'comply or explain' approach to ESG disclosure by listed issuers. This same investor stated that our own ESG performance is immaterial compared to our role as regulator
- Not all investors consider ESG in their decision-making
 - 50% of the investors said that they did not use ESG criteria in their investment decision-making
 - Of the 50% who do use ESG criteria, the majority focus on governance performance (the "G" of ESG)
- More transparency and disclosure is required
 - Some of the investors who were engaged in the study said that SGX should be more transparent about risk management and anti-bribery and corruption policies.

Summary of Stakeholder Engagement

Interests raised by stakeholder	Our response	Read more
Regulate ESG	SGX is developing a new Listing Rule which will require all issuers to 'comply or explain' with non-financial disclosure requirements. The findings of the Public Consultation will be used to shape the new Listing Rule.	In New Listing Rule for Improved Sustainability Disclosure section of this report.
Governance is material	SGX continues to uphold the highest standards of corporate governance and we advocate for similar high standards from all listed companies.	Our corporate governance report is in the Annual Report and there is a description of our regulation and advocacy activities in the Governance section of this report.
Publish policies	SGX's Sustainability Committee has agreed to make more of the organisation's ESG policies publicly available.	In ESG Scorecard: Performance and Targets for Improvement section of this report.
Human capital strategy	SGX has many human resources and responsible employment practices and policies. We have set a target to bring these policies together in a cohesive human capital strategy.	In the Workforce section of this report.

Independent ESG Research

SGX received two reports which were conducted by independent ESG research agencies and which evaluated our ESG performance based on publicly available material. The two reports stated that:

- SGX is a leader in corporate governance
 - Both researchers stated that SGX's corporate governance and advocacy were exemplary. In one report, SGX was described as an 'outperformer'; whilst in the other SGX's rating had been upgraded because of its corporate governance practices.
- Policies relating to SGX's ESG performance should be made publicly available
 - Both reports looked for online or publicly available policies on a range of ESG topics, such as an environmental policy, anti-bribery and corruption policy, human resources policy.
- Human capital development strategy is required
 - Both researchers said that because SGX is heavily dependent on skilled employees, a specific strategy on human capital development should be made available.

Public Consultation

In May 2015, SGX announced the details of a consultation process to

develop a "Comply or Explain" Listing Rule for sustainability reporting and a review of the existing Guide to Sustainability Reporting for Listed Companies (the "Guide"). Shortly after this announcement, SGX launched a process to gather feedback from a range of stakeholders on sustainability which will be aggregated and considered in the drafting of the Listing Rule and a review of the Guide. The Listing Rule and the reviewed Guide are expected to be finalised by the end of 2015.

The consultation exercise will engage a wide range of organisations and individuals, including issuers, investors, sustainability professionals and the public, to gain a solid understanding of stakeholders' expectations and needs from the new Listing Rule. The aim of the process is to gather feedback that will result in a Listing Rule and Guide that is well understood and beneficial to SGX's issuers.

Material Aspects

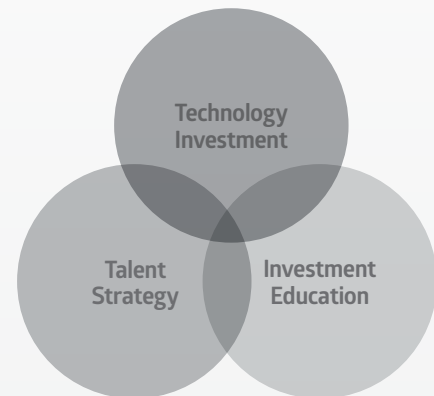
The SGX Sustainability Committee reviewed the stakeholder feedback and also considered the organisation's strategic imperatives. The following were agreed to be the most material ESG aspects for SGX, referring to the GRI G4 framework.

Economic	Environmental	Social	
		Workforce and Labour	Governance and Ethics
Economic performance	Energy	Employment	Corporate governance*
Market presence		Labour relations	Anti-corruption
Indirect economic impacts*		Training and education	Public policy*
Procurement practices		Diversity and equal opportunity	Customer privacy
		Non-discrimination	Local communities
		Equal remuneration	Compliance
		Grievance mechanisms	

* All material aspects are reported on for the Singapore-based operations of Singapore Exchange Limited, except for Aspects where our regulatory role is recognised to impact beyond our Company, such as indirect economic impacts, corporate governance and public policy for companies listed on SGX.

Resilience

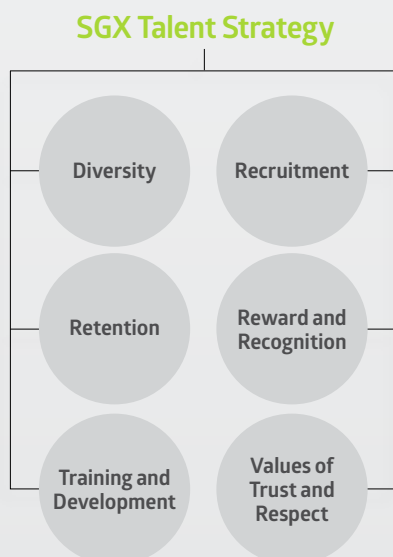
Business continuity in a changing world is a multifaceted challenge for any organisation, which consists of managing flux in talent pipelines, technology, and customer awareness. Our strategy for remaining resilient throughout these changes includes making sure that SGX is a great place to work, investing in technology, and educating the investing public.



Building a Better Business Environment:
SGX's Strategy for Resilience

Talent Strategy


SGX's talent strategy aims to ensure that we have a diverse and skilled workforce, who enjoy and contribute to the SGX culture of trust, respect and transparency. We operate in one of the most competitive sectors for talent, where employees in the international financial services sector have highly sought-after skills, and we must be at the forefront of responsible employment practices to retain our employees.



We have many policies and practices in place, which make SGX a great place to work.

- Annual appraisals and performance review for all employees
- Training and development available for all employees, regardless of seniority
- High standards of people management
- Competitive compensation and benefits
- A diverse workplace with 'equal pay for equal work', which is engendered by a non-discrimination policy
- Regular employee communications, hosted primarily on our company intranet
- Extra-curricular activities, such as the SGX Bull Charge, lifestyle seminars and employee engagement activities

You can read more about our labour practices and performance in the ESG data section of this report.

 Please refer to
ESG Data section

SGX Academy: Educating the Investing Public

In 2015, SGX continued to roll out more retail investor education

initiatives through the SGX Academy and its partners. Overall education outreach grew to 140,000, which was a 56% increase on the previous year. This was achieved through new education channels with partners and new education platforms such as e-tutorials and education carnivals. Highlights of our SGX Academy activities include:

- Continued partnership with the National Library Board (NLB). SGX Academy conducts 'Basics of Investing Seminars' and sector education seminars at various regional libraries to reach out to the heartlands and equip the public with investing knowledge. More than 20 sessions of such seminars were conducted, attended by more than 2,000 participants
- Two stock carnivals targeting the Never Invested but Interested (NIBI) segment which provided basic investing knowledge through guided exhibitions, on-site seminars and games to help the public gain basic investing knowledge and take their first step in investing. The carnivals attracted a total of about 12,000 participants (6,000 each)
- New education partners in FY15 include SIM University (UniSIM),

National Institute of Education NIE and REIT Association of Singapore (REITAS)

- Investor Education Day co-hosted with NIE targeted tertiary students, attracting over 1,500 participants
- SGX partnered with National Institute of Education (NIE) to equip teachers with investment knowledge, through an eight-part financial and investment education programme. The partnership is expected to progressively benefit more than 30,000 teachers and trainee teachers
- SGX Academy launched new fun and easy-to-understand on-line education tutorials covering topics such as Basics of Trading and Investing, Riding Market Cycles, ABC's of Stock Valuation, Behavioral Analysis and Market Timing, Making the First Trade, and Participating as a Shareholder. The 10 tutorials launched in Sep 2014 have garnered about 90,000 views including regional viewers.

Business Continuity

Our role is to provide a reliable and fast platform for trading, which enables the flow of capital. We do this by providing consistent technological and regulatory services. In the second quarter of this financial year, SGX experienced two technology-related service disruptions, on 5 November and 3 December 2014. The SGX Board appointed a Board Committee of Inquiry (BCOI) to review the 5 November disruption. The BCOI appointed independent experts to assist in its investigations, including the review of SGX's management of the technical, operational and communications issues. Concurrently, SGX undertook investigations into the root causes and corrective actions, to ensure operational resilience and to avoid any recurrence.

In March 2015, the BCOI completed its investigations and submitted its report to the MAS. In June 2015, the BCOI report was published.

MAS reprimanded SGX for lapses related to the market outages, and directed SGX to improve its recovery capabilities and processes. There will be a moratorium on fee increases for the Securities and Derivatives markets until the improvements are completed. As announced by MAS, SGX has also contributed \$1 million to its Investor Education Fund.

MAS determined that while SGX has met its primary obligation as an exchange to maintain fair, orderly and transparent markets, it fell below service recovery standards on both incidents. SGX is committed to make improvements to enhance overall resiliency and incident management. These include enhancing processes and resources to improve business continuity, incident management and the timeliness and effectiveness of crisis communications. SGX regrets the market disruption and inconvenience caused by the breakdown and has accepted the recommendations from MAS and the BCOI.

Operational Efficiency

In addition to the three areas of focus for our business resilience (described above), operational decisions regarding our efficiency and productivity contribute to our long-term resilience. For example, we have the highest green building standards possible¹ for our two office locations in Singapore, using the BCA Green Mark accreditation framework. And we prioritise electricity saving measures with our non-essential technologies, such as the plasma media walls in the SGX Centre, which are turned off outside core office hours.

¹ Within the constraints of the existing architecture and infrastructure

Leadership – Towards More Sustainable Businesses

Corporate Governance

SGX is a leader in corporate governance, both in terms of our corporate governance of Singapore Exchange Limited as market regulator and bastion of the good governance of listed companies.



Refer to the Corporate Governance section of our Annual Report

Singapore's corporate governance practices rank 2nd in the Asian Development Bank's ASEAN scorecard, and SGX is acknowledged for playing a critical role in the Singapore Corporate Governance Framework. These high standards of corporate governance result in a marketplace which is transparent, fair and competitive, with low levels of bribery or corruption and high degrees of disclosure.

New Listing Rule for Improved Sustainability Disclosure

SGX has been tracking global developments in responsible and ESG investment practices. We believe that transparent companies attract

better investors and for this reason we are taking measures to encourage listed issuers to disclose more non-financial data. In 2015, we are undertaking a wide-reaching public consultation with listed companies and investors to establish stakeholders' needs, interests and concerns regarding sustainability reporting. The findings from the consultation process will inform our development of a new listing rule asking companies to comply by producing a report on non-financial performance according to a Sustainability Guide, or explain what they do instead. This regulatory step will place SGX alongside other leading exchanges which are part of the Sustainable Stock Exchange initiative.

Raising the Bar for Our Supply Chain

SGX is further demonstrating sustainability leadership by seeking to understand the ESG footprint of our supply chain. In 2014 we set ourselves a target to introduce sustainability screening to our procurement process. We developed

the survey and all suppliers for new contracts are required to have completed it. It evaluates the suppliers' performance and commitment to sustainable business practices. This survey encourages improved ESG disclosure by our suppliers and sends a signal to our supply chain that we value sustainable business practices.

Diversity Action Committee

SGX advocates diversity at all levels; diversity in gender, age, nationality and ability brings breadth and depth to an organisation's outlook and skills. The diversity of SGX's organisation is reported in the ESG scorecard. We are also leading contributors to Singapore's diversity agenda. Until July 2015, our former CEO Magnus Böcker was chair of the Diversity Action Committee ("DAC"). Ms Yeo Lian Sim is a member of the Committee. The DAC was formed in 2014 with the objective of building up the representation of women directors on company boards.



Legislation

- The Companies Act
- Securities and Futures Act



Monetary Authority of Singapore

- Code of Corporate Governance (2012)




SGX

- Singapore Exchange Listing Rules

Singapore's Corporate Governance Framework
(Adapted from ADB's ASEAN Corporate Governance Scorecard)

ESG Scorecard: Performance and Targets for Improvement

The following sections report on SGX's sustainability performance under the three pillars of Environment, Social and Governance. We have reported on these data over the last four years. This section also includes an update on our performance against targets set in 2014, along with targets for improvement going forward.

 Please refer to our previous years' Annual Reports for full details

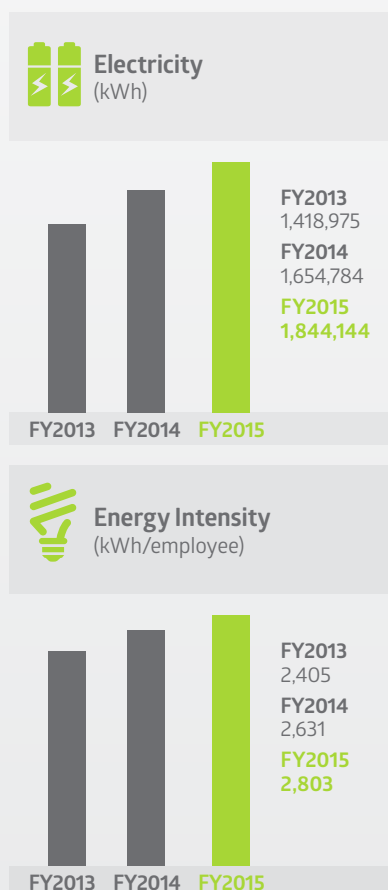
Environment



SGX's environmental performance encompasses consumption of electricity, water and paper, and the recycling of paper.

The CFO's team measures and reviews the intensity of each component per employee to track if our consumption and recycling are aligned to the size of the workforce.

One of our biggest challenges is balancing the commercial need to invest in and improve our IT infrastructure for business resilience versus our aim to minimise our energy footprint.



Electricity

There was an 11% increase of electricity consumption from 2014 to 2015 for two reasons:

- 1 We invested in IT infrastructure to improve our business resilience, increasing our equipment by almost 40%.
- 2 The number of full-time employees and contractors increased.

This equated to an increase in energy intensity (electricity per SGX employee) of 7% since 2014. The intensity calculation does not reflect the number of contractors working for SGX.

As part of the renovation of SGX Centre, completed in 2014, we installed a plasma screen media wall to transmit real-time market data. Although this data feed reflects the 24/7 nature of our business, we have prioritised energy efficiency over its constant operation and it is only operational during core business hours. This has resulted in energy savings of 1,997 kWh/month, equivalent to 1.3% of total annualised consumption. This has the added benefit of prolonging the lifespan of the plasma screens.

We have reduced our air-conditioning consumption, resulting in a savings of 9,880 kWh/month, equivalent to 6.4% of total annualised consumption.

ESG Scorecard: Performance and Targets for Improvement

Paper

As a service-based industry we procure very few raw materials, but we do use consumables such as paper. All the paper stocks used internally at SGX are from FSC-certified sustainable sources. The volume of paper procured by SGX has decreased by 6% since 2014, equivalent to a 9% decrease in the volume of paper procured per SGX employee, since 2014.

Water

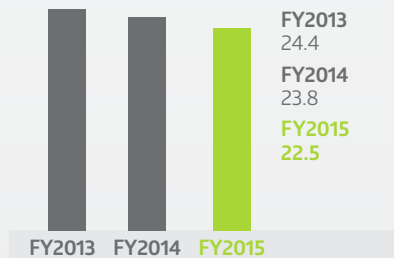
The volume of water consumed by SGX has increased by 10% since 2014 and the volume of water per employee has increased by 5%.

Again, this is due in part to an increased workforce. Another possible reason for the change in reported water consumption is improved measurement techniques. Thanks to improved

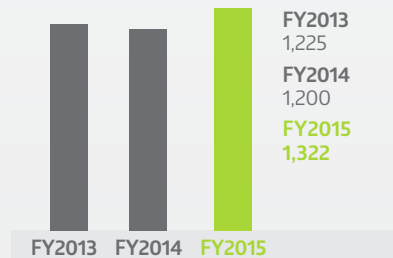
water metering technology in our newer Metropolis office, we have more accurate water readings than in previous years. We continue to base our water consumption at SGX Centre on an estimate based on pro-rated office floor space.



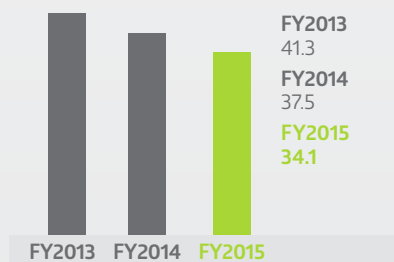
Office Paper Procured
(ton)



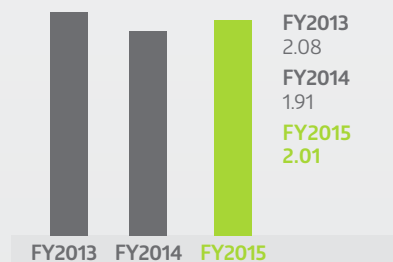
Water
(m³)



Office Paper Intensity
(kg per employee)



Water Intensity
(m³ per employee)



Environmental Targets

Target (set for FY2015)

- 1 Meet and maintain the BCA Green Mark Platinum accreditation for our new premise at Metropolis Tower Two, and to bring up the standard of the SGX Centre One to BCA Green Mark Gold Plus



- 2 Monitor our energy footprint and ensure that it is aligned to business growth



- 3 Introduce sustainability procurement survey for all SGX suppliers



Performance Update

Partially achieved

We expect to receive BCA certification in July 2015. The Green Mark assessment process highlighted that the 'Gold Plus' standard was unattainable for SGX Centre, due to constraints in the old building design.

Missed

From 2014 to 2015 our electricity intensity per employee increased by 7%; our water intensity increased by 10%.

The electricity increase was due to 40% more IT equipment, required for business resilience, and more people working for SGX. The increase in reported water consumption is in part due to more accurate metering technology and also due to the increased number of people working for SGX.

Completed

SGX asks all new vendors to complete a sustainability survey. All vendors with whom we are renewing contracts are also asked to complete the survey.

Environmental Targets for FY2016

- Review options for an energy audit of SGX offices
- Reduce consumption (on 2015 baseline) of:
 - Electricity by 5%
 - Paper by 5%
- Develop and publish an environmental policy

ESG Scorecard: Performance and Targets for Improvement

Social



SGX's social performance falls under two main areas: our workforce (labour) practices and our community activities.

Workforce

Our Head of Human Resources oversees our labour practices, which includes the development of our talent strategy (see the section on Resilience) and the implementation of all human resource policies and processes. Excluding EMC, SGX employs 658 people on full-time contracts, which is 5% more than in 2014.

Diversity

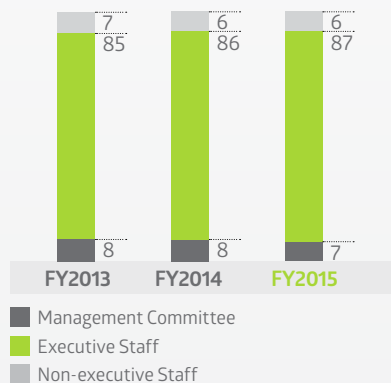
SGX embraces diversity because we believe it increases the depth and breadth of our workforce's skills and perspectives. Our gender, age and seniority demographics are reported in the charts below. We have had zero incidents of discrimination at SGX.

Recruitment and Attrition Rates

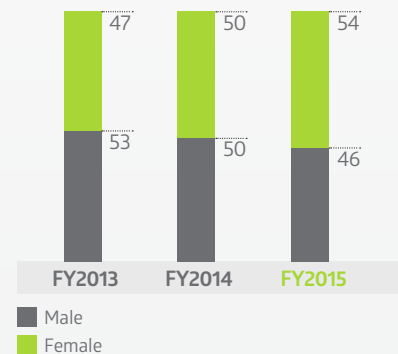
We hired 108 new employees (16.8%) in FY2015, and 78 employees left SGX (12%, compared to an average employee turnover rate of 15.6% in Singapore²). Our employee turnover rates are consistent year on year.

² <http://www.haygroup.com/sg/press/details.aspx?id=38222>

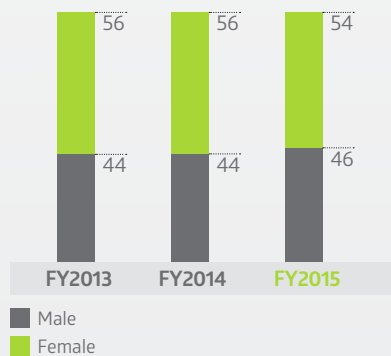
SGX Employees by Seniority (%)



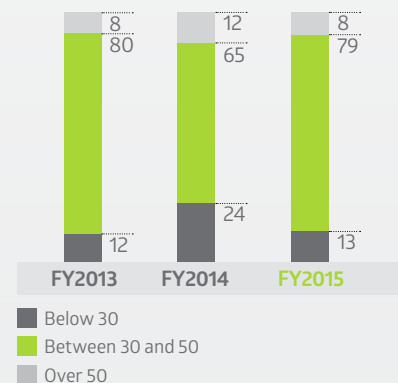
Voluntary Departure by Gender (%)



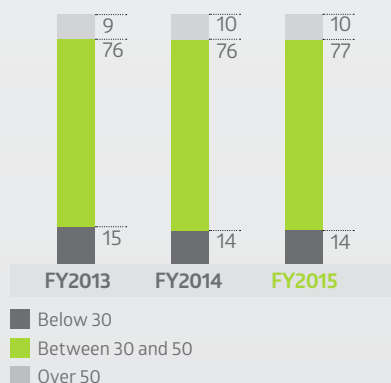
Employee Gender Diversity (%)



Voluntary Departure by Age (% years old)

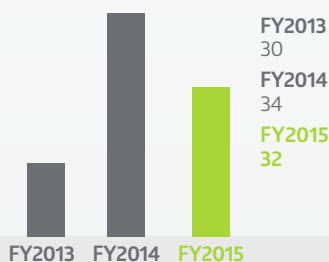


Employees by Age (% years old)

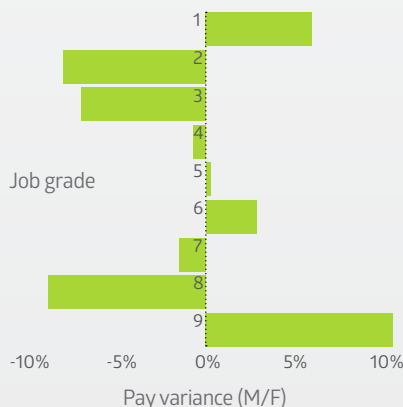




Average Training per Employee (hours per year)



Gender Pay Gap (across employment categories)



Note: 1 to 9 are job grades (where 1 is most senior); a positive % is in favour of male employees, a negative % indicates females earn more

Parental leave

SGX supports employees with families, aligned to the statutory maternity leave for Singaporeans which is 16 weeks, and paternity leave for Singaporeans is a share of one week of the 16 weeks' maternity leave. We also have in place flexible working schemes for female employees after their childbirth.

Training and Education

SGX employees undertook an average 32 hours of training each. In addition, employees are able to take study leave, go on sabbatical and we provide professional memberships (to Assistant Vice-President level employees and above). Our training includes courses on transferrable skills, so that employees are empowered with knowledge relevant beyond their roles at SGX. We ensure that all employees have regular (at least annually) performance reviews and career goal-setting sessions with their managers.

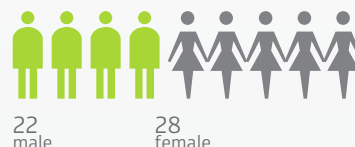
Remuneration

The Remuneration Committee (RC) has been renamed Remuneration & Staff Development Committee (RSDC). It reviews and recommends to the Board for approval matters concerning management development, succession plan and remuneration of senior management and employees and the remuneration of the Board. You can read more about the RSDC in our Annual Report 2015.

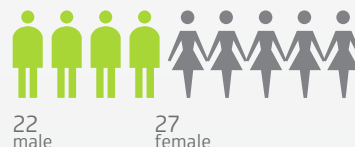
Throughout the organisation, we have an 'equal pay for equal work' philosophy to avoid any pay discrimination. There is no minimum wage in Singapore, but we pay competitive salaries aligned to the financial services sector.

The negligible gender pay gap at SGX epitomises the lack of pay discrimination in our organisation.

EMPLOYEES TAKING PARENTAL LEAVE



EMPLOYEES RETURNING TO WORK AFTER PARENTAL LEAVE



EMPLOYEES RETURNING TO WORK AFTER PARENTAL LEAVE (as a percentage of total)



ESG Scorecard: Performance and Targets for Improvement

Collective Bargaining

All employees of SGX are entitled to participate in collective bargaining agreements; 26 of SGX's full-time employees choose to do so (equivalent to 4% of our workforce). The collective labour agreement covers areas such as disciplinary procedures; employment policies (probation, termination, overtime, and so on); remuneration and allowances; leave entitlement; and other benefits.

Pensions and Benefit Plans

The Singapore government manages the Central Provident Fund, which is a social security savings plan for Singapore citizens' old age. SGX contributes to the CPF on behalf of all Singaporean employees, in lieu of having a defined benefit plan.

Grievances

All employees receive an induction when they join SGX, which includes

an explanation of the 'Code of Conduct and Ethics'. We provide a whistle-blowing and grievance mechanism for employees who want to report breaches of this Code and other incidents of non-compliance. There were no grievances or incidents of non-compliance reported this year.

Community Engagement

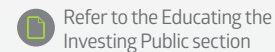
Our operations have no direct impact on neighbouring communities, however we consider ourselves to be responsible citizens. SGX continues its lasting partnerships with selected charities in Singapore. Each year we organise a fun run for the financial sector, known as the Bull Charge, to raise funds for the following charities:

- Asian Women's Welfare Association (AWWA)

- Autism Association
- Fei Yue Community Services and Shared Services for Charities

In 2014 we raised \$2,683,482 for these organisations.

We operate the SGX Academy as part of an on-going campaign to educate the investing public. Read more in the SGX Academy: Educating the Investing Public section of this report.



Social Targets for FY2016

- Formalise SGX's talent strategy
- Publish HR policies online
- Increase the hours of training per employee to 35
- Conduct an employee satisfaction survey

Social Targets

Target (set for FY2015)

- 1 Ensure that gender pay ratio for total compensation is within 10% for all job grades



- 2 Maintain gender diversity for the management committee (at least 40% female)



Performance Update

Partially completed

Target met for 8 of 9 categories. The total gender pay ratio excluding Executive Vice Presidents and above is -0.5%, (women get paid an average of 0.5% more than men). The data shows there is no systemic pay discrimination when comparing total compensation packages by gender. The variance arises from the different nature of roles across the different parts of the business.

Achieved

At the end of June 2015, the gender diversity of the management committee was 40%.

Governance



SGX prides itself in being a leader in corporate governance. We adhere to high standards of corporate governance of our company and we advocate for best practice from companies listed on SGX and Catalyst.

The Board of SGX is responsible for our corporate governance, whilst the Chief Regulatory Officer oversees the corporate governance practices of issuers.

Conduct and Ethics Policy

SGX has obligations to both the investing public to operate a well regulated market as well as to its shareholders to maximise profits. The Exchange also recognises that a key element to its success in building an enduring marketplace is to create and retain the confidence and trust of its shareholders, customers, members, the regulator and public. The only sure way we can merit such confidence and trust is to display consistent conduct of the highest ethical standard.

The SGX Conduct & Ethics Policy forms the foundation for the conduct expected of each of us in our dealings of all Exchange's matters by providing guidance on appropriate conduct for some

common ethical issues. The Policy address topics such as conflicts of interest, confidential information, public relations and communications, protection of assets, record-keeping, compliance and a good work environment.

Employees with questions about the Policy or its interpretation or have concerns on any ethical issue or conduct which are not addressed in the Policy, are expected to raise these questions and concerns to HR.

Whistleblowing

SGX has a policy intended to facilitate whistleblowing relating to improper, unethical or fraudulent conduct.

Details of this policy are available at <http://investorrelations.sgx.com/whistleblowing.cfm>.

Anti-Bribery and Corruption

All SGX employees received a copy of and training on our Code of Conduct, which clearly lays out our zero-tolerance policy for bribery and corruption.

In FY2015 there were no incidents of bribery or corruption within SGX.

Public Policy

SGX plays an active role in supporting and developing the rules of market regulation. We participate in the review and development of the corporate governance framework, which is overseen by the Monetary Authority of Singapore. We do not make any financial political contributions in any country.

Compliance

Following the power outages of the SGX trading platform in November 2014, the Monetary Authority of Singapore imposed a moratorium on raising securities and derivatives markets fees until \$20m of technology improvements have been implemented to the SGX infrastructure.

Supplier Survey

In FY2015 we launched a supplier sustainability survey, applicable to suppliers of all new (and renewing) contracts. The survey asks suppliers to provide information on environmental management, workplace practices, and corporate governance. We will monitor the results of each survey and review actions on a case-by-case basis, depending on high risks to which we are alerted.

ESG Scorecard: Performance and Targets for Improvement

Governance Targets

Target (set for FY2015)

- 1 Research and evaluate mechanisms for improving sustainability disclosure by listed companies



- 2 Lead the Diversity Action Committee regarding Women on Boards



- 3 SGX sustainability report to be independently verified



Performance Update

In progress

Initiated the 'Comply or Explain' sustainability reporting regime. A listing rule in conjunction with a Guide to sustainability reporting will be introduced to help listed companies follow and report on Sustainable practices. Target introduction is planned for 1Q 2016.

Achieved

SGX's former CEO (Magnus Böcker) was chair of the DAC until he left SGX in July 2015. Ms Yeo Lian Sim, Special Advisor to SGX, continues to be an active member of the DAC.

Missed

The SGX Sustainability Committee reviews the option for external assurance of its sustainability reports annually. GRI does not require external assurance and this year SGX has chosen not to get such assurance.

Governance Targets for FY2016

- Continue efforts to implement "Comply or Explain" on Sustainability Reporting for SGX-listed companies
- Publish anti-bribery and anti-corruption policy online

GSDs

GRI reference	Description	Location 1	Location 2
4.1	Strategy and Analysis	Statement from the Chair of the SGX Sustainability Committee	Sustainability and SGX
4.2	Impacts, risks, opportunities	Sustainability and SGX	
4.3	Organisation name	Report cover	About this Report
4.4	Brand, products, services	Sustainability and SGX/About SGX	
4.5	HQ location	Sustainability and SGX/About SGX	
4.6	Overseas operations	Sustainability and SGX/About SGX	
4.7	Ownership and legal form	Annual Report	
4.8	Markets served	Sustainability and SGX/About SGX	Annual Report
4.9	Scale of the organisation	Annual Report	ESG Scorecard/Social
4.10	Employee demographics	ESG Scorecard/Social	
4.11	Collective bargaining	ESG Scorecard/Social/Collective bargaining	
4.12	Supply chain description	Sustainability and SGX/About SGX	Annual Report
4.13	Significant changes	Sustainability and SGX/About SGX	Annual Report
4.14	Precautionary approach	Sustainability and SGX/Our Risks	
4.15	List of external ESG initiatives	Sustainability and SGX/Participating in the Sustainability Dialogue	
4.16	List of memberships	Sustainability and SGX/Participating in the Sustainability Dialogue	
4.17	List of entities in AR versus SR	About this Report	Annual Report
4.18	Defining aspect boundaries	Stakeholder engagement and materiality	
4.19	List of material aspects	Stakeholder engagement and materiality	
4.20	List of material aspect boundaries	Stakeholder engagement and materiality	
4.21	Material boundaries outside the organisation	Stakeholder engagement and materiality	
4.22	Restatements	About this Report	
4.23	Changes to scope and boundary	Stakeholder engagement and materiality	Statement from the Chair of the SGX Sustainability Committee
4.24	List of stakeholders	Stakeholder engagement and materiality	
4.25	Identification of stakeholders	Stakeholder engagement and materiality	
4.26	Approach to stakeholder engagement	Stakeholder engagement and materiality	
4.27	Key topics raised through stakeholder engagement	Stakeholder engagement and materiality	
4.28	Reporting period	About this Report	
4.29	Most recent report	About this Report	
4.30	Reporting cycle	About this Report	
4.31	Contact details	About this Report	
4.32	Core vs comprehensive	About this Report	
4.33	Assurance	About this Report	

GSDs

GRI reference	Description	Location 1	Location 2
4.34	Governance structure	Sustainability and SGX	Annual Report
4.35	Delegating authority	Sustainability and SGX	
4.36	Executive-level ESG management	Sustainability and SGX	
4.37	Stakeholders and highest governing body	Sustainability and SGX	
4.38	Board composition	Annual Report	
4.39	Chair/CEO	Annual Report	
4.40	Nomination committee	Annual Report	
4.41	Conflict resolution	Annual Report	
4.42	Role of Board in ESG	Sustainability and SGX	
4.43	Board training on ESG	Sustainability and SGX	
4.44	Board performance review regarding ESG	Sustainability and SGX	Annual Report/ Remuneration Committee
4.45	Board's role in ID of ESG issues	Sustainability and SGX/Governance of Sustainability at SGX	
4.46	Board's role in reviewing ESG risk management	Sustainability and SGX/Our Risks	Annual Report/Enterprise Risk Management
4.47	Frequency of risk review	Sustainability and SGX/Our Risks	Annual Report/Enterprise Risk Management
4.48	Most senior sign-off on SR	About this Report	
4.49	Process for communicating critical concerns with SR to the Board	Sustainability and SGX	
4.50	Number of critical concerns reported to the Board in FY2015	About this Report	
4.51	Remuneration policies	ESG scorecard/Social/Workforce	Annual Report/ Remuneration Committee
4.52	How remuneration is determined	ESG scorecard/Social/Workforce	Annual Report/ Remuneration Committee
4.53	Stakeholder consultation on remuneration	Annual Report/Remuneration Committee	
4.54	Ratio of highest-paid individual to median annual total for all employees (excl highest-paid individual)	Not reported	
4.55	Ratio of % increase in annual total compensation for the highest-paid individual to median percentage increase in annual total compensation for all employees (excl highest-paid individual)	Not reported	
4.56	Organisation's values, principles, norms of behaviour	ESG scorecard/Governance	Sustainability and SGX/ About SGX
4.57	Available advice on ethics and lawful behaviour	ESG scorecard/Governance	ESG Scorecard/ Workplace/Grievances
4.58	Whistleblower and grievance mechanisms	ESG scorecard/Governance	ESG Scorecard/ Workplace/Grievances

SSDs

GRI reference	Description	Location 1	Location 2
Economic Indicators			
EC DMA	Disclosure to Management Approach to Economic Sustainability	Annual Report	Sustainability and SGX/ Our Impacts
EC1		Sustainability and SGX/Our Impacts	
EC2		Sustainability and SGX/Our Risks	Sustainability and SGX/ Our Opportunities
EC3	Coverage of defined benefit plan obligations	ESG Scorecard/Social/Workplace	
EC4		Sustainability and SGX/Financial Resilience	
EC5	No local minimum wage	ESG Scorecard/Social/Workplace	
EC6		ESG Scorecard/Social/Workplace	
EC7		Resilience: Business Continuity	Resilience: SGX Academy
EC8		Sustainability and SGX/Our Impacts	
EC9		Sustainability and SGX/About SGX	Leadership: Raising the Bar for our Supply Chain
Environment Indicators			
EN DMA	Disclosure to Management Approach to Environment	ESG Scorecard: Environment	
EN1		ESG Scorecard: Environment/Paper	
EN2		ESG Scorecard: Environment/Paper	
EN3		ESG Scorecard: Environment/Energy	
EN4	Energy consumption outside the organisation	Not reported: SGX does not measure the electricity consumption of suppliers or customers.	
EN5		ESG Scorecard: Environment/Energy	
EN6		ESG Scorecard: Environment/Energy	
EN7		ESG Scorecard: Environment/Energy	

SSDs

GRI reference	Description	Location 1	Location 2
Labour Indicators			
LA DMA	Disclosure to Management Approach to Workforces	Resilience: Talent Strategy	ESG Scorecard: Social/Workplace
LA1		ESG Scorecard: Social/Workplace/ Recruitment and Attrition	
LA2		ESG Scorecard: Social/Workplace/ Remuneration	
LA3		ESG Scorecard: Social/Workplace/ Parental Leave	
LA9		ESG Scorecard: Social/Workplace/ Training and Education	
LA10		ESG Scorecard: Social/Workplace/ Training and Education	
LA11		ESG Scorecard: Social/Workplace/ Training and Education	
LA12		ESG Scorecard: Social/Workplace	Annual Report; Corporate Governance report and Board profiles
LA13		ESG Scorecard: Social/Workplace/ Remuneration	
LA16		ESG Scorecard: Social/Workplace/Diversity	
HR3		ESG Scorecard: Social/Workplace/Diversity	
HR4		ESG Scorecard: Social/Workplace/ Collective Bargaining	
Society Indicators			
S0 DMA	Disclosure of Management Approach to Community and Governance	ESG Scorecard: Governance	ESG Scorecard: Social/ Community Engagement
S01		ESG Scorecard: Social/ Community Engagement	
S02		ESG Scorecard: Social/ Community Engagement	
S03		ESG Scorecard: Governance	
S04		ESG Scorecard: Governance	
S05		ESG Scorecard: Governance	
S06		ESG Scorecard: Governance	
S08		ESG Scorecard: Governance	
S09		ESG Scorecard: Governance	
S010		ESG Scorecard: Governance	