



Regulatory Announcement - SGX Proposes Sustainability Reporting for Listed Companies

28 August 2010 - Singapore Exchange ("SGX") has issued a "Policy Statement on Sustainability Reporting" and proposed Guide for its listed companies to use in formulating their sustainability reporting.

With increasing global attention being paid to issues of environmental protection and social responsibility, investors are looking beyond companies' standard financial and corporate governance reporting to their management of environmental and social matters. Investors who lead world opinion expect listed companies to be accountable for their financial results, how they achieve the results, and what impact they have on the communities within which they operate. SGX encourages more listed companies to commit to sustainability practices and reporting.

Among the main principles articulated in the proposed Policy Statement is that the Board is responsible for matters of sustainability as it leads and directs the company. Environmental, social and governance considerations are important for the long term performance of the company. The company should use appropriate reporting standards for its industry and circumstances. No single standard is advocated, but the Global Reporting Initiative's Sustainability Reporting Guidelines which are linked to the UN Compact principles, are among the globally recognised standards. Some industries have specialised reporting standards tailored for their needs. Applying global standards is important for cross-jurisdictional comparability and to give confidence that SGX-listed companies aim to achieve global best practices.

At this stage, sustainability reporting is voluntary. SGX is of the view that as more companies become inspired to adopt sustainability reporting, it will be natural to take the next step on guidelines and standards leading to rules. While SGX adopts a progressive approach on sustainability reporting, regulators in other jurisdictions exercise varying approaches. Some Exchanges have mandatory reporting requirements, whereas others advocate voluntary disclosure. In some jurisdictions, sustainability reporting is a statutory requirement.

SGX is seeking feedback from the public on the adoption of sustainability reporting and its policy guidelines as a holistic approach towards corporate disclosure. The Policy Statement and Guide will be available on the SGX website www.sgx.com from today.

For the Policy Statement and Guide, please click [here](#).

Market participants and members of the public can send in their comments and suggestions on the Policy Statement and Guide from today until 29 October 2010 via email and by post/courier to:

Email: sustainability@sgx.com

Or

Post/Courier: Singapore Exchange

2 Shenton Way, SGX Centre 1

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