

Sustainability Report

For FY2013, we have moved towards the Global Reporting Initiative (GRI) G4 guideline requirements while in previous years the GRI G3.1 guidelines were used. We believe this year's report meets the requirements of a G4 "core" report and follows G4's prescription for an emphasis on materiality and the organisation's management of sustainability.

The data included in this report was collected by the members of our Sustainability Working Group. SGX's regulation of corporate governance is closely monitored by external organisations and we must adhere to the elevated standards of governance stipulated by the Securities and Futures Act. Due to this existing, stringent performance review, we have opted not to engage a third party assurance provider for the data in the sustainability section of this report.

The data in this report is for our operations in Singapore only, excluding global representative offices which have negligible impacts on sustainability. Please direct any questions or queries about our sustainability report to Darrell Lim at darrell.lim@sgx.com.



CEO sustainability statement

Over the next decade consumers will exercise greater influence on the sustainability agenda and our marketplace will change as a consequence. In the current decade it is predicted that over one billion people will join the middle classes in Asia and this demographic will be more vocal than previous generations on sustainability issues. This change is at the core of the journey that SGX is taking towards greater sustainability in our operations and in influencing others to do the same. We are a trusted partner positioned as the gateway to Asia whose competence, awareness and rigour makes people choose to do business with us. Sustainability has an important role to play in ensuring that we maintain that reputation.

The sustainability agenda continues to evolve. In the past year we have seen the dialogue on integrated reporting grow in profile and GRI recently launched G4, the latest iteration of reporting guidelines. In this report, you will find that we have moved in the direction of G4 and embraced its drive to show greater depth on material issues. We see this revision as a good thing and an opportunity not just to refine our own reporting, but more importantly to focus our thinking and build momentum towards a marketplace which is fully conversant in and cognisant of its sustainability impacts.

In the past year, we made real progress on some ambitious targets. For example, we challenged ourselves to meet a target of 40% female representation on our management team. We achieved 36%, a little short of our target but importantly we are in a materially stronger position than in previous years thanks to our efforts.



The disclosure of sustainability indicators and approach is a valuable activity for any organisation to undertake. For SGX this process has resulted in a new and improved approach to community engagement, a more flexible approach to family and maternity leave, a workplace that manages resources to minimise waste, and more. But, it has also resulted in a changed mind-set within our business. We are talking about things and making decisions in a way that we didn't before and this is the real benefit. For example, when deciding to allow oil and gas exploration companies to list on SGX, we included specific disclosure requirements and asked questions of those companies that are informed by our own increased awareness.

As I said in my opening comments, the future will bring great change. When contemplating whether or not SGX should become part of the 'sustainable stock exchange' movement, I find myself fully aligned with what that process has achieved for other exchanges and the valuable insights it has provided to the sector. It is clear to me is that we need to persistently raise the bar, challenge our listed businesses and help companies to keep moving along this path. Two years ago we launched sustainability disclosure guidelines and in March 2013 at Responsible Investor Asia, I outlined a 'comply or explain' approach to sustainability disclosure. This approach is already part of the revised Singapore Code of Corporate Governance. I believe it is the natural next step on sustainability reporting.

What we can do at SGX is encourage businesses to report on their sustainability performance. It is then investors and other stakeholders that must judge the quality of that reporting and performance. To support them in this effort, we published this year a guide to sustainability reporting tailored to the investor community. We believe a more demanding tone from investors and shareholders will undoubtedly accelerate change.

This is an agenda that is evolving. Priorities will change and in this business we frequently remind ourselves of the need to remain open and responsive. My overriding view is that sustainability is not just coming. It is here. Let's get used to the idea and continue working together to determine our approach to sustainability.

Sustainability context

At SGX we are in a uniquely influential position in terms of our ability to encourage listed companies in Singapore to disclose data on sustainability performance. In addition, Singapore is a country renowned for high standards of governance and an intolerance of bribery and corruption. As regulator, we play an important role in upholding these standards amongst listed companies.

As an exchange, we play a significant role in the economic stability and sustainability of Singapore. As regulator, it is also our responsibility to encourage good governance in over 770 listed companies. And finally, as one of the larger service-based companies in Singapore, SGX is expected by stakeholders to take a lead in its environmental performance and reporting.

According to the World Federation of Exchanges, "regulated exchanges remain critical providers of liquidity to the world's capital markets"¹ In addition, the economist Roger Farmer says of exchanges and economies, "tied together as they are, they can never get too far apart"². In short, exchanges play an important role in the economies of their host countries as platforms for trade and capital flow. However, exchanges have an increasingly important dimension to their role; that of custodian of corporate governance and corporate responsibility. As regulators of their listed issuers, exchanges are in a strong position to influence – or, in some cases, mandate – greater transparency and disclosure of governance, sustainability and corporate responsibility data. From this disclosure comes leadership and improved performance. This is how exchanges can become "sustainable" and position themselves as centres for lower-risk investment.

Singapore is renowned as a centre of good governance with a jurisdiction intolerant of bribery and corruption and an important cornerstone to its status as a key financial centre in Asia. We are therefore well-positioned as the Asian Gateway for international investors. Building on Singapore's reputation for good governance, we can further increase investors' confidence through robust regulation of listed companies. This combination of a corruption-free culture and robust regulation aims to maximise the economic performance of both SGX and Singapore's economy.

As regulator, we encourage greater transparency amongst our listed issuers. Building on the publication of sustainability reporting guidelines for listed companies in 2011, we are moving towards a 'comply or explain' approach to sustainability disclosure. With the understanding that SGX's responsibilities reach further than regulating listed companies, we are also committed to investor education. Last year, web clips and the "Investor's Guide to Reading Sustainability Reports" was published to guide investors in reading sustainability reports. In addition, SGX is a founding member of the Investor Relations Professional Association of Singapore, which works to build capacity and capability in this profession. SGX also hosts a myriad of investor education initiatives which are described in detail in the Governance section, under 'Case Studies and Specific Actions'.

1 www.world-exchanges.org

2 "The Stock Market and the Economy's Apparent Disconnect", Bloomberg, 14.03.13.

Materiality & stakeholder engagement

In our 2012 sustainability report, SGX committed to engage with specific stakeholders – namely the listed companies, member firms, advocacy groups and community partners in 2013. These stakeholders were convened to identify their priorities for sustainability at SGX and for a facilitated discussion around key areas of sustainability (economic contribution, environment, people practices, governance, society, and, responsible business):

Stakeholders asked that SGX:	Reference to SGX's response or position
<ul style="list-style-type: none"> prioritises which companies should report on sustainability, such as indicating companies of certain size or asset classes 	We communicated publicly in March 2013 that we are moving towards a “comply or explain” approach to sustainability reporting. This builds on the publication of sustainability reporting guidelines in 2011.
<ul style="list-style-type: none"> should give an indication of the direction in which they are moving on sustainability reporting 	
<ul style="list-style-type: none"> should maintain its ‘comply or explain’ policy on sustainability reporting 	
<ul style="list-style-type: none"> set an example in environmental reporting 	Refer to the environment section of the report for details of our performance. We also launched a partnership with Trucost to help listed companies better understand and report their environmental performance.
<ul style="list-style-type: none"> establishes a list of suggested indicators for reporting labour practices. In particular, a prescriptive approach to help companies manage the reporting across different territories and legal requirements. However, they supported drawing from existing frameworks, and cautioned against establishing a new reporting framework for labour practices, which would complicate the issue 	We believe that international frameworks for social responsibility, such as the Global Reporting Initiative or ISO 26000 provide a good reference for companies wishing to report on labour practices. We encourage the use of either framework in our sustainability reporting guidelines for listed companies.
<ul style="list-style-type: none"> publishes clear definitions of bribery and corruption and an anti-corruption policy, which should be communicated both internally and externally 	We will draft and publish an anti-bribery and corruption policy for listed companies in 2013.
<ul style="list-style-type: none"> demonstrate a commitment to sustainability in their engagement with listed companies 	We will continue to host a variety of seminars, briefings and conferences on sustainability for listed companies to attend.

Materiality matrix

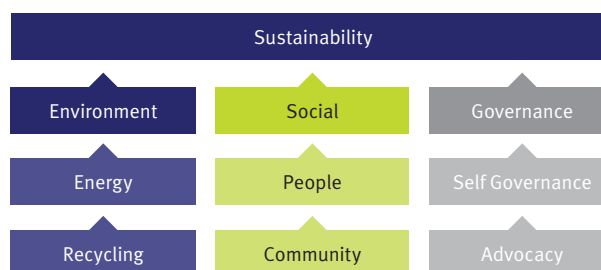
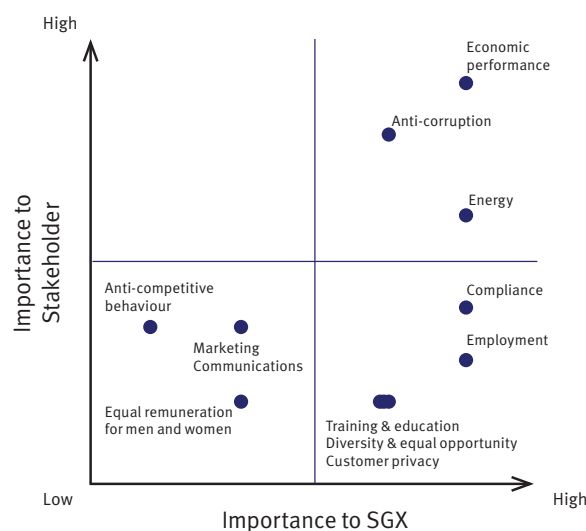
The materiality matrix on the five most material aspects of sustainability for SGX is based on voting by the stakeholders we engaged and by our senior management.

Based on the issues raised by stakeholders in the stakeholder engagement and the mapping of material issues in the matrix above, this sustainability report will focus primarily on our financial performance, anti-corruption and energy. In addition, we will describe our performance in terms of compliance, employment, training, diversity and customer privacy.

Governance of Sustainability at SGX

Our sustainability goals and direction are set by the Sustainability Committee, which aims to meet quarterly. Led by our Chief Executive Officer, Magnus Böcker, the Committee is comprised of our Chief Regulatory & Risk Officer, Chief Financial Officer (CFO), Head of Marketing & Communications and Head of Human Resources.

Our Sustainability Committee is supported by a Sustainability Working Group to implement the strategy. The Working Group is headed by our CFO, and includes representatives from Facilities Management, Human Resources, Investor Relations, and Risk Management and Regulation.



At a glance – Performance Against 2012 Targets

Governance	Performance	Comments
Clear articulation of SGX's dual role as regulator and exchange	●	Described in FY 2012 Annual Report.
Principles of engagement (stakeholder engagement plan)	●	Described in FY 2012 Annual Report.
Deliver 4 training sessions per year to listed companies on sustainability	●	Sustainability and Financial Performance Sustainability Management and Reporting Seminar Expect the Unexpected: Non-financial Disclosure; Financial Markets and Climate Change.
SGX facilities to be used twice a year for sustainability-related events (in addition to the training above)	●	Launch of Integrated Reporting Consultation; Responsible Investor (RI) Asia conference.
Host 4 forums on Corporate Governance per year	●	Singapore Corporate Awards; Singapore Listed Company Director Essentials Programme in Mandarin (twice); and, SGX Listed Company Director Certification programme.
Conduct/commission 'thought leadership' research on Corporate Governance	●	We will announce the outcome of this research in 2013.
Social	Performance	Comments
Draft community policy <ul style="list-style-type: none"> Establish KPIs for fund-raising initiatives Include employee volunteering guidelines Honour existing community partnerships and commitments responsibly until 2015 	●	Completed, posted online in July 2013.
Track employee diversity (with a view to achieving management team diversity target)	●	Management team diversity increased to 36% women by June 2013.
Measure employee training	●	Existing, on-going.
Increase by 10% year-on-year the number of employees attending at least one seminar/briefing on lifestyle topics per year	●	Target achieved. The Sustainability Committee agreed that reporting on this activity is no longer material, however due to high levels of participation, the activities will continue.
Diversity target for management committee: 40% female	●	Increased to 36% by June 2013.
Disclose pay-by-gender ratio	●	Women get paid 1.14% more than men, on average.
Compile HIV/AIDS policy	●	Posted on the company intranet in 2012.
Compile lifelong learning policy	●	Completed, posted online in June 2013.
Environment	Performance	Comments
Develop environmental policy and publish on intranet	●	Completed, and to be published on intranet by October 2013.
Assess employee training needs (to achieve environmental goals)	●	We established an environment committee to track and manage the performance against environmental goals. Targeted training not required.
Complete employee training	●	(See above).
Communicate green data centre efficiency savings	●	Communicated in 2012 report.
Reduce 'energy' (includes electricity and waste) by 3%, year on year for the next 2 years. <ul style="list-style-type: none"> All cost savings from energy reduction will go towards SGX Bull Charge fund-raising 	●	Energy saved in FY2012 amounted to 98,032 kWh. This translates to a total cost saving of \$24,920.
Recycling facilities <ul style="list-style-type: none"> Install recycling bins throughout offices Review paper recycling options Appoint paper collector (and establish volume of paper needed to 'sell' – not pay for – collection) All savings from recycling to go to the SGX Bull Charge fund-raising 	●	Completed in 2012.
All paper procured by SGX is to be from recycled sources	●	All paper used for internal purposes is recycled. However, for external business correspondence, SGX uses higher grade non-recycled paper.
Install energy saving settings on all laptops and computers	●	Completed in 2012.
Annual report to be printed on recycled paper	●	Achieved in 2013.
Annual report summary to be printed on recycled paper	●	Achieved in 2013.
Post annual report online	●	Achieved and ongoing.

Key

Achieved ● Partially achieved ● Not achieved ●

2013 Key Performance Data

Aspect/indicator	GRI Indicator (if applicable)	2011
Governance		
Number of cases of bribery or corruption in SGX	SO4	Nil
Number of cases of anti-competitive behaviour in SGX	SO7	Nil
Amount (\$) of fines SGX paid for non-compliance with the law	SO8	Nil
Social		
Total number of employees	NA	590
SGX Gender pay gap (M/F), by job grade	LA13	Not reported
SGX Employees by Seniority <ul style="list-style-type: none"> Management Committee Executive staff Non-Executive staff 	LA1	Not reported
SGX Employees by Gender (M:F)	LA12	44:56
SGX Employees by Contract Type <ul style="list-style-type: none"> Full time Part time 	LA1	Not reported
SGX Employees by Age <ul style="list-style-type: none"> Below 30 years old Between 30 and 50 Over 50 years old 	LA1	<ul style="list-style-type: none"> 20% 73% 7%
Training	LA9	Average 26 hours per employee
Voluntary Departure by Gender (M:F)	LA1	55:45
Voluntary Departure by Age <ul style="list-style-type: none"> Below 30 years old Between 30 and 50 Over 50 years old 	LA1	<ul style="list-style-type: none"> 21% 71% 7%
Bull Charge participants	NA	Not reported
Bull Charge charity beneficiaries	NA	Bright Hill Evergreen Home
Bull Charge fund-raising total	NA	\$1,340,000
Environment		
Electricity	EN3	1,754,997 kWh
Office paper procured	EN1	24.4 ton
Paper recycling	EN2	111 ton
Water	EN8	Not reported

2012	2013	Comments
Nil	Nil	
Nil	Nil	
Nil	Nil	
594	591	
Not reported	Average -1.14%	See graph in 'Social' section for details of gender pay variance by job grade.
<ul style="list-style-type: none"> 7% 86% 7% 	<ul style="list-style-type: none"> 8% 85% 7% 	
45:55	44:56	
<ul style="list-style-type: none"> 99% 1% 	<ul style="list-style-type: none"> 99.5% 0.5% 	
<ul style="list-style-type: none"> 16% 76% 8% 	<ul style="list-style-type: none"> 15% 76% 9% 	
Average 18 hours per employee	Average 30 hours per employee	
54:46	53:47	
<ul style="list-style-type: none"> 19% 75% 6% 	<ul style="list-style-type: none"> 12% 80% 8% 	
>5,000	4,200	
Autism Association, Lions Befriender Service Association, and Tan Tock Seng Hospital	Asian Women's Welfare Association (AWWA), Autism Association, Fei Yue Community Services and Shared Services for Charities	In 2012, SGX formalised 3-year partnerships with our chosen charity beneficiaries, with a view to establishing longer term relationships.
\$1,162,000	\$1,388,000	
1,517,007 kWh	1,418,975 kWh	6% reduction in FY2012; 18% reduction in FY2013. (NOTE: figures pro-rated to account for different reporting periods)
31.5 ton		
22 ton	7.9 ton	Includes paper shredded and collected from recycling bins.
2,400m ³	1,225m ³	In the absence of individual water meters, this figure is a pro-rata number based on the area occupied in the building.

Governance

Our focus on governance is two-pronged: our own corporate governance is exemplary and listed companies comply with the Singapore Code of Corporate Governance. Our activities contribute to raising corporate awareness and investor education. We are also active in thought leadership and policy development for corporate governance.

Communicating our position on Governance

“Our role is twofold; as a business and as a regulator. Last year our engagement with stakeholders showed us that on both fronts stronger communication was needed to signpost the resources and policies that we have within our organisation. In response, our communication and education activity has been significantly enhanced to reach out to investors, member companies and listed businesses.

Our research projects, training, background briefings and joint programmes with key partners have reaped substantial benefits in adding to the developing dialogue in Singapore on sustainability.

As a regulator, our intention is to progress awareness amongst listed companies. We recognise that demand from investors and shareholders for more information will really accelerate the process of change. In support of this development, we have published guidance for investors on reading sustainability reports.

The engagement that we have conducted in the past year gives us a full agenda going forward.”

Yeo Lian Sim, Chief Regulatory & Risk Officer and governance sustainability lead

Addressing Stakeholders' Concerns

Three of the most material sustainability aspects identified by stakeholders sit within the ‘governance’ pillar; namely, anti-corruption, compliance and customer privacy.

- We have a robust policy on anti-money laundering and conducts regular training on the topic for our employees. Equally, we expect listed companies to assume a clear anti-corruption position when doing business. However, given the increase in international bribery legislation and guidelines and the diversity of countries and cultures in which listed companies operate, we have decided to clarify our position on the issue. We will compile a policy which defines bribery and corruption, what are considered acceptable cultural practices and which frameworks are considered most appropriate for listed companies. The policy will be published by June 2014.
- We have not faced any cases of non-compliance in our operations; these operations are closely monitored and regulated by the MAS.
- We are well positioned to meet the latest international regulatory and risk management standards set by IOSCO and CPSS-IOSCO. This has been achieved after an extensive review and sharpening of SGX’s risk management and operational processes, and the addition of new rules and procedures to enhance the safety and efficiency of its subsidiaries.
- Customer privacy is essential for many reasons, not least for instilling confidence in the users of the Exchange that their details and data will be secure. We have had no breaches of data protection or customer privacy in the reporting period.

Policies

There are various ways in which we articulate our expectations and standards for good governance. Internally, employees are equipped with documentation and training on key areas such as: conduct and ethics; conflict of



interest disclosure; whistle-blowing; fraud awareness and ethical decision-making. Externally the companies listed on SGX must meet the requirements of the Listing Manual and the Singapore Code of Corporate Governance.

Commitments and Targets

The sustainability targets for 2013/14, which sit under the governance pillar, are:

- Codify and publish anti-corruption policy for employees and listed companies by June 2014.
- Deliver training on anti-corruption policy to employees.
- Develop an Investor Guide on Board Diversity by June 2014.
- Host three public seminars on corporate governance by June 2014.

Responsibilities and Resources

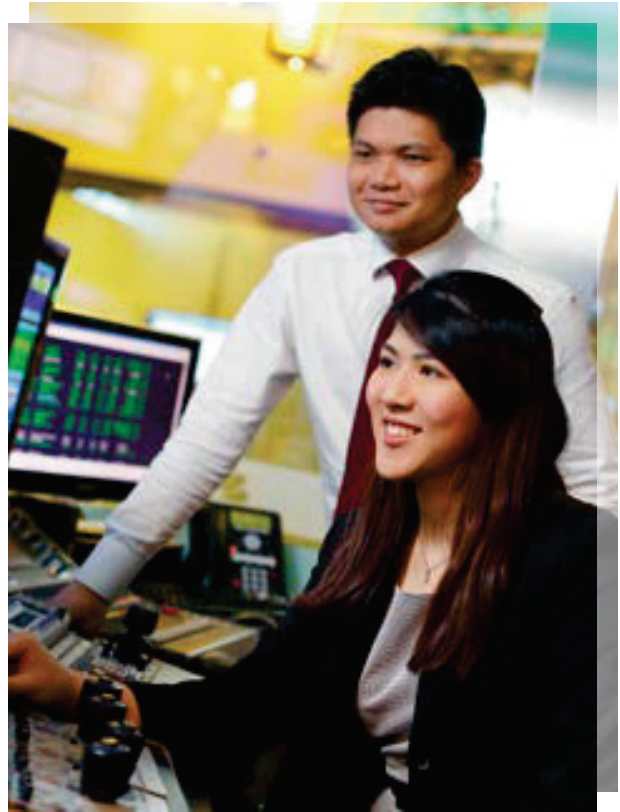
The Board and CEO are responsible for ensuring we meet the requirements of the Singapore Code of Corporate Governance. As a front-line regulator, listed companies answer to Issuer Regulation and Catalyst Regulation departments, while surveillance of market trading is conducted by the Market Surveillance department. The RMR team comprises 115 people as at June 2013. The adequacy of resources for regulation and risk management is overseen by the RCC.

Case Studies and Specific Actions

In the reporting period, we commissioned research on Sustainability Reporting in Singapore, to compare the levels of reporting before and after the publication of SGX's Sustainability Reporting Guidelines in 2011. The headlines of this research will be made public in 2013.

Over the last eighteen months there have been discussions, in which we have participated, about board composition in Singapore. The conclusions drawn from this dialogue will be communicated in 2014.

As part of its growing investor education initiative, we issued "An Investor's Guide to Reading Sustainability Reports". The aim of this Guide – and the accompanying web video – is to empower investors with the ability to understand the non-financial risks communicated in sustainability reports.



Investor Education

We support on-going initiatives to educate and empower investors. The aim of these activities is to increase the financial literacy of investors through these engagements.

- SGX Academy organises about 250 events every year, covering both securities and derivatives products.
- SGX My Gateway was introduced in January 2012 to provide both new and existing investors with a one-stop investor portal to learn and complement their existing resources. There are over 158,000 subscribers to date.
- We ran an online investing competition called 'StockWhiz', from September to November 2012 with over 13,000 participants. The competition objective was to engage both new and existing investors to learn more about the securities market in a fun and lively manner.
- We have programmes for individuals who are looking to trading as a profession. And, two programmes for retail investors which are Basics of Investing and Sector Connect seminar series.
- In addition, we partner other organisations, such as SIAS and NLB to extend their educational outreach to students and members of the community.

Social

SGX has always had strong employment policies and a good track record in employee development. We are building on this strength by increasing our focus on equal opportunities and gender diversity. In addition, as a leading corporate citizen SGX takes a leadership position in organising the annual fund-raising Bull Charge run. We have strengthened our relationship with the Bull Charge beneficiaries by agreeing to longer term partnerships.

Keeping talent at the top of its game

“At SGX we have a highly skilled workforce. We aim to keep our employees highly motivated and maintain a low turnover. In the past year, there were notable changes to the employment landscape in Singapore with modifications in family care leave, lifetime learning and paternity leave. This has served as a prompt for us to not just align these practices but also to go beyond what is required.

On the community front, we had also strengthened our relationship with community partners by committing to a three-year term and focusing on areas directly linked to our business – financial literacy. Based on feedback received from our stakeholder engagement, our community partners conveyed that the revised three year term of our relationships, the inclusion of a financial literacy component and continuity in our relationships outside of the Bull Charge period is significantly more beneficial to them.”

Arulraj Devadoss, Head of Human Resources and social sustainability lead



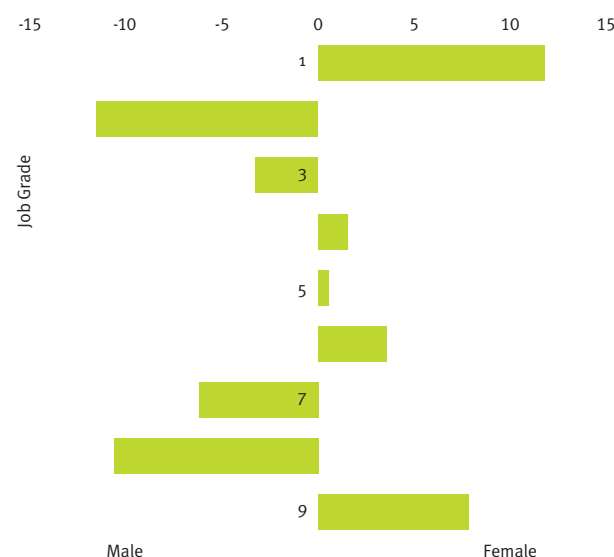
Addressing Stakeholders' Concerns

Through stakeholder engagement, SGX has identified three material sustainability aspects for SGX's social sustainability: employment practices, training and education, and diversity and equal opportunities.

- SGX's employment practices and training and education commitments are described in detail in FY2012 Annual Report. We continue to invest heavily in training our people in both the technical and soft skills.
- We have taken significant steps forward in terms of diversity and equal opportunities. We introduced part-time employment or no-pay leave entitlement to female employees for infant care and a guaranteed return to a similar role or job function. We are also one of very few companies globally to disclose gender pay. The figure below illustrates our gender pay ratio by job grade. This demonstrates SGX's commitment to ensure male and female employees are valued equally. We have also set ourselves a target to have females represent 40% of the management team, which creates a top-down culture of diversity and shows women in leadership positions.

Gender Pay Ratio

% variance (Male/Female) in total compensation, by job grade



Policies

SGX develops policies to outline the beliefs and principles which guide our decisions. We advocate continuous learning, supporting our staff in building a family, employment equality, contribution to local charity partners and focusing on financial literacy. We have developed policies for lifelong learning, maternity leave, HIV/AIDS in the workplace and our community investment. All employees, regardless of seniority, gender, or contract status, have access to SGX's employment policies, via the SGX intranet.

To articulate our community development activities, we produced a Community Investment policy. Our focus is on financial literacy, and we have defined our commitment to local charity partners along with our fund-raising targets for the annual Bull Charge.

Commitments and Targets

To improve further our employment and community practices, the following social goals were set:

- Report on gender pay gap in a quarterly report to the EXCO and Board.
- Ensure that gender pay ratio for total compensation is within 10% at all employment categories.
- Achieve gender diversity target for the management committee (40% female) by June 2014.
- To celebrate the 10th anniversary of the event, increase the Bull Charge fund-raising for 2013 from \$1.388m to \$3m.

Responsibilities and Resources

The Head of Human Resources, Arulraj Devadoss, is the lead on the social sustainability pillar. The employment, training and diversity activities sit naturally within the HR department's remit. Quarterly HR reports, including gender pay gap statistics are provided to the EXCO.

The Bull Charge organising committee has expanded its purview beyond the Bull Charge and the committee now manages the community partnerships which SGX has committed to.

Specific Actions

SGX set itself a target last year to report on the gender pay ratio within the company.

At SGX, the gender pay ratio in job grades 9 to 1 (for executive roles) is -1.14%, which means that women get paid an average of 1.14% more than men across these nine job grades. 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. We report the gender pay ratio quarterly to the EXCO and we also aim to report to the Board going forward and monitor for any trends which might suggest discrimination. We aim also to reduce the gender pay variance to less than 10% in all job grades.



Environment

We believe we can demonstrate leadership in environmental sustainability. By investing in green technologies, reviewing procurement practices and encouraging behaviour changes in the workplace, we have already achieved greater efficiencies. All cost savings from these efficiencies are donated to the SGX Bull Charge fund-raising. We are cognisant that the move towards having two office locations and the continuing expansion of our businesses may increase our environmental footprint. Therefore we are developing mitigation practices and policies to minimise their impacts.

A quiet evolution

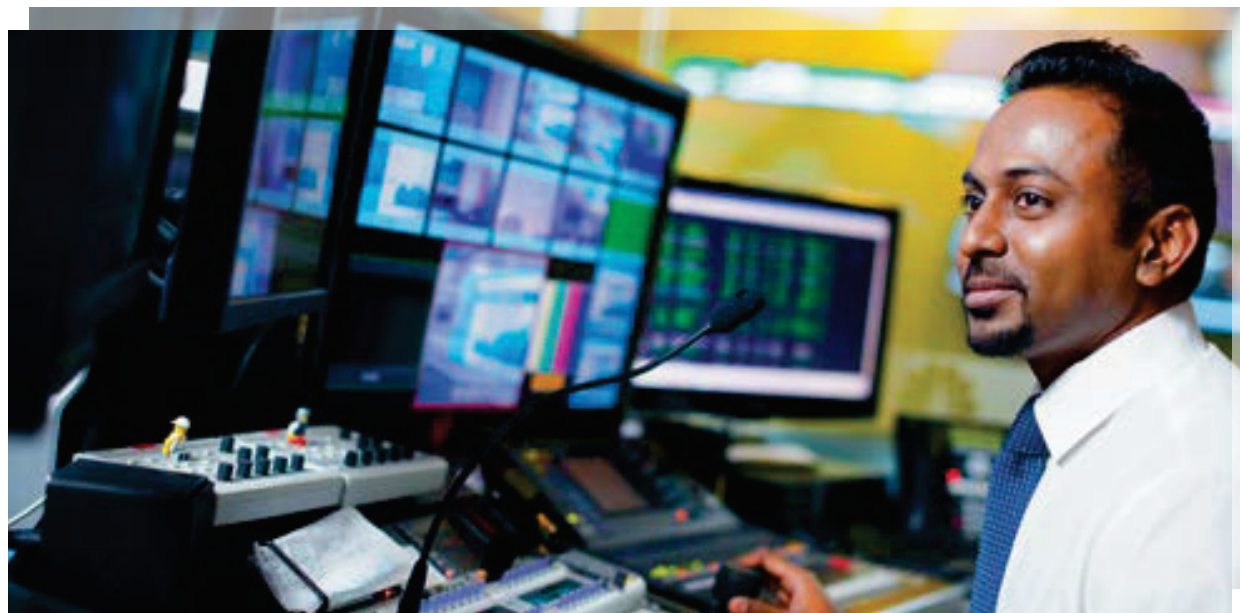
"The last year has been one of quiet, but visible, change. We increased the air-conditioning temperature throughout the office by 1°C as an energy saving measure and also installed recycling bins. These actions have been welcomed by our employees. We had assumed that colleagues were ambivalent about our environmental footprint, but our stakeholder engagement with employees and with external parties told us otherwise.

The continued investment in server virtualisation technology, coupled with monitoring and optimisation of our data centre efficiency, have allowed us to achieve notable reduction in energy consumption. We will continue to invest in data centre technologies to ensure we maintain an optimal operating efficiency.

We have plans for growth at SGX and we understand that this will affect our environmental footprint. For this reason, the Sustainability Committee has agreed to start measuring the 'energy footprint per manhour', since the number of employees is correlated with the size of our business. This will entail new measurement techniques and closely monitoring the number of manhours worked by employees and contractors.

In 2014, we will move 70% of our employees to Metropolis Tower 2, with the rest remaining in SGX Centre. This move represents a significant opportunity to introduce new, green features and technologies at conception, and to review our business practices and use of space. We believe that we can further reduce our environmental footprint by measuring, understanding and mitigating our impacts."

Chng Lay Chew, Chief Financial Officer and environmental sustainability lead



Addressing Stakeholders' Concerns

As an exchange, we are expected to demonstrate leadership in managing the environmental footprint as a responsible organisation. We will measure our energy footprint, establish a green business travel policy, reduce, reuse and recycle where possible.

Policies

Last year, we drafted an environmental policy for our operations. We will also be producing two more environmental policies: on the procurement of paper and green business travel.

Commitments and Targets

Going forward, we are committed to do the following:

- Take steps to meet the BCA Green Mark Platinum accreditation for our new premises at Metropolis Tower 2, and bring up the standard of the SGX Centre to BCA Green Mark Gold Plus.
- Establish and implement a procurement policy for all paper by December 2013, which will include a commitment to print the Annual Report on recycled paper.
- Establish a green business travel policy, incorporating overseas travel and inter-office commuting.
- Measure energy footprint per manhour¹ of our business, where energy includes electricity, water and paper.
- Maintain the target to reduce energy footprint per manhour by an average of 3% year-on-year from FY2012 to FY2014.

Responsibilities and Resources

The Environment Committee was established to ensure we meet our environmental goals. The Committee comprises representatives from Facilities Management, Technology and Investor Relations. Specialist advisors on sustainability have also been engaged to work with us on best practices and policies for our new premises.

Specific Actions

In this reporting period, our Environment Committee reviewed employee practices regarding electricity and paper consumption throughout our organisation. This allowed the Committee to identify wastage hot spots and address them immediately. Outcomes from this process included:

- Reduction of the usage of gallery lighting and ticker board.
- Re-engineering business processes to reduce dependency on paper. This entails finding solutions for electronic document management.
- Enabling power-saving settings on all laptops and computers.

We also launched the SGX Environmental Benchmark Insights (SEBI) to provide a service to our listed issuers. SEBI supports our listed issuers in responding to environmental issues and related impacts by providing an instant overview of the companies' environmental performance.

¹ Manhour is defined as the hours worked for SGX by both full-time and part-time employees