

# Sustainability

## Board Statement

The Board is committed to building a sustainable business to ensure long-term value for its stakeholders. As Asia's leading and trusted market infrastructure which operates to the highest regulatory standards, we reinforce SGX's position as a recognised securities and derivatives exchange by adopting sustainable business practices and advocating sustainability reporting. We identify and manage our business' Environmental, Social and Governance (ESG) material factors, and support our listed companies as they move towards best practices in sustainability reporting. We believe this will lead to long-term value creation for us and our stakeholders.

We continued to advance our sustainable practices in FY2018, and remained a constituent stock of major sustainability indices.

As a Partner Exchange of the United Nations Sustainable Stock Exchange (UN SSE) Initiative, SGX remains committed to promoting sustainability in our markets and long-term sustainable investment through dialogues with our investors, issuers, and regulators.

Acknowledging that the continued success of our business hinges on our ability to manage our key forms of capital, SGX focused on the following during the year:

- Continued development of a holistic talent strategy with an emphasis on career growth and development planning, to build our human capital;
- Enhanced operational resilience of our technology infrastructure and processes to ensure sustained market continuity;
- Built our product and platform capabilities to maintain our position as a premier risk management venue;
- Engaged regularly with stakeholders to foster collaborative social relationships that are integral in identifying, prioritising and addressing material issues;
- Promoted financial literacy, sustainable development and responsible investment amongst others through

ongoing investor and stakeholder educational programmes; and

- Implemented initiatives to minimise our environmental footprint.

The Executive Management Committee (EMCO) drives sustainability efforts at SGX. The EMCO reports directly to the Board, which has considered sustainability issues as part of its strategic formulation, determined the material ESG factors and oversaw the management and monitoring of these factors.

SGX will continue to drive our sustainability agenda by advocating transparency and accountability. These continue to be the fundamental aspects required to build trust with our stakeholders.

## Report at a Glance

This report summarises our approach towards sustainability and our progress to date, with a focus on addressing SGX's material ESG issues.

## Report Scope

The report covers the performance of our consolidated entities from 1 July 2017 to 30 June 2018 (FY2018). We have included the historical data for the previous two years of FY2016 and FY2017 for comparison, where available. There has not been any restatement of figures for data disclosed in previous years.

## Reliability and Methodology

Similar to FY2017, we have elected to produce our FY2018 report in accordance with Global Reporting Initiative (GRI) Standards (2016) – "Core". We have chosen the GRI Standards due to its longstanding universal application and robust guidance, which allows for comparability of our performance against peers. The report is also prepared in accordance with SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting. Our data is reported in good faith and to the best of our knowledge.

We welcome feedback on this report and any aspect of our sustainability performance. Comments or feedback can be sent to [sustainability@sgx.com](mailto:sustainability@sgx.com).

## Integrating Sustainability within SGX

Sustainability remains core to the long-term viability of our organisation. We have identified 4 material factors that are important to the sustainability of our organisation. They are Economic Performance, Socio-Economic Impacts, Governance, and People. Our business practices, developed with these material factors as a foundation, will enable us to deliver long-term value to our stakeholders. At the same time, we remain vigilant in mitigating the risks that may come with changes in our external environment.

At SGX, we integrate sustainability within our business strategy through efficient allocation and deployment of our 4 forms of capital, namely Financial Capital, Human Capital, Intellectual Capital, and Social Capital. Our holistic talent management strategy seeks to develop our human capital. By recognising and addressing the risks and opportunities that arise from changes in global economic, regulatory, competitive, and technological trends, we are able to continually generate business value for SGX and our stakeholders. These risks and opportunities have been elaborated in the Integrated Report (pages 32 to 33 and pages 36 to 39).

In line with our approach of integrating sustainability in our operations, we leverage on our stakeholder engagements and materiality assessment processes to identify sustainability risks and opportunities. We also take reference from our robust enterprise risk management system to identify and assess ESG risks. This approach ensures that material ESG risks are considered in the context of SGX's overall risk environment, and undergo a structured process of management and monitoring by our EMCO. More information on our risk management framework can be found under our Risk Management Report (pages 36 to 39).

## Our ESG Risks and Opportunities

Where we have assessed the impact of our ESG risks and opportunities to be material, we have addressed them below:



### Human Resource Risks

People are our key asset. Talent attraction and retention are crucial in Singapore's highly competitive financial market. Our talent strategy ensures SGX remains an attractive place to work in.



### Technology Risks

Providing reliable technological platforms is critical to business continuity as technology-related service disruptions have the potential to cripple our operations. To address this, we will continue to enhance our recovery capabilities, processes and communications to effectively manage crisis situations.



### Climate Change Risks

As a small island state, Singapore is vulnerable to rising sea levels and other features of climate change. The Singapore government's Public Sector Sustainability Plan and Climate Action Plan have laid out the nation's strategy to reduce emission levels, increase energy efficiency, and address climate change. Although SGX's environmental footprint is small, we manage it prudently in the light of national policy actions, guided by our Environmental Policy.



### Sustainability-related Products & Services

Non-financial risks and governance are becoming increasingly important among investors. This represents an opportunity for us. Our SGX Sustainability Indices, which comprise liquid SGX-listed stocks screened in accordance with ESG criteria, provide a transparent way for investors to assess the sustainability practices of our listed companies.



### Diversity of Our Workforce

The gender, age, ethnic and nationality diversity of our workforce are part and parcel of our corporate culture, which embraces varied and unique perspectives. In this way, our workforce diversity represents an opportunity for us to lead by example.

## Sustainability

### Stakeholder Engagement

At SGX, we recognise that stakeholder engagement is important in helping us make informed commercial and policy decisions. Our role as a front-line regulator further reinforces this importance as the implementation of our policy decisions may have significant influence on shaping the Singapore capital markets. We engage our key stakeholders through various platforms and channels, and their feedback is carefully considered to ensure decisions contribute to the overall good of our stakeholders.

The table below summarises our approach to stakeholder engagement:

Key Stakeholder	Forms of Engagement	Key Topics
<b>Employees</b>	Town-halls, focus group discussions, employee survey, workshops, trainings and seminars, corporate events and the Connects intranet platform.	<ul style="list-style-type: none"> <li>• Opportunities for career growth and development</li> <li>• Employee engagement, wellness and work environment</li> </ul>
<b>Regulators and Government</b>	Dialogue, feedback sessions and jointly organised events.	<ul style="list-style-type: none"> <li>• Operational efficiency</li> </ul>
<b>Issuers</b>	Dialogue, workshops, promotional roadshows and seminars.	<ul style="list-style-type: none"> <li>• Market structure and policies</li> </ul>
<b>Intermediaries</b>	Dialogue, feedback sessions, training, and jointly organised exercises and events.	<ul style="list-style-type: none"> <li>• Corporate governance</li> </ul>
<b>Investors</b>	Investor Perception Study, education and advocacy programmes via the SGX Academy, and various roadshows.	<ul style="list-style-type: none"> <li>• Infrastructure updates and business continuity planning</li> <li>• Regulatory policies and practices</li> </ul>
<b>Public and Communities</b>	Public consultations, educational workshops, seminars and programmes, scholarship and internship programmes, fundraising and corporate activities.	<ul style="list-style-type: none"> <li>• Financial literacy and investment education</li> <li>• Corporate social responsibility initiatives</li> </ul>

We highlight some engagements with stakeholders during the year below:

### Annual Institutional Investor Perception Study 2018

Since FY2015, SGX has engaged an independent third-party service provider to conduct a perception study to understand the investment community's sentiment on our strategy, management team, investment case, capital allocation, investor communications and corporate governance. In-depth interviews were conducted with past, current and potential shareholders, followed by a comprehensive analysis of the results.

### Key findings from the Investor Perception Study

- Corporate governance practices
  - SGX's corporate governance practices are in line or above-average when compared to its peers.
  - Investors continue to view SGX as a trusted exchange with robust corporate governance practices. They appreciate SGX's transparency, disclosure, accessibility, and communication with the investment community.
- Quality of SGX's Market
  - Investors agree that SGX's market is above-average in terms of being fair, orderly, and transparent compared to its peers.
  - Participants see SGX as a regulator with stringent listing criteria, and that Singapore has high levels of transparency and a sound governance track record.
  - Investors also expressed concerns on the lack of future growth opportunities in the market, and low trading volumes of lower-priced stocks.

### Community Involvement Initiatives

SGX continues to be actively involved in corporate philanthropy and corporate giving as a means of engaging our employees and contributing to the community. A key highlight of the SGX corporate giving initiative is the 14<sup>th</sup> annual SGX Bull Charge 2017. Launched in 2004, SGX Bull Charge is the only corporate charity initiative that brings together Singapore's financial community and listed companies to support the needs of underprivileged children and families, persons with disabilities, as well as the elderly. It has raised more than \$30 million for over 50 charities.

A total of 150 corporate sponsors supported the SGX Bull Charge 2017, raising over \$2.7 million in proceeds for five adopted beneficiaries: AWWA Ltd, Autism Association of Singapore, Fei Yue Community Services and Shared Services for Charities. Proceeds from the event have enabled our beneficiaries to deliver better care and assistance to those in need, specifically underprivileged children and youth, families, the disabled and the elderly.

## Public Consultations

In FY2018, SGX held 8 public consultations to obtain feedback regarding possible changes to the structure of the securities market. Recognising the value of public input, SGX consulted the public on the potential introduction of a dual-class share structure, adjustments to the securities settlement framework, and changes to quarterly reporting for listed companies.

## Materiality Assessment

Our materiality definition is guided by the GRI Standards (2016). Material sustainability factors are defined as those that:

1. Reflect the reporting organisation's significant economic, environmental, and social impacts; or
2. Substantively influence the assessments and decisions of stakeholders

We review our selected material sustainability factors regularly. For FY2018, the EMCO and Board reviewed and endorsed our existing material factors:

### Material Factors

### GRI Disclosures

### Read more in our:

#### Economic



Our financial performance, value creation, distribution, and retention for shareholders.

Economic performance

- Financial Statements, Annual Report, pages 93 to 168.

#### Socio-Economic Impacts



Our external impacts through our role as a market operator and regulator.

Indirect economic performance

- Socio-Economic Impacts, Sustainability Report, pages 44 to 45.

#### Governance



Our governance structure, ethics and integrity, anti-corruption and compliance policies.

Anti-corruption  
Socio-economic  
Compliance

- Governance, Sustainability Report, page 46;
- Corporate Governance Report, pages 54 to 75;
- Self-Regulatory Organisation Governance Report, pages 82 to 87; and
- Sustainability Website – Anti-corruption, Gifts and Entertainment Policy Statement

#### People



Our talent management and responsible employment practices.

Employment  
Labour Relations  
Training and Education  
Diversity and equal opportunity  
Non-discrimination

- People, Sustainability Report, pages 47 to 49; and
- Sustainability Website – Employee Recruitment Statement.

### Non-Material Factor

### GRI Disclosures

### Read more in our:

#### Environment



Our role in mitigating climate change.

Energy

- Environment, Sustainability Report, pages 50 to 51;
- Sustainability Website – Environmental Policy.

## Sustainability

### Socio-Economic Impacts

SGX contributes to the development of Singapore's financial market by providing a platform for issuers to raise capital whilst enabling investors to participate in Asia's economic growth and manage their Asian portfolio risks. As a front-line regulator, we ensure that issuers meet their ongoing obligations to investors, and participation in our markets is carried out in a fair, orderly and transparent manner. SGX is also a provider of connectivity solutions and is a trusted and secure counterparty for trade settlement.

In FY2018, SGX was involved in two areas that impact the broad socio-economic environment. They are:

- Stakeholders' Education: Initiatives within the realms of investor education and sustainability reporting; and
- Operational Resilience: Resiliency of our trading & clearing infrastructure, and our recovery processes.

### Stakeholders' Education

The SGX Academy oversees education and training efforts for investors and traders on investment knowledge. Our programmes have been specially designed to educate, engage and enable our stakeholders to make informed and responsible investment decisions.

In this financial year, over 258,000 investors of different age groups and investment aptitude have accessed our education assets and content through the face-to-face seminars, training courses, e-tutorials and digital platforms to aid them in their investment decisions. Through our interaction with our stakeholders, the SGX Academy is able to contribute to SGX's overall responsiveness to market needs.

Furthering our agenda to promote responsible investing, SGX organised the 'My First Stock Carnival' to engage new investors, particularly the millennial segment, on the importance of investing early. The event adopted a hybrid format

with a two-day weekend carnival where an estimated 5,000 visitors showed up to learn investment concepts and how to get started. This was followed by a week of curated investment workshops by SGX, brokers, and prominent financial bloggers, to help investors deepen their understanding on specific investment topics to get started.

In FY2018, we accelerated our digital education efforts from e-tutorials to also encompass webinars and webcasts to extend our outreach to the overseas investors. Over 30 investment webinars were conducted which reached out to more than 3,000 retail investors, covering topics from investment techniques such as deep value investing to profiling by listed companies on their business, outlook and strategies. We also introduced live streaming of our large-scale seminars to allow investors the ease of access to our content wherever they are. On average, a webcast session registered over 1,000 unique viewers.

SGX also partnered Channel News Asia to host the Money Mind Stock Challenge to educate and inspire investors. The event featured 10 contestants competing for the best performing portfolio over a period of 2 months. 10 TV episodes were aired weekly over 9 weeks. Viewers had the opportunity to go behind the scenes to understand the contestants' thought processes and strategies, and to gain insights by an expert panel of investors.

To support World Investors Week (WIW), an initiative led by International Organization of Securities Commissions (IOSCO) as a coordinated campaign by securities regulators to raise public awareness about the importance of investor education, SGX co-hosted WIW Singapore in October 2017. During WIW Singapore, several investor education forums were held in partnership with MoneySENSE, Securities Investors Association (Singapore) (SIAS) and the Institute for Financial Literacy to benefit Singapore's investing public.

### Operational Resilience

As a market operator, operational resilience of our infrastructure is critical in ensuring business continuity. In FY2018, SGX conducted Disaster Recovery and Business Continuity tests with participants to test industry-wide preparedness in the event of a crisis.

Demonstrating the resolve to minimise adverse impact from a market disruption, SGX has to-date implemented three out of the six recommendations proposed by the Securities Industry Working Group (IWG):

1. Data Corruption and Restoration – A Master Record as the authoritative source of data in the event of a complex malfunction.
2. Market Closure and Resumption – The timing and principles for market closure and resumption during a market-wide incident.
3. Trade Assumption – A clear protocol for trade assumption.

The implementation of the remaining 3 recommendations is in progress and we expect to complete them in FY2019, as follows:

4. Market Recovery Procedures – Attestation from members that they have appropriate recovery plans in place, is in progress.
5. Incident communication – A centralised communication portal for coordinated distribution of information during an incident has been implemented and will be used in our upcoming Disaster Recovery and Business Continuity tests.
6. Business continuity testing and support – Going forward SGX will also conduct industry-wide data recovery exercises to test data loss and reconciliation capabilities along with the market participants.

We will continue to leverage the Enterprise Command Centre to improve monitoring and provide a better line of sight into the health, status and availability of our infrastructure.





## Save and Invest Portfolio Series

Riding on the success of the 'Save and Invest Portfolio Series' on The Sunday Times, SGX extended the collaboration with CFA Society Singapore and MoneySENSE by launching a similar series on Lianhe Zaobao to encourage Chinese investors to save and invest for their future.

The campaign involves reaching out to an extensive readership base through a monthly 'Save and Invest Portfolio Series' column on Lianhe Zaobao, featuring simulated savings and investment portfolios of 3 Singaporean individuals and families at different life stages. The 3 simulated portfolios are tracked and guided by a panel of 4 CFA Society Singapore volunteers who are CFA charterholders with a wealth of financial and investment experience. As part of this series, quarterly investor conferences were also organised and widely attended by retail investors.

## Targets and Performance Scoreboard:

### Socio-Economic Targets for FY2018

Target	Performance Update
<b>Stakeholder Education</b> Number of retail investor participation at educational or developmental programmes	 <ul style="list-style-type: none"> <li>We reached out to over 258,000 retail investors through our various education and developmental programmes (see page 44 for details).</li> </ul>
<b>Operational Resilience</b> Number of BCP and IT DR exercises conducted	 <ul style="list-style-type: none"> <li>We conducted 14 BCP and IT DR exercises in FY2018 of which 8 exercises involved industry participants.</li> </ul>
<b>Effective Regulation</b> To help listed companies improve their Singapore Governance and Transparency Index (SGTI) scores by: <ul style="list-style-type: none"> <li>Developing regulatory initiatives and processes that support good governance practices; and</li> <li>Continuing our ongoing stakeholders' engagement efforts</li> </ul>	 <ul style="list-style-type: none"> <li>SGX RegCo formed a joint committee with Singapore Institute of Surveyors and Valuers (SISV) in August 2017 to review valuation practices and reporting carried out by real estate valuers for listed issuers. The aim is to improve the standards of disclosures and reporting of valuation by listed issuers. Following discussions at committee meetings, SISV issued a Guide on Valuation Reporting for REITs, listed companies and IPOs in June 2018 to meet investors' need for clarity and completeness of information.</li> <li>We organised a workshop with the United Nations Principles for Responsible Investment (UN PRI) and the CFA Institute to study how institutional investors and asset managers in Singapore incorporate sustainability into their investment decisions as well as sharing of investment practices.</li> <li>We conducted several roundtable sessions for directors of Catalist issuers to guide them on SGX's sustainability reporting requirements, which came into effect for all issuers whose financial years end on or after 31 December 2017.</li> <li>Together with the FSB's Task Force on Climate-related Financial Disclosures (TCFD), we organised an ASEAN Conference on the TCFD Recommendations to discuss reporting and use of climate-related information for financial and investment purposes in the ASEAN Markets.</li> </ul>
<b>Effective Risk Management</b> Observance of all relevant Principles for Financial Market Infrastructures (PFMI) principles	 <ul style="list-style-type: none"> <li>Our two clearing houses Central Depository (CDP) and SGX Derivatives Clearing (SGX-DC) observed all the relevant principles of the Principles for Financial Market Infrastructures (PFMI).</li> </ul>

### Socio-Economic Targets for FY2019

Target
<b>Stakeholder Education</b> Number of retail investor participation at educational or development programmes
<b>Operational Resilience</b> Number of Business Continuity Planning and IT Disaster Recovery exercises conducted
<b>Effective Regulation</b> To help listed companies improve their Singapore Governance and Transparency Index (SGTI) scores by: <ul style="list-style-type: none"> <li>Developing regulatory initiatives and processes that support good governance practices; and</li> <li>Continuing our ongoing stakeholders' engagement efforts</li> </ul>
<b>Effective Risk Management</b> Observance of all relevant Principles for Financial Market Infrastructures (PFMI) principles

## Sustainability

### Governance

SGX prides itself as being a leader in corporate governance so as to cultivate trust and confidence in our markets and in the services we provide. We therefore set high standards of corporate governance and business ethics for companies listed on our exchange to support the building of an enduring and sustainable marketplace.

At SGX, we lead by example and adhere to the highest standards of corporate governance practices as guided by the Code of Corporate Governance. Further information can be found in our Corporate Governance Report and our SRO Governance Report.

### Sustainability Governance

The Executive Management Committee (EMCO) oversees sustainability at SGX. The EMCO is chaired by the Chief Executive Officer and comprises senior leadership across the organisation. It is therefore well placed to set the tone-at-the-top and allows for an integrated

business and sustainability strategy. The EMCO approves sustainability strategies and reviews sustainability performance. It also regularly reviews and evaluates their sustainability approach, management policies and practices, sets targets, and measures performance against the targets.

### Our Code of Conduct and Ethics Policy



At SGX, we advocate the highest level of conduct and ethical standards to maintain high standards of governance. The SGX Conduct and Ethics Policy, the Code of Dealing and the SRO Conflicts Handbook are essential in guiding the behaviour of our employees. All employees are required to undergo rigorous training to familiarise themselves with these policies which provide guidance on appropriate conduct for common ethical issues, such as conflicts of interest, bribery and corruption, confidential information, and compliance among others. We also educate all our employees on our

whistle-blowing policy, which is publicly posted on our website, to facilitate the reporting of suspected and actual cases of improper, unethical or fraudulent conduct. The Board and EMCO take a firm stance on the ethics and integrity of employees at SGX and a serious view towards non-compliance. In line with internal policies, all employees have to undergo annual compliance and independence training.

In FY2018, 18 whistle-blowing cases were filed through our whistleblowing channel. 16 cases were related to companies listed on SGX, while 2 were related to trading matters. These cases were referred to SGX RegCo for investigation. There were no whistle-blowing reports concerning SGX.

There were no cases of bribery or corruption, anti-competitive behaviour and no fines for non-compliance with the law during the year. We continue to strive to uphold the highest standards of corporate governance with respect to our stringent governance framework.

### Targets and Performance Scoreboard:

Governance Targets for FY2018	
Target	Performance Update
Disclosure on the number of incidents of corruption and actions taken	 <ul style="list-style-type: none"> <li>There were no incidents of corruption and actions taken in FY2018.</li> </ul>
Disclosure on the number of material non-compliance with laws and regulations in the social and economic area	 <ul style="list-style-type: none"> <li>There were no material non-compliance with laws and regulation in the social and economic areas in FY2018.</li> </ul>

Governance Targets for FY2019	
Target	
Disclosure on the number of incidents of corruption and actions taken	
Disclosure on the number of material non-compliance with laws and regulations in the social and economic area	



## People

SGX recognises that our ability to remain commercially viable and competitive hinges on our continued success in attracting and retaining talent. At SGX, we care for our employees' growth and career development. We are committed to maintaining a positive workplace that values integrity, diversity, collaboration and communication whilst taking care of the well-being of our employees.

## Talent Management

Our Head of Human Resources oversees our labour practices, talent strategy and human resource policies and processes, and also cares for the 806 employed in SGX during the year. During the year, there were 136 new hires and 117 resignations. As a specialised industry, we are keenly aware that the talent and expertise we need are not readily transferrable from the wider financial services industry. We have thus taken steps to actively manage this.

At SGX, we continually invest in a holistic talent strategy to build our internal capabilities and talent pool. Through regular employee engagement activities, SGX strives to foster employee commitment by improving employee benefits and overall welfare in the organisation. We support our employees in balancing their professional life with domestic responsibilities by introducing initiatives such as flexible working schemes for female employees after childbirth.

In FY2018, a new and more robust performance management framework was implemented to promote a clear

line of sight to organisational goals and strategy and strengthen performance measurement and its link to reward and staff development. The annual performance management cycle was enhanced to emphasise target-setting, performance feedback and career development discussions. This initiative seeks to maximise employees' full potential and enhance their career development prospects which would in turn improve SGX's organisational performance.

Additionally, in FY2018, SGX was officially recognized as a Human Capital Partner (HCPartner) by the Ministry of Manpower. It is a recognition of our continued efforts to invest in human capital and adopt fair and progressive workplace practices.

## Staff Development

A highly skilled talent pool is essential to maintaining SGX's position as a leading securities and derivatives exchange. We rely heavily on the skills and capabilities of our employees to ensure the quality of our product and service offerings. At SGX, we subscribe to the policy of lifelong learning, to encourage our employees to further their potential, while equipping them with skills and knowledge that go beyond the required expertise of their current roles.

We strive to cultivate a learning culture by providing structured programmes to support learning and development. To achieve this, we provide employees with a variety of training, professional memberships, continuing education scheme, study leave, and internal job

rotation opportunities. Our employees' professional learning and development is also supplemented by programmes that seek to nurture soft skills and other transferrable expertise. These holistic initiatives serve to develop highly skilled and well-rounded employees who would be an asset to any organisation.

Given that SGX operates in a highly specialised industry, we maintain a line of sight for high potential internal candidates, proactively providing them with development opportunities to raise their level of readiness.

Leadership development is an area of focus where we continue to develop and enhance our line managers' leadership capabilities from first-level line managers up to our senior leaders, in partnerships with reputable and established best-in-class training programme providers.

Recognising that digital disruption is happening all around us and to equip our employees with the digital competencies necessary to thrive in this new environment, we rolled out our Digital Learner series of curriculum in FY2018, aimed at providing greater accessibility to learning opportunities for our employees via notable market-leading digital platforms.

In addition, the SGX Growth Xcelerator series was introduced to inculcate a stronger learning culture within SGX. The range of topics covered during these lunchtime talks include leadership, professional development, digital competencies and employee well-being.



## Sustainability

### Diversity and Inclusion

SGX embraces diversity within our workforce. We recognise that diversity in the workplace broadens the depth and breadth of our collective skills and perspectives. Cultivating a diverse and collaborative environment that drives innovation is thus a priority at SGX. We hire based on merit, and provide a competitive and fair

compensation and benefits package with "equal pay for equal work", engendered by our Non-discrimination Policy. This allows us to leverage on our gender, age, and cultural diversity to drive growth and maximise SGX's full potential. The talent strategy also emphasises equal opportunity in a non-discriminatory work environment.

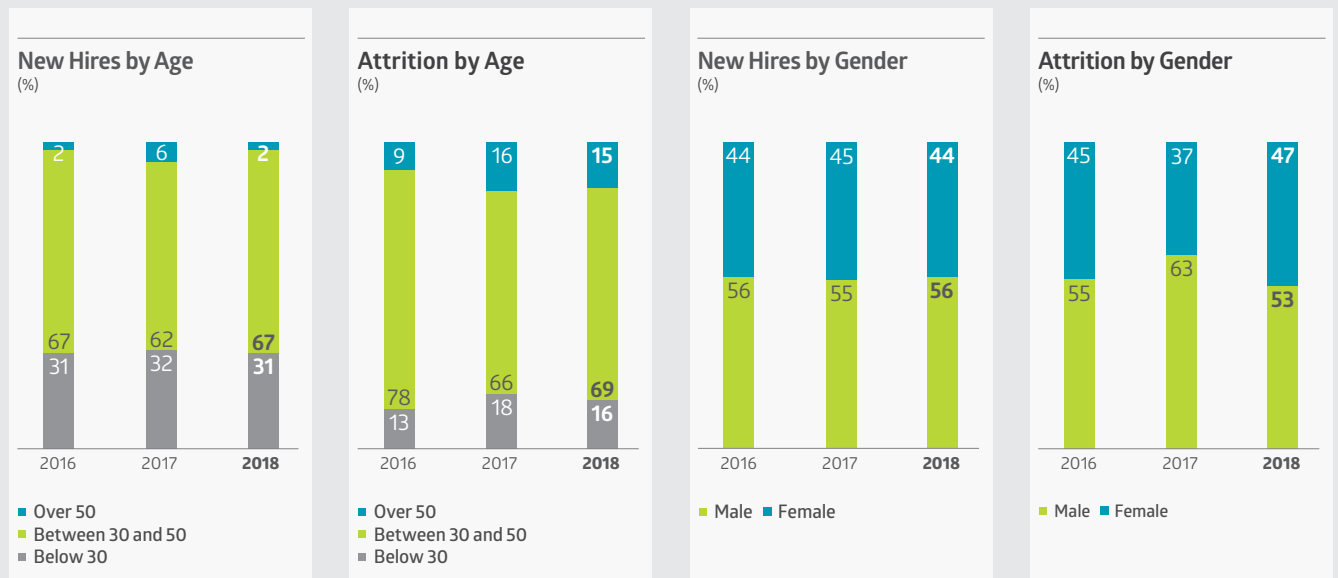
In FY2018, the new hires we welcomed comprised an almost equal ratio of females and males, ranging across all age groups from below 30 to above 50 years of age. 30% of our Board is represented by female directors, which contributes to the diversity of views and perspectives at senior levels. We have had zero reported incidents of discrimination at SGX.

### Targets and Performance Scoreboard:

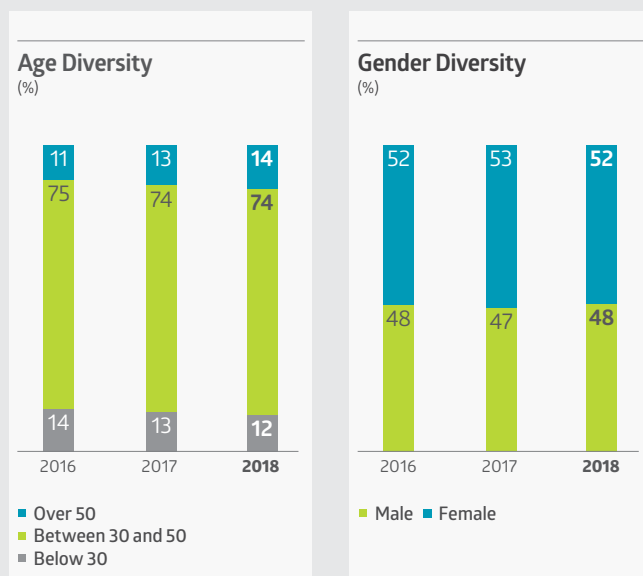
People Targets for FY2018		
Target	Performance Update	
Implement programmes for upgrading employee skills & transition assistance programmes		<ul style="list-style-type: none"> <li>■ We introduced a digital learning platform to encourage employees to adopt continuous learning practices.</li> <li>■ We implemented innovation-benchmarking workshops for employees to create awareness of disruptive socio-economic trends.</li> <li>■ We ran leadership development programmes for senior managers to build on our leadership capabilities.</li> </ul>
Achieve 35 training hours per employee per year		<ul style="list-style-type: none"> <li>■ Employees engaged in an average of 44 hours of training during the year.</li> </ul>

People Targets for FY2019	
Target	
Implement programmes for upgrading employee skills & transition assistance programmes	
Achieve 35 training hours per employee per year	

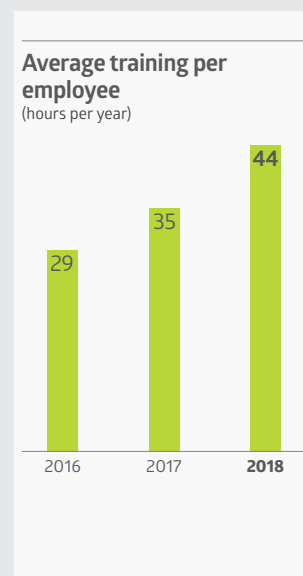
## Employment



## Diversity and Inclusion



## Training and Education



## Sustainability

### Environment (non-material factor)

SGX is keen to do our part to minimise our environmental footprint whilst managing our commercial needs.

Since the formalisation of the Environmental Policy in FY2016, which encompasses both our direct and indirect impacts on energy consumption and other natural resources, SGX has continually undertaken initiatives to promote environmental responsibility and reduce our environmental footprint.

In FY2018, SGX embarked on an environmental awareness campaign to encourage staff to care for the environment. The Earth Hour movement was observed as a symbol of commitment to lower energy consumption. A 'Plant-A-Tree' programme was also organised to encourage staff to do their part for the environment. To minimise energy wastage, motion-activated light sensors were installed in all meeting rooms.

SGX continued to encourage shareholders to subscribe to electronic transmission of shareholder documents. This was in response to positive feedback received from public consultation regarding e-communication.

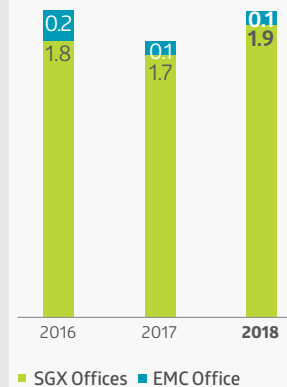
SGX has also ceased mailing out CDs for our annual report and will write to shareholders to explain that the same information is available on our website. Physical copies of our annual report will be made available only upon request.

Our primary data centre was awarded the Standard 564 (SS564) certification for Green Data Centre – Energy & Environmental Management Systems. SS564 was developed by the IDA in partnership with various government agencies to set a Singapore Standard for Green Data Centres. Our secondary data centre was awarded the BCA Green Mark Platinum certification for excellence in Energy and Environmental Design of the Building.

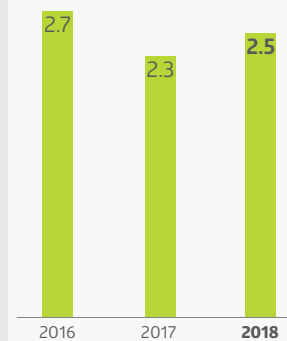
We continue to measure our progress against targets, and drive improvements for environmentally-friendly resource usage.

SGX also encourages and supports the development of sustainable financing. In line with our efforts in promoting green financing, we listed the Green Masala bond of Indian Renewable Energy Development Agency Limited (IREDA) in October 2017.

### Energy Consumption in Offices (GWh)





### Energy Intensity in Offices (MWh/employee)



Note: Energy consumption and intensity only reflect operations in Singapore (SGX and EMC).

**Targets and Performance Scoreboard:**

Environment Targets for FY2018	
Target	Performance Update
Undertake further initiatives to promote environmental responsibility	 <ul style="list-style-type: none"> <li>Continue to encourage shareholders to opt for the use of electronic transmission of shareholder documents.</li> <li>Encourage employees to care for the environment through various initiatives (see page 50 for details).</li> <li>SGX promoted awareness and discussion of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in the ASEAN region. In March 2018, we jointly organised a conference in Singapore with the TCFD focused on the ASEAN market. The Chairman of the ASEAN Capital Markets Forum gave the keynote speech.</li> <li>Implemented motion-activated light sensors to reduce electricity consumption in all meeting rooms.</li> </ul>
Analyse and monitor energy usage	 <ul style="list-style-type: none"> <li>Electricity consumption at SGX offices increased by 10% from FY2017 partly due to the set up of our new Enterprise Command Centres (ECC), which operate 24 hours daily.</li> </ul>

Environment Targets for FY2019	
Target	
Undertake further initiatives to promote environmental responsibility	
Analyse and monitor energy usage	

**Sustainability Development**

SGX remains committed to our sustainability agenda, and will continue to seek opportunities to improve organisational sustainability to create value for our stakeholders. We also strive to continually improve our sustainability reporting initiatives by enhancing our non-financial disclosures to provide our stakeholders with deeper insights into SGX's sustainability practices. We will continue to engage and support our listed companies in deriving value from their sustainability reporting process.

Global Reporting Initiative (GRI) Standards (2016) – “Core” Content Index can be found at: <http://investorrelations.sgx.com/sustainability>