SGX

SINGAPORE EXCHANGE ANNUAL REPORT 2015

July 2014 - June 2015

Corporate Information

Board of Directors

Chairman
Chew Choon Seng

Lead Independent Director
Kwa Chong Seng

Chief Executive Officer
Loh Boon Chye[1]

Members
Thaddeus Beczak
Chew Gek Khim
Jane Diplock AO
Kevin Kwok
Lee Hsien Yang
Liew Mun Leong
Ng Kok Song
Quah Wee Ghee

Company Secretary

Ding Hui Yun

Board Committees

Audit Committee

Chairman
Kevin Kwok

Members
Jane Diplock AO
Lee Hsien Yang
Liew Mun Leong

Nominating & Governance Committee

Chairman
Kwa Chong Seng

Members
Chew Choon Seng
Chew Gek Khim[2]
Liew Mun Leong
Ng Kok Song

Regulatory Conflicts Committee

Chairman
Jane Diplock AO

Members
Thaddeus Beczak
Chew Choon Seng
Kevin Kwok

Remuneration & Staff Development Committee

Chairman
Kwa Chong Seng

Members
Chew Choon Seng
Liew Mun Leong
Ng Kok Song

Risk Management Committee

Chairman
Quah Wee Ghee

Members
Thaddeus Beczak
Chew Gek Khim
Jane Diplock AO[3]
Kevin Kwok[3]

Registered Office

Singapore Exchange Limited
2 Shenton Way
#02-02 SGX Centre 1
Singapore 068804
tel : +65 6236 8888
fax : +65 6535 6994
website : sgx.com

Place of Incorporation

Singapore

Company Registration No.

199904940D

Date of Incorporation

21 August 1999

Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Auditor

PricewaterhouseCoopers LLP
8 Cross Street #17-00
PWC Building
Singapore 048424

Partner-in-Charge
Deborah Ong[4]

Investor Relations

ir@sgx.com

Sustainability

sustainability@sgx.com

[1] Appointed on 20 July 2015
[2] Appointed on 19 December 2014
[3] Appointed on 30 December 2014
[4] Appointed on 1 July 2014

Letter from the Chairman and the CEO

Amidst persistent global economic uncertainties and market volatility, the financial year that ended 30 June 2015 was another eventful one for Singapore Exchange. We turned in a net profit of $ 348.6 million, which is almost 9% higher than the preceding year and is the highest full-year profit after the global financial crisis of 2008-09.

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What We Create

1

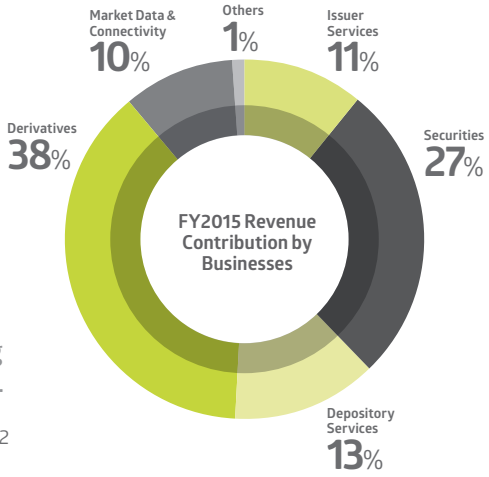
The largest stock market in Southeast Asia, with a market capitalisation exceeding S$1 trillion.

We are the most international of all listing platforms, with more than 40% of our listed companies based outside Singapore.

Value Creation

In creating value we draw on four key capitals, aiming to deploy these in ways that make the most of business opportunities while prudently managing our exposure to risk.

Read more on page 22



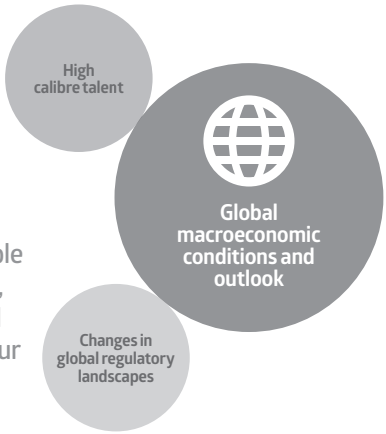
Business Model

Our business model as a provider of critical market infrastructure covers five main areas, each of which draws on our financial, human, intellectual and social capital.

Read more on page 24

Material Factors

Our ability to continue creating value is subject to a number of material factors, ranging from the retention of talented people to global economic trends, which we constantly need to assess and address in our strategy and operations.



Read more on page 25

Financial Highlights & Performance Review

The most important indicators of financial performance show how our ability to deploy our capital across our businesses produces sustainable value for shareholders.

Read more on page 6

ISSUER SERVICES REVENUE
$87.6m

SECURITIES REVENUE
$209.3m

DEPOSITORY SERVICES REVENUE
$104.2m

DERIVATIVES REVENUE
$295.7m

MARKET DATA & CONNECTIVITY REVENUE
$81.2m

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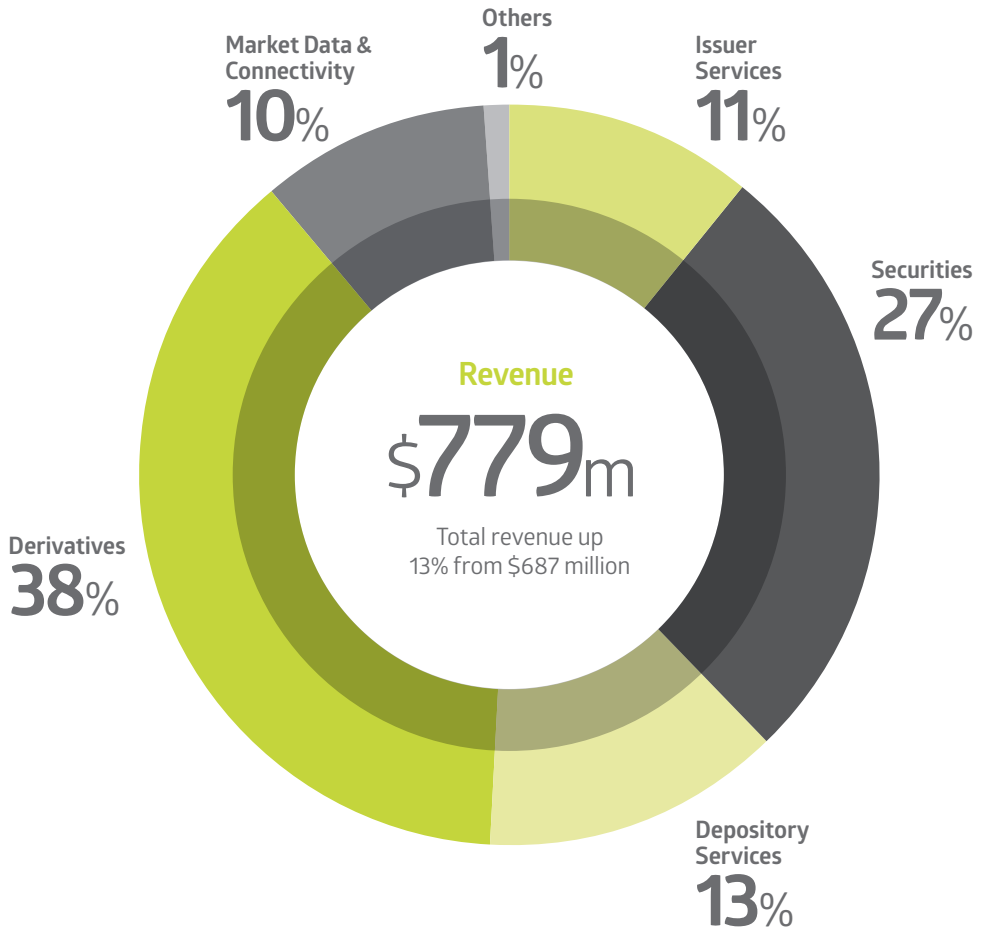
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Business at a Glance



OPERATING PROFIT

$402m

Operating profit up
8% from $372 million

NET PROFIT

$349m

Net profit up 9% from
$320 million

EARNINGS PER SHARE

32.6cents

Earnings per share up
9% from 30.0 cents

DIVIDEND PER SHARE

28cents

Dividend per share, including proposed final dividend of 16 cents per share, remains unchanged

RETURN ON EQUITY

37%

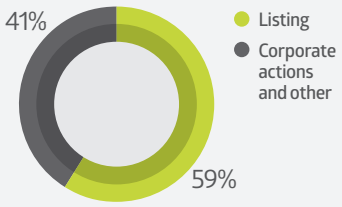
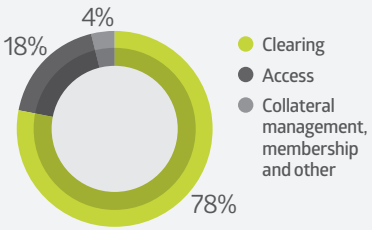
Return on equity up
2% pts from 35%

Financial Performance Summary

($million)	FY2011	FY2012	FY2013	FY2014	FY2015
Statement of Income					
Revenue	661	648	715	687	779
Expenses	287	284	301	315	377
Operating profit	374	364	414	372	402
Profit before tax and share of results of joint venture and associated companies	358	358	404	377	410
Net profit attributable to equity holders	295	292	336	320	349
Statement of Cash Flows					
Cash flows from operating activities	349	345	419	359	429
Statement of Financial Position					
Total assets	1,901	1,729	1,795	1,641	1,801
– Unrestricted cash and cash equivalents	545	548	613	607	633
– Committed for derivatives clearing fund	148	150	150	150	150
– Committed for securities clearing fund	30	35	60	60	60
– Committed for National Electricity Market of Singapore	Nil	Nil	Nil	Nil	7
Total liabilities	1,077	896	906	719	825
Total equity	824	833	889	922	976
– Includes proposed final dividend of	160	160	171	171	171
Capital expenditure	57	41	32	83	76
No. of shares issued (million)	1,072	1,072	1,072	1,072	1,072
No. of shares held as treasury shares (million)	4	4	2	2	1
Financial Indicators					
Revenue growth (%)	3.3	(1.9)	10.4	(4.0)	13.4
Operating profit margin (%)	56.5	56.2	57.9	54.1	51.6
Cost-to-income ratio (%)	43.5	43.8	42.1	45.9	48.4
Net gearing	Nil	Nil	Nil	Nil	Nil
Operating cash flow per share (cents)	32.7	32.3	39.2	33.5	40.1
Net asset value per ordinary share as at 30 June (cents)	77.2	78.0	83.1	86.2	91.2
Based on net profit attributed to equity holders					
Net profit margin (%)	44.5	44.6	46.6	46.3	44.3
Return on equity (%)	36.0	35.2	39.0	35.4	36.7
Dividend payout ratio (%)	97.7	98.8	89.1	93.4	86.0
Basic earnings per share (cents)	27.6	27.3	31.4	30.0	32.6

Financial Highlights & Performance Review

SGX recorded net profit of $348.6 million, an increase of 9% from a year earlier. Revenue increased $92.0 million or 13% to $778.9 million following the strong performance of our Derivatives business. All other business units apart from Securities recorded higher revenues compared to a year earlier.

	Issuer Services	Securities
	Revenue is generated from the listing of equities and debt instruments, as well as fees from corporate actions and issuer services.	Revenue is generated from the trading and clearing of stocks, exchange-traded funds (ETFs), and structured warrants listed on the SGX Securities exchange.
	Contribution to total revenue: **11%**	Contribution to total revenue: **27%**
Total Income Contribution	REVENUE **$87.6m** +12% from $78.3m	REVENUE **$209.3m** -8% from $226.9m
Sub-Segment		
	Listing revenue: $51.6m, +9% from $47.5m. **Corporate actions and other revenue:** $36.0m, +17% from $30.7m	**Clearing revenue:** $163.5m, -8% from $178.4m. **Access revenue:** $37.7m, -7% from $40.3m. **Collateral management, membership and other revenue:** $8.1m, unchanged
Performance Highlights	Listing revenue increased 9% due to a revision of listing fees. There were a total of 34 new listings which raised $2.7 billion, compared to 34 new listings raising $4.8 billion a year earlier. Secondary equity funds raised were $8.8 billion ($4.3 billion). Total market capitalisation was $1.0 trillion as of 30 June 2015, unchanged from a year earlier. There were 487 bond listings raising $184.8 billion, compared to 501 listings raising a similar amount of $184.8 billion a year earlier. Corporate actions and other revenue increased 17% following a fee revision.	Securities daily average traded value (SDAV) and total traded value both decreased 4% to $1.09 billion ($1.14 billion) and $274.3 billion ($286.3 billion) respectively. The decline in market activities was primarily due to lower volatility. There were 251 (252) trading days this year. Average clearing fee was 3.0 basis points, down 3% from 3.1 basis points a year earlier post a downward revision of clearing fees in June 2014. Turnover velocity for the year was 36% (39%).

Depository Services

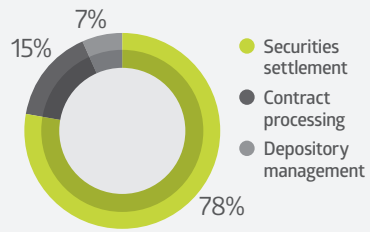
Revenue is generated from settled trades transacted on the SGX stock market, as well as the transfers of securities that take place independently of the trading on the exchange. We also provide a central back-office system for the brokers participating in our stock market, and custody services for securities held in the SGX depository.

Contribution to total revenue: **13%**

REVENUE

$104.2m

+10% from $95.0m



Securities settlement revenue: $81.3m, +14% from $71.4m. **Contract processing revenue:** $16.0m, -7% from $17.1m. **Depository management revenue:** $6.9m, +7% from $6.5m.

Securities settlement revenue increased 14%, following revised fees and higher volumes of securities settlement instructions.

Contract processing revenue decreased 7%, in line with lower securities market activities for the year.

Depository management revenue was up 7%, following an increase in the number of new accounts opened by Depository Agents.

Derivatives

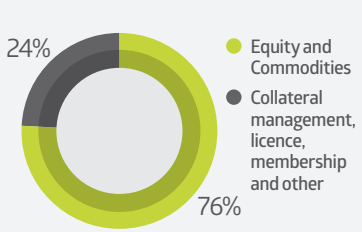
Revenue is generated from the trading and clearing of futures, swaps and options contracts covering a broad selection of Asian economies, commodities and currencies. We also provide clearing services for over-the-counter (OTC) trading of selected commodities and financial derivatives.

Contribution to total revenue: **38%**

REVENUE

$295.7m

+42% from $208.7m



Equity and commodities revenue: $224.2m, +51% from $149.0m. **Collateral management, licence, membership and other revenue:** $71.4m, +20% from $59.7m.

Equity and Commodities revenue, excluding EMC revenue of $17.9 million, grew $57.3 million or 38%. Total volumes increased 55% to 161.2 million contracts (104.3 million contracts), driven by the strong performance of the SGX FTSE China A50 Index futures, whose volume increased 220% to a record 78.2 million contracts for the year. Our global commodities benchmarks also performed well, with Iron Ore volumes increasing 258% to 4.8 million contracts and Rubber volumes increasing 54% to 607 thousand contracts. This was partially offset by a decline in the volumes of the Japan Nikkei 225 Index futures and options. Average fee per contract was $1.28 ($1.43).

Our Derivatives business has benefited from the growing demand for Asian derivatives. This growth has also led to increased competition from global exchanges.

Market Data & Connectivity

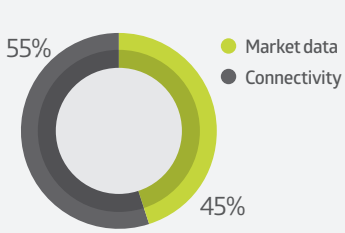
Revenue is generated from the offering of connectivity solutions to market participants, distribution of market data as well as the creation, management and licensing of indices.

Contribution to total revenue: **10%**

REVENUE

$81.2m

+6% from $76.6m



Market data revenue: $36.6m, up +4% from $35.0m. **Connectivity revenue:** $44.6m, +7% from $41.5m.

Market data revenue grew 4% due to higher take-up of low latency market data feed and increased usage of data in trading, risk management and back-office applications.

Connectivity revenue increased 7%, following continued growth of colocation services business which grew 18% year-on-year.

Letter from the Chairman and the CEO



Loh Boon Chye
Chief Executive Officer

Chew Choon Seng
Chairman

SUMMARY OF KEY POINTS

Year on year, overall revenue grew 13% to $779 million, driven by the strong performance of our derivatives business.

Read more on page 9

REVENUE GREW

13%

in FY 2015

In the six months following the board lot size reduction, the monthly average number of retail participants trading Straits Times Index (STI) stocks increased 9% compared to the preceding six months.

Read more on page 10

Amidst persistent global economic uncertainties and market volatility, the financial year that ended 30 June 2015 (FY2015) was another eventful one for Singapore Exchange (SGX). We turned in a net profit of $348.6 million, which is almost 9% higher than the preceding year's result and is the highest full-year profit after the global financial crisis of 2008-09.

Financial and other Highlights

NET PROFIT

$348.6m

+9% from FY2014

Year on year, overall revenue grew 13% to $779 million, driven by the strong performance of our derivatives business. Operating expenses rose 20% to $377 million largely due to increased spending on staff, technology, and processing and royalties.

Revenue from derivatives rose 42% to $296 million, making up 38% of total revenue. Growth in trading interest and risk management activities lifted volume 55% to 161 million contracts, primarily from our FTSE China A50 and India Nifty Index futures. Trading in the global commodities benchmarks, in particular SICOM rubber futures and iron ore derivatives, also contributed significantly.

REVENUE FROM DERIVATIVES

$296m

+42% from FY2014, making up 38% of total revenue

To date, SGX is the only exchange in Asia approved by US Commodity Futures Trading Commission (CFTC) to be registered and recognised as a Derivatives Clearing Organisation (since December 2013) and a Foreign Board of Trade (since March 2014). This provides legal assurance to US customers with direct access to SGX's suite of Asian equity derivatives, commodity offerings and trading infrastructure, and supports SGX's establishment as the international derivatives exchange of choice in the Asian time zones.

Reflecting sluggish market conditions, the number of new listings for the year was flat at 34, whilst revenue directly attributable to the securities business, derived from our clearing, access and collateral management activities, shrank 8% to $209 million. This formed 27% of our total revenue, down from 33% previously. The average daily trading value in the cash equity market fell 4% to $1.1 billion.

Notwithstanding the lower contribution to total revenue from securities, the stock market underpins our other business lines of issuer services, market data and connectivity, and depository. Collectively, these other businesses produced 29% of SGX's revenue. Therefore we well recognise the importance of reviving and sustaining the securities business.

We are encouraged by the accolades we received in the year under review, including "Asia Pacific Derivatives Exchange of the Year", "Asia Central Counterparty (CCP) of the Year", and "Clearing House of the Year" by GlobalCapital Derivatives, Energy Risk Awards Asia, and Futures and Options World (FOW) Awards for Asia 2014 respectively.

We are encouraged by the accolades we received in the year under review, including "Asia Pacific Derivatives Exchange of the Year", "Asia Central Counterparty (CCP) of the Year", and "Clearing House of the Year" by GlobalCapital Derivatives, Energy Risk Awards Asia, and Futures and Options World (FOW) Awards for Asia 2014 respectively. SGX also picked up the "Best Innovation by an Exchange" award for our Iron Ore Futures and "Best New Contract in Currency" for our INR/USD Futures contract by FOW Awards for Asia 2014.

On the debit side, we had the ignominy of the market disruption on 5 November 2014. A Board Committee of Inquiry (BCOI), comprising directors

Letter from the Chairman and the CEO

independent of management and of business relationships with SGX, was set up to oversee and review investigations by independent professional experts into the incident. A full report with findings and recommendations for improvement was submitted to the Monetary Authority of Singapore (MAS). SGX has fully accepted responsibility for the incident and taken significant measures to implement the recommendations. SGX has also acknowledged MAS' reprimand and will fully comply with MAS' directives thereof.

Reinforcing our Regulatory Function

As a self-regulatory organisation, SGX has processes that identify and isolate any conflicts of interest between our regulatory and commercial roles. Our Regulatory Conflicts Committee, comprising selected non-executive Board members who have no business relationships with SGX, reviews potential conflicts, and as a listed company ourselves, we are regulated by the MAS.

Over the past year, we consulted the market on the establishment of three independent Listings Committees – namely the Listings Advisory, Listings Disciplinary and Listings Appeals Committees. The setting up of the Listings Advisory Committee is an additional measure for conflicts prevention specifically with respect to listing applications. The three Listings Committees will be introduced in the coming year.

How we enforce our rules influences the trust investors have in our markets. During the year, we took disciplinary actions comprising 7 composition fines, 29 private warnings or other regulatory actions and 2 referrals to the Disciplinary Committee. We also referred a total of 32 cases of investigations into insider trading, manipulation and other market misconduct to the MAS. We will continue our efforts to maintain the highest regulatory standards.

Following our first Sustainability Report in FY2012, we have produced our first Integrated Report this year and are the first Asian exchange to sign up as a member of the Integrated Reporting Business Network.

YEAR ON YEAR REVENUE

$779m

+13% from FY2014

2015, we commenced the transition to a minimum trading price of S$0.20 for Mainboard companies.

Investor education remains a focus. The launch of StockFacts on sgx.com enables investors to do their own research on stocks across sectors, performance measures and corporate governance ratings. Our investing courses drew almost 147,000 attendees and approximately 69,000 CDP accounts were opened this year.

We are conscious of the importance of working with our stakeholders towards the common goal of a more liquid and higher quality securities market.

In June 2015, we welcomed Mr Tan Boon Gin as Chief Regulatory Officer. Mr Tan has had a distinguished career in the Legal Service, as well as in MAS and the Commercial Affairs Department. His knowledge and experience equip him well for leading the mission to refresh and upgrade SGX's regulatory functions.

Investing for the Long Term

We are conscious of the importance of working with our stakeholders towards the common goal of a more liquid and higher quality securities market. This year, we reduced the standard board lot from 1000 to 100 shares in January, allowing retail investors better access to higher-priced stocks. In the six months following the board lot size reduction, the monthly average number of retail participants trading Straits Times Index (STI) stocks increased 9% compared to the preceding six months. In March

As an international hub, collaboration with government bodies and other financial institutions are predominant in our strategy. We continued to explore alliances in Asia including China, Japan and ASEAN to facilitate capital-raising and linkages across our respective markets. These initiatives may not be fruitful immediately, but they are constructive steps towards deeper cooperation with like-minded exchanges in the region.

Looking Ahead

Although the current outlook for the global economy is volatile and

hard to predict, we are optimistic about our business prospects and will continue to invest in developing our systems, products and people. In the next financial year, we plan to roll out the phased introduction of our post-trade system as part of our securities market improvement, the upgrade of our derivatives trading platform and the launch of our new fixed income trading platform. We will do all that with a watchful eye on cost effectiveness.

Dividend

The Board is recommending a final dividend for FY2015 of 16 cents per share. Together with the dividends paid for the first three quarters, this will maintain the total dividend for the year at 28 cents per share.

Since FY2011, SGX's stated policy on dividends to shareholders has been to pay not less than 80% of annual earnings, or a base annual dividend of 16 cents per share (i.e. a quarterly dividend of 4 cents per share), whichever is the higher. The Board has reviewed and is confident enough about the sustainability to proceed with revising the policy to provide for an increase in the annual base dividend to 20 cents per share, thereby raising the quarterly dividend by 1 cent to 5 cents per share. This will reduce the lumpiness of the final dividend and even out the flow of dividends to shareholders.

Acknowledgements

At the beginning of the year under report, Mr Davinder Singh expressed, with apologies, his wish to step down from the Board because of unforeseen forward demands on his time and attention. The Board, in understanding and respect of his considerations, reluctantly acceded to Mr Singh's wish.

Another member of the Board, Mr Quah Wee Ghee, who has diligently chaired the Risk Management Committee since September 2012, has asked to relinquish his directorship after the upcoming AGM, because of constraints arising from executive duties in his new private enterprise. The Board has but to reluctantly accept his notice.

Both Mr Singh and Mr Quah have served since October 2011. They widened the perspective of the Board, and we thank them for their valuable insights, advice and contributions.

We also thank our fellow directors, the management team and all staff for their good work and co-operation, as well as our clients, members and shareholders for their support and confidence in SGX. We will strive to earn the same in the years to come.

Chew Choon Seng
Chairman

Loh Boon Chye
Chief Executive Officer

The Board records its thanks and appreciation to Mr Magnus Böcker for his services and contributions as the CEO from December 2009 to June 2015. Notably Mr Böcker led the elevation of SGX's international profile and oversaw the growth of the derivatives business.

We welcome Mr Loh Boon Chye as our new CEO. Mr Loh brings with him 26 years of experience and achievements in investments, banking and the capital markets. He served as a non-executive director on the Board of SGX from October 2003 to September 2012, and we are privileged to have him back in his new capacity.The Board looks forward to supporting him in leading SGX to further heights of excellence.

Board of Directors



CHEW CHOON SENG
Chairman
Non-Executive and Non-Independent Director

Date of first appointment as a director

1 December 2004

Date of last re-elected as a director

19 September 2013

Length of service as a director (at 30 June 2015)

10 years 7 months

Board committee(s) served on:

Nominating & Governance Committee (Member)[1]
Remuneration & Staff Development Committee (Member)
Regulatory Conflicts Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Engineering (Mechanical) (First Class Honours), University of Singapore
Master of Science in Operations Research and Management Studies, Imperial College of Science and Technology, University of London

Present Directorships (on 30 June 2015)

Listed companies
Nil

Others (Non-Listed companies)
GIC Private Limited
National Gallery Singapore
Singapore Tourism Board (Chairman)

Major Appointments (other than Directorships)

Nil

Past Directorships held over the preceding three years (from 30 June 2012 to 29 June 2015)

Nil

[1] Appointed on 25 September 2014



LOH BOON CHYE
Chief Executive Officer
Executive and Non-Independent Director

Date of first appointment as a director
20 July 2015

Date of next re-election as a director
23 September 2015

Board committee(s) served on:
Nil

Academic & Professional Qualification(s):
Bachelor of Engineering (Mechanical), National University of Singapore

Present Directorships (on 30 June 2015)

Listed companies
Nil

Others (Non-Listed companies)
BC Capital Ltd
BC Capital Properties, LLC
GIC Private Limited
Gym & Sports Pte. Ltd.

Major Appointments (other than Directorships)
MAS Security Industry Council

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
Singapore Exchange Limited
The Institute of Banking and Finance



THADDEUS BECZAK
Non-Executive and Independent Director

Date of first appointment as a director
7 October 2010

Date of next re-election as a director
23 September 2015

Length of service as a director (at 30 June 2015)
4 years 9 months

Board committee(s) served on:
Risk Management Committee (Member)
Regulatory Conflicts Committee (Member)

Academic & Professional Qualification(s):
Bachelor of Science (Foreign Service International Affairs), Georgetown University
Master of Business Administration, Columbia University

Present Directorships (on 30 June 2015)

Listed companies
Pacific Online Limited
Phoenix Satellite Television Holdings Limited

Others (Non-Listed companies)
Arnhold Holdings Limited

Major Appointments (other than Directorships)
Georgetown University School of Foreign Service (Board of Advisors)
Hong Kong University of Science and Technology (Adjunct Professor, MBA degree programme)
Huaxing Capital Partners (Investment Committee Member)
International Advisory Committee of the China Securities Regulatory Commission (Member)

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
ACR Capital Holdings Pte Limited (Non-Executive Chairman)
Advanced Semiconductor Manufacturing Corp Limited
Artisan Du Luxe Holding Limited (Non-Executive Chairman)
China Renaissance Holdings Limited (Vice Chairman)
China Renaissance Securities (Hong Kong) Limited (Chairman)
Cowen and Company (Asia) Limited (Chairman)
Cowen and Company, LLC (Vice-Chairman)
e-Kong Group Limited

Board of Directors



CHEW GEK KHIM
Non-Executive and Independent Director

Date of first appointment as a director
1 December 2013

Date of last re-elected as a director
25 September 2014

Length of service as a director (at 30 June 2015)
1 year 7 months

Board committee(s) served on:
Nominating & Governance Committee[1]
Risk Management Committee

Academic & Professional Qualification(s):
LL.B (Honours), National University of Singapore

Present Directorships (on 30 June 2015)

Listed companies
ARA Asset Management Limited (Non-Executive Deputy Chairman)
ARA Trust Management (Suntec) Limited (Non-Executive Chairman)
The Straits Trading Company Limited (Executive Chairman)

Others (Non-Listed companies)
Cairnhill Rock Pte. Ltd.
Morriston Pte. Ltd
Nexford Holdings Pte Ltd
Straits Real Estate Pte. Ltd.
Tan Chin Tuan Pte. Ltd[2] (Deputy Executive Chairman)
Tecity Pte Ltd[3] (Executive Chairman)

Major Appointments (other than Directorships)
RSIS Board of Governors
Securities Industry Council
SSO Council
The Tan Chin Tuan Foundation (Deputy Executive Chairman)
The Tan Sri Tan Foundation

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
CapitalRetail China Trust Management Limited
Singapore Totalisator Board
Swiftflash Assets Limited
Tecity Holdings Sdn Bhd

[1] Appointed on 19 December 2014
[2] Including its subsidiaries & associate namely; Consultants Services (Private) Limited, Tecity Management Pte. Ltd. (Executive Chairman), Grange Investments Holdings Private Limited, Kambau Pte. Ltd. (Executive Chairman), Tiong Cheng Pte Ltd (Deputy Executive Chairman), Amalgamated Holdings Private Limited, Amberlight Limited, Siong Lim Private Limited, Choice Equities Pte Ltd, Integrated Holdings Private Limited (Executive Chairman)
[3] Including its subsidiaries & associates namely; Ho Peng Holdings Private Limited, Selected Holdings Private Limited, Mellford Pte. Ltd., Aequitas Pte. Ltd., Raffles Investments Limited, Raffles Investments (1993) Pte Ltd, Sigford Pte. Ltd., The Cairns Pte. Ltd., and Selected Properties Pte. Ltd.



JANE DIPLOCK AO
Non-Executive and Independent Director

Date of first appointment as a director
25 July 2011

Date of last re-elected as a director
19 September 2013

Length of service as a director (at 30 June 2015)
3 years 11 months

Board committee(s) served on:
Regulatory Conflicts Committee (Chairman)
Risk Management Committee (Member)[1]
Audit Committee (Member)

Academic & Professional Qualification(s):
Bachelor of Arts (Honours), LL.B, Dip Ed., Sydney University
Dip. Int. Law, Australian National University
Chartered Fellow of the New Zealand Institute of Directors
Fellow of the Australian Institute of Company Directors

Present Directorships (on 30 June 2015)

Listed companies
Nil

Others (Non- Listed companies)
Australian Financial Services Group Pty Limited
International Integrated Reporting
Council Board

Major Appointments (other than Directorships)
International Advisory Board of the Securities and Exchange Board of India (Member)
International Advisory Committee of the China Securities Regulatory Commission (Member)
Public Interest Oversight Board (Member)

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
International Organisation of Securities Commissions (Executive Committee Chairman)
New Zealand Securities Commission (Chairman)

[1] Appointed on 30 December 2014



KWA CHONG SENG
Non-Executive and Lead Independent Director

Date of first appointment as a director
20 September 2012

Date of last re-elected as a director
25 September 2014

Length of service as a director (at 30 June 2015)
2 years 9 months

Board committee(s) served on:
Nominating & Governance Committee (Chairman)
Remuneration & Staff Development Committee (Chairman)

Academic & Professional Qualification(s):
Bachelor of Engineering (Mechanical), National University of Singapore

Present Directorships (on 30 June 2015)

Listed companies
Neptune Orient Lines Limited[1] (Chairman)
Olam International Limited (Deputy Chairman)
Singapore Technologies Engineering Ltd (Chairman)

Others (Non-Listed companies)
Delta Topco Limited
Fullerton Fund Management Company Ltd. (Chairman)
Seatown Holdings Pte Ltd
Singapore Technologies Holdings Pte Ltd

Major Appointments (other than Directorships)
Advisory Committee of Dymon Asia Capital Ltd (Chairman)
Public Service Commission (Deputy Chairman)
Defence Science and Technology Agency

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
APL Logistics Ltd (Chairman)*pursuant to declaration dated 12.06.2015

[1] Including its subsidiaries namely; APL (Bermuda) Ltd (Chairman), APL Co. Pte Ltd (Chairman), APL Limited (Chairman), , Automar (Bermuda) Ltd. (Chairman) and NOL Liner (Pte.) Ltd. (Chairman)



KEVIN KWOK
Non-Executive and Independent Director

Date of first appointment as a director
20 September 2012

Date of next re-election as a director
23 September 2015

Length of service as a director (at 30 June 2015)
2 years 9 months

Board committee(s) served on:
Audit Committee (Chairman)
Regulatory Conflicts Committee (Member)
Risk Management Committee (Member)[1]

Academic & Professional Qualification(s):
Bachelor of Arts (Honours), University of Sheffield
ACA - Associate, Institute of Chartered Accountants in England & Wales
FCA - Fellow, Institute of Singapore Chartered Accountants
FSID - Fellow, Singapore Institute of Directors

Present Directorships (on 30 June 2015)

Listed companies
Mapletree Greater China Commercial Trust Management Ltd
Wheelock Properties (Singapore) Limited

Others (Non-Listed companies)
Nil[2]

Major Appointments (other than Directorships)
Accounting Standards Council (Council Member)
The Singapore Institute of Directors (Governing Council Member)

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
NTUC ElderCare Co-operative Ltd
NTUC Income Insurance Co-operative Ltd

[1] Appointed on 30 December 2014
[2] Inactive: (1) The Circadian Group Pte Ltd, (2) The Circadian Associates Pte Ltd and (3) The Circadian Advisors Pte Ltd.

Board of Directors



LEE HSIEN YANG
Non-Executive and Non-Independent Director

Date of first appointment as a director
17 September 2004

Date of last re-elected as a director
25 September 2014

Length of service as a director (at 30 June 2015)
10 years 9 months

Board committee(s) served on:
Audit Committee (Member)

Academic & Professional Qualification(s):
Bachelor of Arts (Double First), Cambridge University
Master of Science Management, Stanford University

Present Directorships (on 30 June 2015)

Listed companies
Australia and New Zealand Banking Group Limited
Rolls-Royce Holdings PLC

Others (Non-Listed companies)
Caldecott Inc.
Civil Aviation Authority of Singapore (Chairman)
Cluny Lodge Pte Ltd
General Atlantic Singapore Fund FII Pte. Ltd.
General Atlantic Singapore Fund Pte. Ltd. (Chairman)
Governing Board of Lee Kuan Yew School of Public Policy
The Islamic Bank of Asia Limited (Chairman)

Major Appointments (other than Directorships)
Capital International Inc. Advisory Board (Consultant)
General Atlantic (Special Advisor)
INSEAD South East Asia Council (President)

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
Asia Pacific Investment Pte Ltd (Chairman)
F&N Treasury Pte Ltd
Fraser and Neave Limited (Chairman)
Fraser and Neave (Singapore) Pte Limited
Frasers Centrepoint Limited



LIEW MUN LEONG
Non-Executive and Independent Director

Date of first appointment as a director
1 July 2009

Date of next re-election as a director
23 September 2015

Length of service as a director (at 30 June 2015)
6 years

Board committee(s) served on:
Audit Committee (Member)
Nominating & Governance Committee (Member)
Remuneration & Staff Development Committee (Member)

Academic & Professional Qualification(s):
Bachelor of Engineering (Civil), University of Singapore
Registered Professional Engineer

Present Directorships (on 30 June 2015)

Listed companies
Nil

Others (Non-Listed companies)
CapitaLand Hope Foundation
Changi Airport Group (Singapore) Pte Ltd (Chairman)
China Club Investment Pte Ltd (Chairman)
Human Capital Leadership Institute
Lotus Mentoring Leadership Pte. Ltd
Singapore-China Foundation Ltd
Surbana Jurong Private Limited
(formerly known as TJ Holdings (II) Pte. Ltd.)

Major Appointments (other than Directorships)
Chinese Development Assistance Council (Member, Board of Trustees)
NUS Business School (Advisory Board Member)
NUS Business School (Provost's Chair & Professor (Practice))
NUS Engineering Faculty (Provost's Chair & Professor (Practice))

Past Directorships held over the preceding three years
(from 30 June 2012 to 29 June 2015)
The Ascott Limited (Chairman)
Ascott Residence Trust Management Limited (Deputy Chairman)
CapitaCommercial Trust Management Limited (Deputy Chairman)
CapitaLand China Holdings Pte Ltd (Chairman)
CapitaLand Commercial Limited (Chairman)
CapitaLand Financial Limited (Chairman)
CapitaLand Financial Services Limited
CapitaLand ILEC Pte Ltd (Chairman)
CapitaLand Limited
CapitaLand Malaysia Pte Ltd (Chairman)
CapitaLand Regional Investments Limited
CapitaLand Residential Singapore Pte Ltd (Chairman)
CapitaLand Singapore Limited
CapitaMall Trust Management Limited (Deputy Chairman)
CapitaMalls Asia Limited (Chairman)
CapitaRetail China Trust Management Limited (Deputy Chairman)
CapitaValue Homes Limited (Chairman)
Lan Ting Holdings Pte. Ltd
LFIE Holding Limited (Deputy Chairman)
Pavilion Energy Pte Ltd
Pavilion Gas Pte Ltd (Chairman)
Surbana Corporation Pte Ltd
(now known as CapitaLand Township Holdings Pte Ltd)
Surbana International Consultants Holdings Pte. Ltd. (Chairman)



NG KOK SONG
Non-Executive and Independent Director

Date of first appointment as a director
19 September 2013

Date of last re-elected as a director
23 September 2015

Length of service as a director (at 30 June 2015)
1 year 9 months

Board committee(s) served on:
Nominating & Governance Committee (Member)
Remuneration & Staff Development Committee (Member)

Academic & Professional Qualification(s):
Physics, University of Singapore
Management, Stanford University

Present Directorships (on 30 June 2015)

Listed companies
Nil

Others (Non-Listed companies)
Avanda Investment Management Pte Ltd
Wealth Management Institute Pte. Ltd.

Major Appointments (other than Directorships)
Makena Capital

Past Directorships held over the preceding three years (from 30 June 2012 to 29 June 2015)
GIC Asset Management Private Limited
GIC Private Limited
GIC Real Estate Private Limited
GIC Special Investments Private Limited
Hon Sui Sen Endowment CLG Limited



QUAH WEE GHEE
Non-Executive and Non-Independent Director

Date of first appointment as a director
6 October 2011

Date of last re-elected as a director
25 September 2014

Length of service as a director (at 30 June 2015)
3 years 9 months

Board committee(s) served on:
Risk Management Committee (Chairman)

Academic & Professional Qualification(s):
Bachelor of Engineering, National University of Singapore
Chartered Financial Analyst, Association for Investment Management & Research (United States)
Stanford Executive Program, Stanford University

Present Directorships (on 30 June 2015)

Listed companies
Oversea-Chinese Banking Corporation Limited

Others (Non-Listed companies)
Avanda Investment Management Pte Ltd
Bank of Singapore Limited
Cypress Holdings Private Limited
EDBI Pte Ltd
Grand Alphine Enterprise Ltd
The Great Eastern Life Assurance Company Limited
The Overseas Assurance Corporation Limited

Major Appointments (other than Directorships)
MOH Holdings Investment Committee (Chairman)
Wah Hin & Co. (Pte) Ltd (Advisor)

Past Directorships held over the preceding three years (from 30 June 2012 to 29 June 2015)
Central Provident Fund Board
GIC Asset Management Private Limited
GIC Private Limited (Member of Investment Board)
Government of Singapore Investment Corporation Pte Ltd
Singapore Labour Foundation
Singapore University of Technology and Design
SLF Strategic Advisors Private Limited

Executive Management Committee



Loh Boon Chye
Chief Executive Officer



Muthukrishnan Ramaswami
President



Chng Lay Chew
Chief Financial Officer



Tan Boon Gin
Chief Regulatory Officer



Tim Utama
Chief Operations & Technology Officer



Bob Caisley
Executive Vice President



Arulraj Devadoss
Executive Vice President



Chew Sutat
Executive Vice President



Lawrence Wong
Executive Vice President



Michael Syn
Executive Vice President

Loh Boon Chye
Chief Executive Officer

Mr Loh joined SGX as Chief Executive Officer in July 2015.

Prior to joining SGX, Mr Loh worked with Bank of America Merrill Lynch from 2012 to 2015 where he was the deputy president for Asia Pacific and head of Asia Pacific Global Markets. Additionally, he was the firm's country executive for Singapore and South East Asia and a member of its Asia Pacific Executive Committee.

Before joining Bank of America Merrill Lynch, Mr Loh spent 17 years with Deutsche Bank in Asia, where he most recently was head of the Corporate and Investment Banking division for the Asia Pacific region. Mr Loh began his career in finance as an investment officer with the Monetary Authority of Singapore in 1989. In 1992, he joined the Singapore branch of Morgan Guaranty Trust Co of New York, managing its South East Asia fixed income and derivatives business.

Mr Loh has more than 25 years of experience in the industry and has played a key role in the development of the capital markets in South East Asia, holding a number of senior advisory positions. He was the deputy president of ACI Singapore in 1999 and he was a non-independent director of the Singapore Exchange from 2004 to 2012. He was also council member at the Institute of Banking & Finance Singapore and served as Singapore Foreign Exchange Market Committee Chairman.

Mr Loh is a Director of GIC Private Limited.

Mr Loh holds a Bachelor of Engineering degree from the National University of Singapore.

Muthukrishnan Ramaswami
President

Mr Ramaswami joined SGX as Senior Executive Vice President and Chief Operations Officer on 1 July 2007, and was appointed Co-President in July 2010 and President in May 2012. In this role, Mr Ramaswami works closely with the CEO and manages SGX's core businesses – Securities, Fixed Income, Derivatives, Commodities, Market Data & Access and Depository Services. Mr Ramaswami also serves as the Chief Executive Officer of each of SGX's regulated entities – Singapore Exchange Securities Trading Limited, Singapore Exchange Derivatives Trading Limited, Singapore Exchange Derivatives Clearing Limited and The Central Depository (Pte) Limited.

Mr Ramaswami worked with Citigroup from 1996 to 2007 and was based in Mumbai, Singapore, Hong Kong, London and New York. Immediately prior to SGX he was Chief Information Officer with the International Consumer Business of Citigroup's Global Consumer Bank, based in New York. Prior to this he held progressively senior executive positions in Citigroup's international and regional offices, working in Operations, Technology and Transaction Banking.

Mr Ramaswami serves on the board of the Infocomm Development Authority of Singapore and is Chairman of its Audit Committee. He is also on the board of the Energy Market Company, the operator of Singapore's wholesale electricity market, and a member of the Global Markets Advisory Committee of the U.S. Commodities Futures Trading Commission (CFTC).

Mr Ramaswami holds a Master's Degree in Mathematics (Honors) from Birla Institute of Technology and Sciences, and a Post Graduate Diploma in Management Studies (Masters in Business Administration) from the Indian Institute of Management, Ahmedabad.

Chng Lay Chew
Chief Financial Officer

Mr Chng is Chief Financial Officer of SGX where he oversees Finance, Capital & Treasury, Corporate & Market Strategy and Investor Relations. In his role, he also manages the Legal and Company Secretary, and Facilities Management units.

Mr Chng has more than 30 years of experience in accounting and financial management, including leadership positions in leading local and international banks. In his previous role, he was responsible for the finance functions of DBS Group's operations in all countries outside Singapore. He was also previously CFO of the bank's Greater China business supporting the integration and growth of the Hong Kong operations and the expansion into China. His earlier roles include senior finance positions in JP Morgan's Singapore, Tokyo and New York offices.

Mr Chng serves on the board of Energy Market Company, the operator of Singapore's wholesale electricity market. He is also a board member of the Singapore Accountancy Commission, which oversees the development of the country's accountancy sector.

Executive Management Committee

Mr Chng is a Chartered Accountant and member of Chartered Accounants Australia and New Zealand and the Institute of Singapore Chartered Accountants. He holds a Bachelor of Commerce and Administration degree from New Zealand's Victoria University.

Tan Boon Gin
Chief Regulatory Officer

Mr Tan joined SGX as Chief Regulatory Officer on 15 June 2015. He heads the Regulation unit that performs various regulatory functions to promote a fair, orderly and transparent market. The unit encompasses the IPO Admissions, Listing Compliance, Listing Policy & Product Admission, Member Supervision, Surveillance, Regulatory Development & Policy and Legal functions.

Before joining SGX, Mr Tan was the Director of the Commercial Affairs Department of the Singapore Police Force. Prior to this, Mr Tan held several appointments at the Monetary Authority of Singapore (MAS) including Director of the Enforcement Division, Director of the Corporate Finance Division and Executive Director of the Investment Intermediaries Department. Mr Tan was seconded to MAS after serving as a District Judge at Singapore's Subordinate Courts.

Mr Tan's earlier roles include serving as a Justices' Law Clerk at Singapore's Supreme Court and a Deputy Public Prosecutor at the Attorney-General's Chamber, where he specialized in corruption and white-collar crime, before leaving to practise at Messrs Sullivan & Cromwell in New York.

Mr Tan is an advocate and solicitor and holds degrees from the University of Cambridge and Harvard Law School. Mr Tan was also awarded the Public Administration (Silver) Medal in 2010.

Tim Utama
Chief Operations & Technology Officer

Mr Utama joined SGX as Chief Operations and Technology Officer on 1 December 2012. His key remit is to streamline processes, increase operational efficiency and reliability of all production services, increase productivity and ensure SGX's adherence to regulatory standards.

As Chief Operations & Technology Officer, Mr. Utama oversees Trading and Clearing Operations, Depository Services, Business Excellence, Technology Planning, Delivery and Operations as well as Information Security. Before joining SGX, Mr Utama was on the Executive Board of Directors of PT Bank Permata Tbk, the 8th largest Bank in Indonesia majority owned by Astra International (44.5%) and Standard Chartered Bank (44.5%). As their Technology and Operations Director, he managed a team about 1,900 Technology and Operations staff across the Bank that operates in more than 50 cities with a network of over 280 Branches.

Prior to this, Mr Utama was the Head of Wholesale Banking Operations of the Global Shared Services Centre of Standard Chartered Bank based in India. In a career spanning more than 15 years with Standard Chartered, he held various senior positions in Service Excellence, Banking Operations, Relationship Management, Trade Services and Process Improvement. Mr Utama also served as Head of Trade Service Delivery and Trade Sales with ANZ Bank Headquarters in Melbourne. He began his career at Bank of Trade (LippoBank) in Los Angeles.
Mr Utama holds a Bachelor of Business Administration in Accountancy and Finance from Texas A&M University, College Station, USA.

Bob Caisley
Executive Vice President

Mr Caisley is Head of Technology Operations and Technology Solutions Delivery where he provides strategic IT leadership. In his role, Mr Caisley oversees the day to day running of SGX IT operations and the development and delivery of IT services and new technologies. With more than 25 years of experience in IT project management and operations, Mr Caisley provides strategic guidance in technology direction and business development at SGX.

Mr Caisley joined SGX on 14 January 2008. Prior to SGX, he was responsible for the management of the Australian Securities Exchange's (ASX) business solutions projects. In his career, he has been responsible for the successful implementations of key IT projects throughout the Financial Services Industry.

Arulraj Devadoss
Executive Vice President

Mr Devadoss joined SGX on 1 December 2011 as Head of Human Resources and was appointed to the Executive Committee in May 2012.

Mr Devadoss is an industry veteran with more than 25 years in human resources management, and comes with a rich global experience from the banking and financial industry. In his 20 years with Standard Chartered Bank, he worked in roles across several businesses and spanning various aspects

of human resources. Just prior to joining SGX, he was the Global Human Resources Head for the Client Relationship Business of Standard Chartered Bank.

Mr Devadoss graduated with a Bachelor of Arts Degree in Economics from University of Madras, India in 1982. He also holds a Honours Diploma in Personnel Management and Industrial Relations from Xavier Labour Relations Institute, Jamshedpur.

Chew Sutat
Executive Vice President

Mr Chew is Head of Sales & Clients and is responsible for the exchange's international distribution network including growing market participation and the Membership base in securities, derivatives, commodities and data products.

Mr Chew joined SGX in June 2007 and was appointed to the Executive Management Committee in May 2008. He was previously Group Head, Investment & Treasury Products at Standard Chartered Bank. He was responsible for the Global Wealth Management investment and treasury products business, strategy and development in the bank's existing geographic franchises as well as new ventures.

Before Standard Chartered Bank, Mr Chew was with OCBC Securities, where he headed the development of non-traditional investment products and services for its customers. He began his career with DBS Bank in the Custody function, and held varying portfolios in strategic planning and business development for institutional banking, as well as private clients. He is a Fellow of the Institute of Banking and Finance (Singapore), sits on Presidents Advisory Council at the National University of Singapore, serves as industry advisor for the Government Parliamentary Committee (Finance), and Chairman of the SGX Bull Charge CSR initiatives.

Mr Chew graduated with a Bachelor of Arts (1st Class Honours) degree in Philosophy Politics & Economics (PPE) from Oxford University, Keble College in 1996. He also holds a Master of Arts degree from Oxford.

Lawrence Wong
Executive Vice President

Mr Wong is Head of China Business and Head of Listings of SGX. In these respective roles, he is responsible for overseeing all of SGX's China businesses and relationships, and the development of SGX as an international listing venue.

Mr Wong joined SGX in April 2006. Prior to this, he was part of the senior management team at OCBC Bank. During his tenure with the bank, his portfolio included corporate finance, securities and futures, trustee and nominees businesses, fund management and private equity.

Before OCBC Bank, Mr Wong held several senior positions at Schroders Group, including Head of Corporate Finance for South East Asia and Head of Financial Institutions Group, Asia Pacific. His assignments also included an overseas posting to Shanghai, China, as General Manager of Schroders' joint venture and Head of Corporate Finance for Greater China.

Mr Wong is a member of various collaboration councils set up by Singapore with Guangdong, Jiangsu, Liaoning, Shandong, Sichuan, Tianjin and Zhejiang to promote economic, trade and investment activities.

Mr Wong holds a Bachelor's degree in Business Administration from the University of Singapore.

Michael Syn
Executive Vice President

Mr Syn is Executive Vice President and Head of Derivatives at SGX.

He oversees SGX's growth in the trading and clearing of Asian derivatives, anchored on its multi-award winning Equity and Commodity businesses. He also leads SGX's product innovation efforts in Foreign Exchange and Power & Gas, as well as platform innovation in Asian OTC clearing.

Mr Syn joined SGX on 1 March 2011 with a background in investment banking and investment management, working in both London and Singapore. His previous role before joining SGX was as Chief Operating Officer of DBS Asset Management, a subsidiary of DBS Bank, where he oversaw the regional management of the firm.

Mr Syn graduated with MA and PhD degrees from Gonville & Caius College in Cambridge University.

Value Creation

Singapore Exchange (SGX) is a diversified exchange group that runs key financial market infrastructures. We operate the Singapore stock market, a platform for listed companies to gain access to capital and for investors to participate in Asia's economic growth. We also operate a pan-Asian Derivatives exchange. Through our innovative derivatives products covering Asian equity indices, commodities and currencies, we offer global market participants a single point of access into Asian markets.

Refer to Business Model on Page 24

Why We Exist

SGX performs two key roles for the Singapore financial industry:

1 Key market infrastructure supporting the Singapore and Asian financial markets



- Facilitating efficient capital allocation and price formation for exchange-listed financial instruments
- Providing single-point access for domestic and global investors to participate in Asian growth opportunities

2 Fair, orderly and transparent markets supported by safe and efficient Clearing Houses



- Operating trust-worthy stock and derivatives markets that meet the highest regulatory standards

Refer to Self-Regulatory Organisation Governance Report on Page 51

- Operating efficient and well-capitalised Clearing Houses with robust risk and default management practices

Refer to Risk Management Report on Page 55

Our Forms of Capital

To create value, we rely on the effective deployment of financial, human, intellectual and social capital.

Financial Capital

Refer to Financial Statements on Page 85



Our financial capital comes from share capital and retained profits. We use our financial capital to recruit and retain staff, invest in best-in-class technology and ensure that our two Clearing Houses are well-capitalised.

Human Capital

Refer to Sustainability on Page 30



Human capital refers to the capabilities and experience of our staff. As a provider of financial market infrastructure, we rely on our highly skilled and motivated people to:

- Ensure that we are operationally resilient to support our various businesses.
- Create innovative products and services that meet the rapidly changing needs of the markets we operate.
- Stay ahead of and navigate regulatory changes not just in Singapore but globally.

Intellectual Capital

Refer to Business Model on Page 24



We seek to institutionalise our knowledge and competencies in the form of policies, procedures and systems.

These form the foundation of our intellectual capital which comprises knowledge based intangible assets and software, proprietary rights to our market data, and our brand.

Social Capital

Refer to Sustainability on Page 30



Our social capital takes the form of cooperative relationships we build and maintain with our stakeholders including regulators, market participants and the communities that we operate in.

We also leverage our position as the exchange of Singapore, the only Asian economy rated AAA or equivalent by all three major ratings agencies.

We have a dual and equally important role as a frontline market regulator. We ensure that listed companies meet their on-going obligations to investors and that orders to buy and sell shares and other exchange-listed financial products listed on the exchange are executed in a fair, orderly and transparent manner. SGX is a systemically important financial infrastructure of the Singapore financial system.

Refer to Self-Regulatory Organisation Governance Report on Page 51

What We Do

Our businesses cover a range of financial products and services.

Our Businesses	
Issuer Services	We provide the listing platform for local and international companies to raise capital from domestic and global investors. We also provide post-listing services to help raise the profiles of our listed companies within the investment community.
Securities	We operate the stock market in Singapore, where investors and traders can participate in the buying and selling of shares, real-estate investment trusts, exchange-traded funds, structured warrants and other listed instruments. Our securities Clearing House acts as the central counterparty to all market participants.
Depository Services	We facilitate the settlement of trades performed on the SGX stock market, and regulate the delivery of securities arising from these trades. In addition, we facilitate the transfer of securities between accounts in the SGX central depository. We operate a centrally-provided back office system that is used by all participating brokers. We also provide custody services for securities held in the SGX central depository.
Derivatives	We operate a pan-Asian Derivatives market offering futures, options and swaps covering a broad selection of Asian equity indices, commodities and currencies. Our Derivatives Clearing House acts as the central counterparty to all the transactions that take place on our exchange.
Market Data & Connectivity	We offer sophisticated connectivity solutions to access SGX markets, provide data to support trading decisions and deliver indices to better profile our markets' attributes.

What We Create

1. The largest stock market in Southeast Asia, with a market capitalisation exceeding S$1 trillion.

   We are an international listing platform, with more than 40% of our listed companies based outside Singapore.

2. A pan-Asian Derivatives exchange, with the world's most liquid offshore market for the benchmark equity indices of China, India, Japan and ASEAN. We are also the leading exchange for contracts on iron ore and rubber.

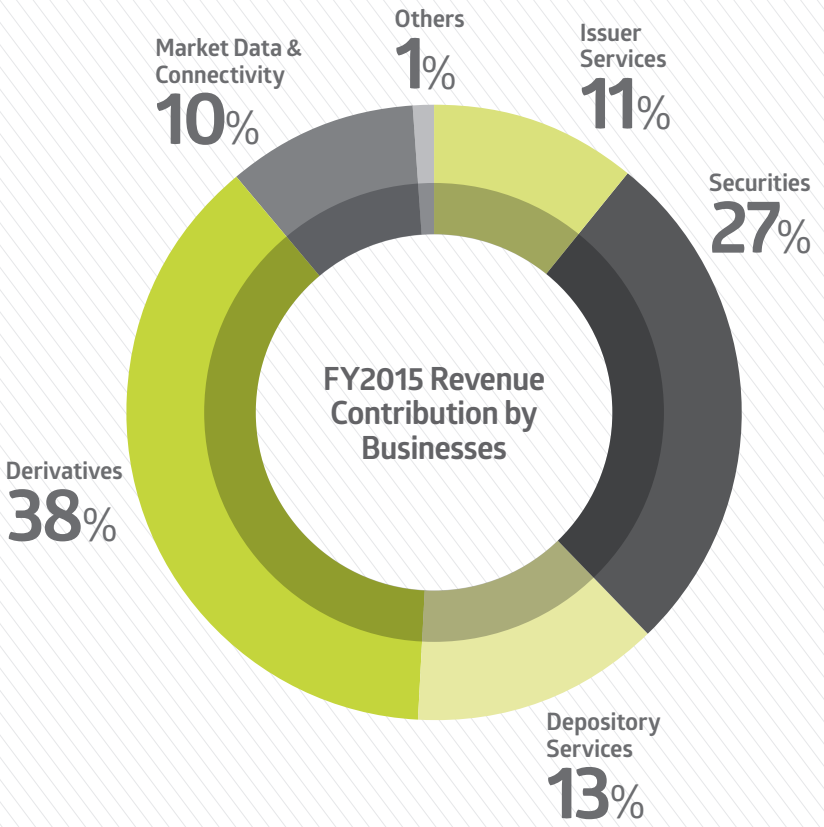
3. The premier risk management venue in Asia. SGX is one of the first exchanges globally to adopt the Principles for Financial Market Infrastructure and is certified as a Qualifying Counterparty under the Basel III framework.

4. Economic value that is shared with shareholders, employees, suppliers and communities that we operate in.

5. A systemically important financial infrastructure of the Singapore financial system supporting Singapore's position as a global financial centre.

Business Model

As a fully diversified exchange group, SGX is both vertically and horizontally integrated. Our products and services cover the entire vertical exchange value chain from listing to trading, clearing and settlement to post-trade services. At the same time, they extend horizontally across all the major asset classes of stocks, fixed income, commodities and currencies, in both securities and derivatives. SGX is a self-regulatory organisation (SRO) that has dual roles as a commercial for-profit entity and as a regulator of market participants. Please refer to our SRO Governance Report on page 51 for more information on our regulatory obligations and priorities.



How Our Business Model Supports Value Creation

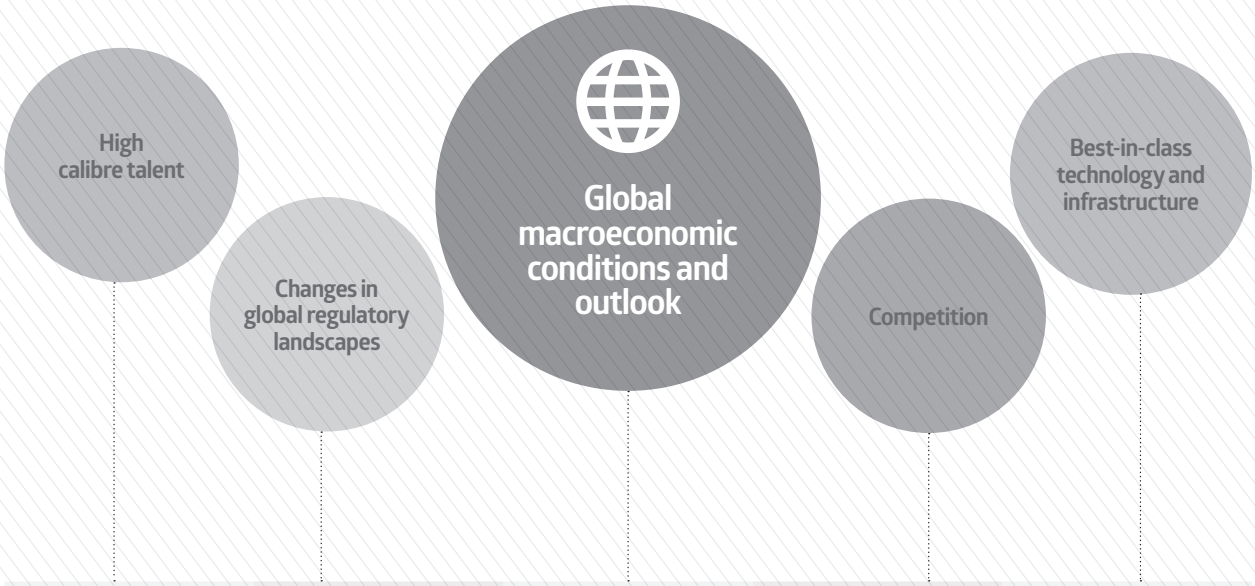
Through the stock market, SGX provides the platform for companies to list and seek funding, and for investors to participate in the growth of these companies. We also help our listed companies raise their profiles and gain access to capital from a wide pool of domestic and international investors. We continually work to enhance the structure of our stock market to increase trading and clearing activities. Our post-trade services business provides market participants with settlement, depository, custody and collateral management services in order to ensure the efficient operations of capital markets.

SGX also operates a pan-Asian Derivatives exchange offering the world's most liquid market for key Asian equity index derivatives, including the benchmarks of China, India, Japan and ASEAN. In addition, we offer derivative contracts on major commodities and currencies, and are the only Asian-based Clearing House for over-the-counter (OTC) commodities and financial derivatives.

Our Market Data & Connectivity services allow participants to access SGX markets and other global liquidity venues such as London, Chicago, Hong Kong and Tokyo. We distribute timely and accurate data through data vendors, institutional and retail channels, and a multitude of media and digital platforms. Our index services offer valuable insights on our markets.

Material Factors

SGX's business performance and continued success in creating value is influenced by a number of material factors. Each is a key consideration in our approach to strategy and operations, and we regularly review them to assess their relevance.



The continued success of our businesses is largely dependent on our ability to attract, develop, retain and engage high caliber talent. Our specialised businesses and operations require staff with experience and skill sets that are not readily transferable from other parts of the financial industry. SGX constantly invests in the development of staff and in providing a conducive environment for people to develop their knowledge, skills and abilities, and to excel in their chosen areas of specialisation.

Since the global financial crisis of 2008, exchanges around the world have been subjected to increasing levels of regulation. While stronger regulations will ultimately lead to a more sustainable financial industry, changes or increases in regulatory requirements may lead to higher operating costs and impact the pace of business development. SGX's continued ability to stay ahead of and navigate regulatory changes will be an important driver of business performance.

The most important factor influencing our business performance and financial results is volatility in Asian financial markets, which is in turn affected by global economic conditions. Trading activities on our stock and derivative markets are driven primarily by the magnitude and frequency of fluctuations in the prices of the stocks and other underlying assets. Market volatility often leads to increased needs for trading and hedging, and may create more opportunities for arbitrage and speculation. On the contrary, sustained periods of low volatility may result in lower levels of market activity.

SGX operates in highly competitive markets, especially in the Derivatives business. Increased competition may lead either to lower volumes or lower margins, both of which will negatively impact our business performance. We are confident that we compete favourably against current and potential competitors, arising from our unique strategic position as the only exchange offering single point of access into key Asian markets. Our well-capitalised Clearing Houses meet the highest global regulatory requirements, which provide a competitive advantage.

SGX relies on technology across all aspects of its operations and businesses, including its regulatory and risk management functions. Our ambition is to continue to invest in best-in-class technology and infrastructure that enables us to operate efficient and effective markets. This is key to our success as we are a critical IT infrastructure of the Singapore financial system. It is also an essential success factor as we compete with global exchanges.

Our Priorities

In FY2016, we will continue our efforts to improve the Singapore stock market. We acknowledge the challenges in our Securities business, and remain focused on addressing them. We will also build upon our recent success in the diversification of our businesses, to ensure the sustainability of our value creation over time.



Improving the Singapore securities market to make it a more vibrant market for listing, trading and investment

- Continue efforts to improve the stock market microstructure
- Grow and deepen our geographical and sectorial reach to attract regional and international companies to list on SGX
- Deploy a new generation post-trade system



Diversifying SGX businesses across geographies and asset classes

- Expand our global distribution network
- Extend our leadership in Asian equity index and commodity derivatives
- Broaden our product portfolio with new asset classes in foreign exchange and fixed income

Overview of Priorities of Businesses for FY2016



Issuer Services

In FY2016, we will continue to grow and deepen our geographical and sectorial reach by attracting more regional and international companies to list on SGX. We will introduce enhanced products and services to help our listed companies in their governance and communication with shareholders. We are committed to supporting local small and medium enterprises (SME) in their fund raising efforts, through collaboration with the relevant agencies and platforms. Our final key area of focus will be on fixed income, where we will consolidate our position as the premium debt-listing venue in Asia.



Securities

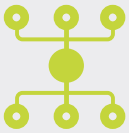
Our primary focus will be the continuation of recent efforts to improve the quality and tradability of the market. We will continue to work with market makers and liquidity providers to expand and deepen their participation in our stocks, and monitor the impact of the reduction in the board-lot size. Furthermore we will engage members and other market participants for their feedback in our ongoing efforts to improve our trading environment.

SGX has focused on investor outreach in FY2015. In the coming year we will again focus on widening the retail investor base, increase information awareness and facilitate easier access to the securities market. We will also direct efforts to expand our Securities product portfolio to meet investment needs of clients. ETFs have grown strongly world-wide over the past two decades. While Asia has also seen significant growth in the usage of ETFs, trading volumes still lag those in Europe and the US significantly. We will increase the number of available ETFs, improve order-book quality and increase investor education in order to share the benefits of ETF investing. Likewise we will use the same approach for our structured warrants offering, REITS and retail bonds.



Depository Services

The implementation of the New Post Trade System (NPTS) and its associated elements will be the main focus of our Depository Services in the coming financial year, and we expect to engage all post-trade participants in our securities market, notably brokers, depository agents and settlement banks. After the implementation of NPTS, our local broker-members will be able to increase operational efficiency and offer differentiated services to their customers. Our international broker-members will incur lower costs and fewer barriers in connecting to the SGX Securities market using their own systems.



Derivatives

We have three strategic priorities in the coming year:

1 Increase client adoption internationally for SGX's unique offering of pan-Asian liquidity on a world-class exchange: benchmark China and India equity futures, rapidly growing Asian currency futures, and Singapore-hubbed seaborne commodities.

2 Incubate the Asian market opportunities of the future: Singapore-hubbed power and gas derivatives, RMB clearing services anchored on our China currency futures, and ASEAN futures.

3 Deliver the next-generation SGX TITAN platform for derivatives trading, clearing and collateral management. The aim is to provide comprehensive self-help technology for the increasingly international membership of our Derivatives exchange, so as to maximise efficiency in straight-through processing as well as round-the-clock reconciliations and risk control.

We will continue to expand our range of partnerships with client intermediaries across Asia, product structurers and issuers globally, as well as wholesale market operators such as ICAP's benchmark EBS platform for Asian currencies. Just as Singapore leads the way as an international multi-market derivatives jurisdiction for Asia, SGX will play the leading role in promoting the adoption of market infrastructures for liquidity formation and centralised clearing between the West and Asia.



Market Data & Connectivity

We will continue to grow market participation through our colocation service and expand the financial ecosystem within the facility. We will profile SGX proprietary indices to offer valuable insights on our market attributes, create sustainability indices with Environmental, Social and Governance themes, and focus on commercial opportunities through the licensing of our indices to fund managers and issuers of exchange-traded products. We will also focus on educating retail investors on the importance of company disclosures in their investing decision process, and also proactively encourage the adoption of SGX corporate actions data feed for processing and reconciliation purposes.

Our Organisation

NUMBER OF EMPLOYEES[1]

721

GENDER DIVERSITY



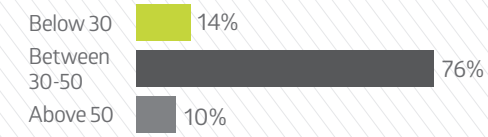
46% male

54% female

AVERAGE LENGTH OF SERVICE

7 years

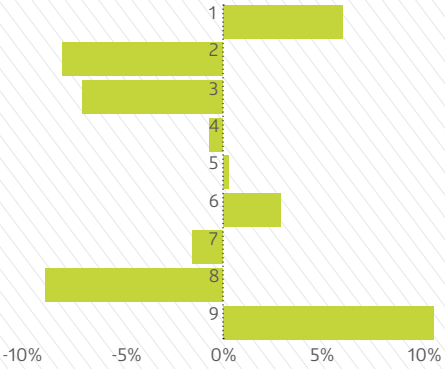
AGE DIVERSITY



EMPLOYEE RETENTION[2]

88%

GENDER PAY GAP



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

AVERAGE TRAINING HOURS PER EMPLOYEE

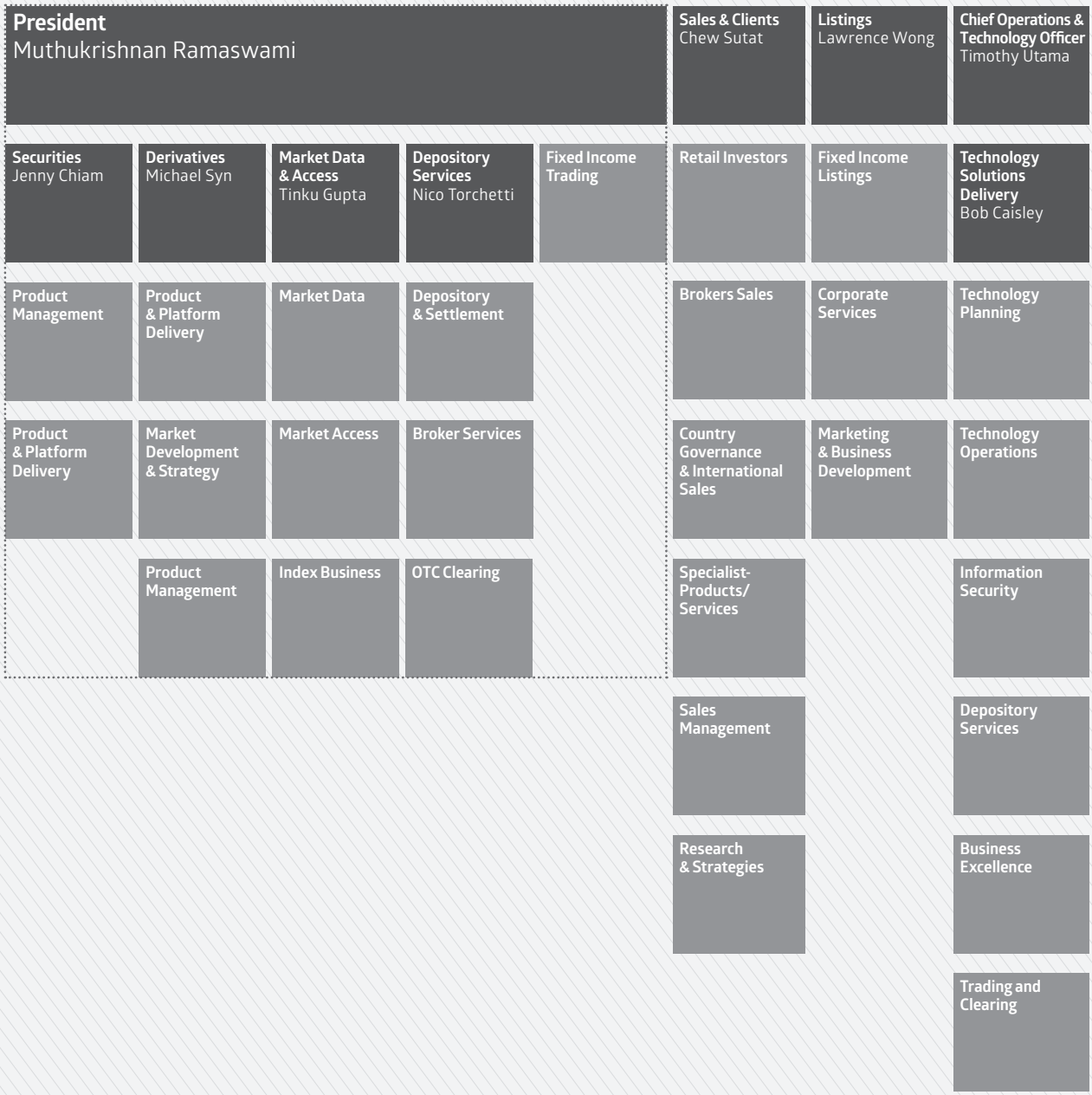
35Hrs

[1] Permanent headcount as at 30 June 2015, including EMC
[2] Attrition rate of 12%

CEO
Loh Boon Chye

Chief Regulatory Officer Tan Boon Gin	**Chief Risk Officer** Agnes Koh	**Chief Financial Officer** Chng Lay Chew
IPO Admissions	Enterprise Risk	Finance
Listing Compliance	Risk Policy	Capital & Treasury
Listing Policy & Product Admission	Risk Control	Legal & Company Secretary
Member Supervision	Risk Systems and Validation	Corporate & Market Strategy
Surveillance		Investor Relations
Regulatory Development & Policy		
Legal		

Marketing & Communications
Teo Ai June


President
Muthukrishnan Ramaswami
Sales & Clients
Chew Sutat
Listings
Lawrence Wong
Chief Operations & Technology Officer
Timothy Utama
Securities
Jenny Chiam
Derivatives
Michael Syn
Market Data & Access
Tinku Gupta
Depository Services
Nico Torchetti
Fixed Income Trading
Retail Investors
Fixed Income Listings
Technology Solutions Delivery
Bob Caisley
Product Management
Product & Platform Delivery
Market Data
Depository & Settlement
Brokers Sales
Corporate Services
Technology Planning
Product & Platform Delivery
Market Development & Strategy
Market Access
Broker Services
Country Governance & International Sales
Marketing & Business Development
Technology Operations
Product Management
Index Business
OTC Clearing
Specialist-Products/ Services
Information Security
Sales Management
Depository Services
Research & Strategies
Business Excellence
Trading and Clearing
Human Resources
Arulraj Devadoss
Compliance
Glenn Seah
Internal Audit
Sunil Kumar

Sustainability

This is a summary of SGX's FY2015 Sustainability Report. This year's report explores the themes of resilience and leadership, and how they relate to our sustainability efforts. The full GRI G4 Report can be found online on www.sgx.com.



Environment

Electricity, water, paper

Our environmental footprint comes from the energy and consumables such as paper used in the SGX offices.

We aim to reduce this footprint by minimising our consumption of energy and materials, and by maximising our use of energy efficient technology. We recycle whenever possible.

Social

Labour practices and community engagement

We manage our social impacts by embracing diversity, developing employees and recognising their success.

We have fundraising partnerships with selected charities, and provide investor education via the SGX Academy.

Governance

Corporate governance and market regulator

We uphold best practices of corporate governance, in our own organisation and in our role as a frontline market regulator.

We ensure good corporate governance through advocacy, self-regulation, market regulation and providing guidance to listed companies.

Statement from the Chair of the SGX Sustainability Committee

Welcome to the summary of the FY2015 SGX Sustainability Report. 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 do our part 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 the 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 risks 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 and we recognise our unique ability to influence the sustainability practices of the companies listed on our exchange. We are in the process of developing new listing rules on sustainability disclosure, which will enhance the sustainability efforts of our listed companies.

One 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.

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 do our part in promoting sustainability in Singapore.

We intend to lead and influence our listed companies in sustainability reporting. And 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.

Environment

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

We measure and review our environmental performance on a per employee basis to track whether our consumption and recycling are proportional to the size of the workforce.

Our environmental performance this year has been good. Despite increasing our IT infrastructure in order to improve our business resilience, our electricity consumption has only increased by 11%. We have set ourselves the target of reducing total consumption in by 5% next year.

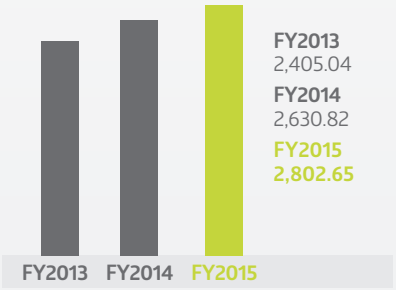
Our water consumption is negligible relative to the size of our business. The volume of paper we have used this year has decreased.

Environmental Targets for FY2016

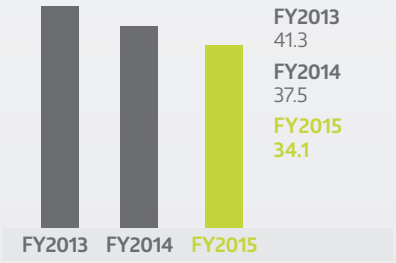
- Review options for an energy audit of SGX offices
- Reduce consumption of:
  - Electricity by 5%
  - Paper by 5%
- Develop and publish an environmental policy

One of our biggest environmental 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.

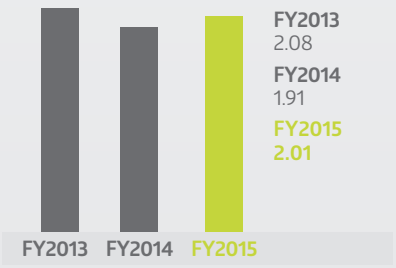
Energy Intensity
(kWh/employee)



Office Paper Intensity
(kg per employee)



Water Intensity
(m^3 per employee)



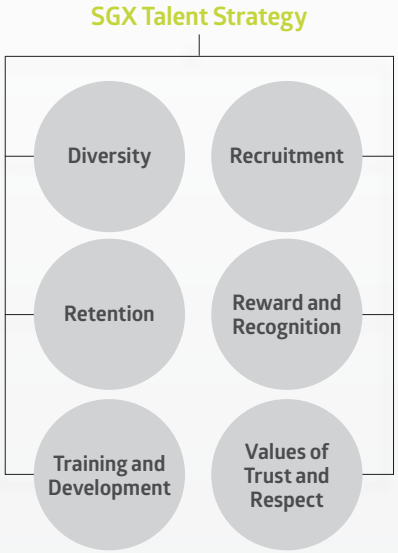
Social

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

Labour Practices

We have a very diverse employee base with a marginal gender pay gap across employee levels. Our attrition rate is steady and below the Singapore average. Our employees benefit from an on-going appraisal process and training and development. We engage our employees through an annual survey.

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 many of our employees have highly sought-after expertise. We therefore recognise that we must be at the forefront of responsible employment practices to retain our employees.



We have many policies and practices in place that make SGX an attractive place for our employees to contribute and thrive.

- Appraisals and performance reviews
- Training and development
- Competitive compensation and benefits
- A diverse workplace
- Regular employee communications
- Extra-curricular activities

Social Targets for FY2016

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

Community Activities

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

The 2014 Bull Charge, a fun run organised by SGX to engage the financial community in fundraising, raised S$2,683,482 for Asian Women's Welfare Association (AWWA), the Autism Association, Fei Yue Community Services and Shared Services for Charities.

Governance

SGX is a leader in corporate governance. We adhere to high standards of corporate governance and we advocate for best practice from listed companies.

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

Please refer to Corporate Governance Report on page 34

Regulating for Good Governance

SGX's services support a resilient and thriving economy. It is our responsibility to regulate the marketplace to avoid conflicts of interest and to ensure a fair, orderly and transparent market for all participants. In so doing, we promote high standards of corporate governance and ethics in Singapore. The result is a reduced level of bribery and corruption, as well as higher levels of compliance with good governance practices.

SGX is an active participant of BoardAgender and the Diversity Action Committee, both of which aim to improve gender diversity in companies in Singapore.

Governance Targets for FY2016

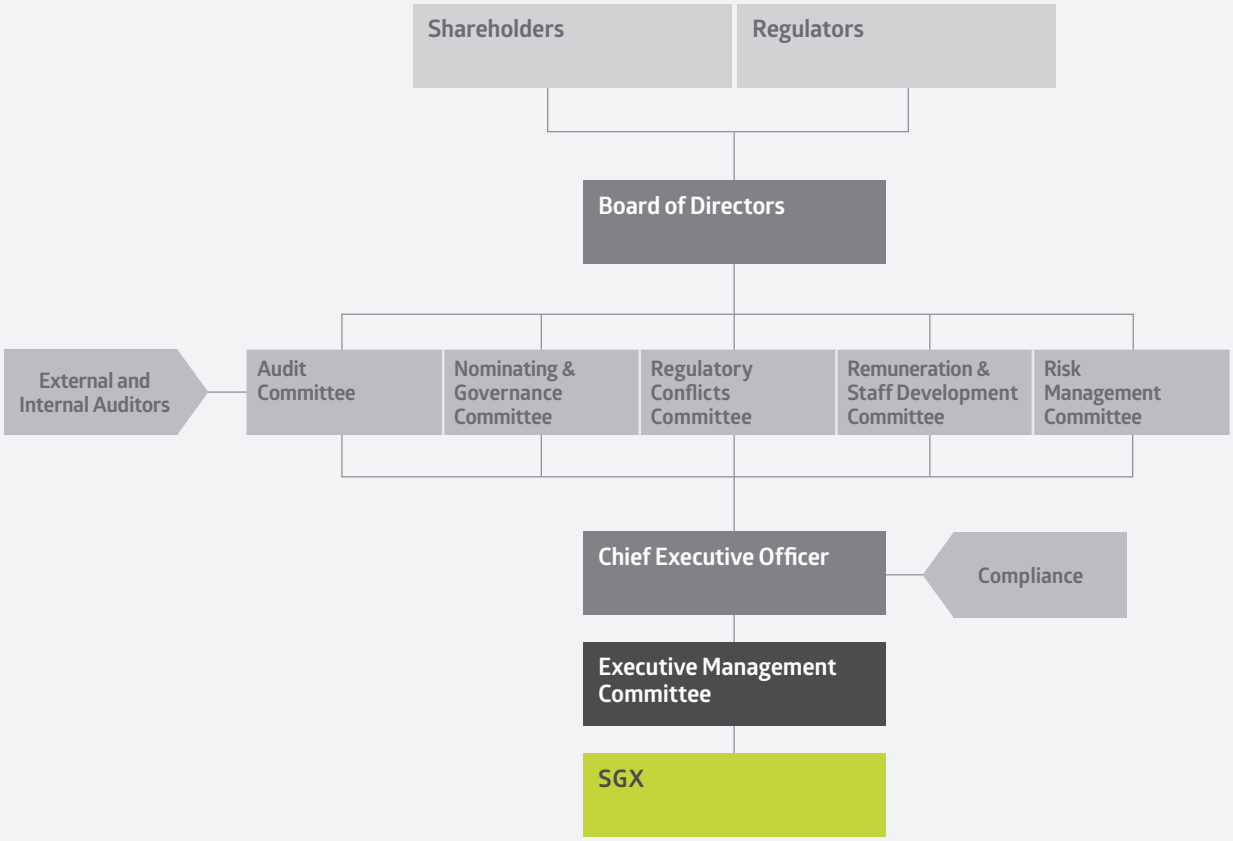
- Continue efforts to implement "Comply or Explain" on Sustainability Reporting for SGX-listed companies
- Publish anti-bribery and anti-corruption policy online

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 undertook a wide-reaching public consultation 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 (ESG) performance, or explain what they do instead. This regulatory step will place SGX alongside other leading exchanges which are part of the UN's Sustainable Stock Exchange initiative.

Corporate Governance Report

SGX Corporate Governance Framework



Corporate Governance Practices
Singapore Exchange (SGX) is committed to high standards of corporate governance, business integrity and professionalism in all its activities. SGX's corporate governance practices conform to and have been compliant with both the Securities and Futures (Corporate Governance of Approved Exchanges, Approved Clearing Houses and Approved Holding Companies) Regulations 2005 (SFR 2005) and the Code of Corporate Governance 2012 (CCG 2012) throughout the financial year ended 30 June 2015.

Self-Regulatory Organisation (SRO) Governance
This Corporate Governance Report is to be read in conjunction with the SRO Governance Report, which sets out SGX's corporate governance as a self-regulatory organisation. Unless specified otherwise, references to independence of directors are references to independence as defined under SFR 2005.

Board Matters

The Board's Conduct of its Affairs
Principle 1

Principle Duties of the Board
The Board oversees SGX's affairs and is accountable to shareholders for the management of SGX and its performance.

The principal duties of the Board include:

Highlights

Awards & Accolades

Ranked 2nd in Singapore for the ASEAN Corporate Governance Scorecard 2014

Transparency

Daily updates of volumes and values of Singapore securities and derivatives displayed on SGX's website.

Monthly publications on volumes and values traded on key products provide guidance to our final financial results

Quarterly financial reports

Quarterly briefings to analysts and media webcasts

Strong Risk Management

Board-endorsed risk appetite statement, driving balanced approach to strategy development, within defined risk boundaries

Please refer to Risk Management Report

Board Succession Planning

Board renewal & refreshment: Appointment of Mr Loh Boon Chye on 14 July 2015 as Chief Executive Officer and on 20 July 2015 as an executive director

a approving the appointment of the Chief Executive Officer (CEO), directors, key management personnel and succession planning process;
b approving broad policies, strategies and objectives of SGX;
c approving annual budgets, major funding proposals, investment and divestment proposals;
d approving the adequacy of internal controls, risk management, financial reporting and compliance;
e approving the policy for managing and/or mitigating perceived or actual conflicts of interest between SGX's regulatory accountabilities and commercial interests;
f considering the sustainability of SGX's policies and proposals; and
g responsibility for corporate governance.

Independent Judgement

All directors exercise due diligence and independent judgement and make decisions objectively in the best interests of SGX. In determining the independence of directors, our definition of independence adheres to the requirements under SFR 2005. To be independent under SFR 2005, a director must be independent from management and business relationships with SGX, and also be independent from any substantial shareholder of SGX. Furthermore, a director must not be a director or substantial shareholder of an SGX (or any of its subsidiaries) member firm or any related corporation of an SGX (or any of its subsidiaries) member firm. With regard to Guideline 2.4 of the CCG 2012 which requires that the independence of any director who has served on the Board beyond nine years, from the date of first appointment, to be subject to particularly rigorous review, the Nominating & Governance Committee (NGC) had decided that any independent director upon completing nine consecutive years of service will thereafter be deemed a non-independent director, notwithstanding demonstrable independence of management, or business relationships with SGX, or any substantial shareholder. The Board is in accord with the NGC's decision.

Delegation by the Board

Board committees, namely the Audit Committee (AC), NGC, Regulatory Conflicts Committee (RCC), Remuneration & Staff Development Committee (RSDC) and Risk Management Committee (RMC), have been constituted to assist the Board in the discharge of specific responsibilities. Clear written terms of reference (TOR) set out the duties, authority and accountabilities of each committee as well as qualifications for committee membership, in line with SFR 2005 and the CCG 2012, where

Corporate Governance Report

Composition of SGX Board Committees for FY2015[1]

		Audit	Nominating & Governance	Regulatory Conflicts	Remuneration & Staff Development	Risk Management
Chew Choon Seng			M	M	M	
Thaddeus Beczak	I			M		M
Chew Gek Khim	I		M			M
Jane Diplock AO	I	M		C		M
Kwa Chong Seng	LID		C		C	
Kevin Kwok	I	C		M		M
Lee Hsien Yang		M				
Liew Mun Leong	I	M	M		M	
Ng Kok Song	I		M		M	
Quah Wee Ghee						C

C Chair M Member I Independent Director LID Lead Independent Director

[1] This does not include directors who stepped down at the Fifteenth Annual General Meeting.

applicable. The TORs are reviewed on a regular basis, along with the committee structures and membership, to ensure their continued relevance. The detailed TORs of Board committees are available on SGX's website.

The RCC has been appointed by the Board to supervise the management of SGX's SRO conflicts. Please refer to the 'SRO Governance Report' in the Annual Report (AR) for more information on the activities of the RCC.

Please refer to Principles 4 to 5, 7 to 8, 11 and 12 in this Corporate Governance Report, for further information on the activities of the NGC, RSDC, RMC and AC respectively.

Key Features of Board Processes

The schedule of all Board and Board committee meetings and the Annual General Meeting (AGM) for the next calendar year is planned well in advance, in consultation with the Board. The Board meets at least four times a year at regular intervals. Telephonic attendance at Board meetings is allowed under SGX's Articles of Association (Articles). The Board and Board committees may also make decisions by way of circulating resolutions.

Besides the scheduled Board meetings, the Board meets on an ad-hoc basis as warranted by particular circumstances.

In the interest of allocating more time for the Board to deliberate on issues of a strategic nature, and to focus on particular themes for each Board meeting, submissions which are straightforward in content as well as those that are for information only, will be compiled and circulated in between Board meetings.

Board Approval

SGX has adopted and documented internal guidelines setting forth matters that require Board approval. Matters which are specifically reserved to the Board for approval are:

a matters involving a conflict of interest for a substantial shareholder or a director;
b material acquisitions and disposal of assets;
c corporate or financial restructuring;
d share issuances, interim dividends and other returns to shareholders;
e matters which require Board approval as specified under

SGX's interested person transaction policy; and

f any investments or expenditures exceeding S$10 million in total.

For expenditures of S$10 million and below, SGX has internal guidelines which set out, among others, the authorisation limits granted to management for approval of capital and operating expenditures, specified financial transactions and supplementary budgets.

While matters relating to SGX's objectives, strategies and policies require the Board's direction and approval, the Executive Management Committee (EMCO) comprising senior management is responsible for overseeing the management of the SGX group and implementing the Board's strategic policies.

Board Orientation and Training

A formal letter of appointment is provided to every new director. The formal letter of appointment indicates the time commitment required and the role of directors (including directors' responsibilities). The new director will also receive a manual containing Board and SGX policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving SGX, prohibition on dealings in SGX's securities and restrictions on the disclosure of price-sensitive information.

SGX conducts a comprehensive orientation programme, which is presented by CEO and senior management, to familiarise new directors with its business and governance practices. The orientation programme gives directors an understanding of SGX's businesses to enable them to assimilate into their new roles. The programme also allows the new director to get acquainted with senior management, thereby facilitating board interaction and independent access to senior management.

Newly appointed directors would be given a detailed and in-depth briefing and induction into SGX by the CEO and senior management. The directors would undergo the induction programme, with presentations by senior management to introduce them to every aspect of the SGX business.

Directors' Meeting Attendance Report for FY2015

	No. of Meetings Attended								
	Annual General Meeting	Board Meeting	Board Committee of Inquiry	Nominating & Governance	Remuneration & Staff Development		Audit	Regulatory Conflicts	Risk Management
	Scheduled	Scheduled	Ad-Hoc	Scheduled	Scheduled	Ad-Hoc	Scheduled	Scheduled	Scheduled
Mr Chew Choon Seng^	1	4	9	2	2	3	4	2	4#
Mr Magnus Böcker	1	4	–	2#	2#	3#	4#	2#	4#
Mr Thaddeus Beczak	1	4	–	–	–	–	–	2	4
Ms Chew Gek Khim*	1	4	–	2	–	–	–	–	4
Ms Jane Diplock AO°	1	4	–	–	–	–	4	2	2/2·
Mr Kwa Chong Seng	1	4	–	2	2	3	–	–	–
Mr Kevin Kwok°	1	4	9	–	–	–	4	2	2
Mr Lee Hsien Yang	1	3··	9	–	–	–	3	–	–
Mr Liew Mun Leong	1	4	–	2	2	3	4	–	–
Mr Ng Kee Choe Δ	1	1	–	0	0	0	–	–	1
Mr Ng Kok Song	1	4	–	1	2	2	–	–	–
Mr Quah Wee Ghee	1	4	9	–	–	–	–	–	4
Mr Davinder Singh Δ	0	1	–	0	0	0	–	–	1
Total No. of Meetings Held	**1**	**4**	**9**	**2**	**5**		**4**	**2**	**4**

· Observer
By invitation
Δ Stepped down on 25 September 2014
^ Appointed to NGC on 25 September 2014
* Appointed to NGC on 19 December 2014
° Appointed to RMC on 30 December 2014

Corporate Governance Report

	Name of Director	Independence status under the CCG 2012	Independence status under the SFR 2005	Reg 3(1)(a) Independent from management relationship	Reg 3(1)(b) Independent from business relationship	Reg 4 Independent from substantial shareholder
1	Chew Choon Seng	No[1]	Yes	Yes	Yes	Yes
2	Magnus Böcker[2]	No[3]	No[4]	No	Yes	Yes
3	Loh Boon Chye[5]	No[6]	No[7]	No	Yes	Yes
4	Thaddeus Beczak	Yes	Yes	Yes	Yes	Yes
5	Chew Gek Khim	Yes	Yes	Yes	Yes	Yes
6	Jane Diplock AO	Yes	Yes	Yes	Yes	Yes
7	Kwa Chong Seng	Yes	Yes	Yes	Yes	Yes
8	Kevin Kwok	Yes	Yes	Yes	Yes	Yes
9	Lee Hsien Yang	No[1]	Yes	Yes	Yes	Yes
10	Liew Mun Leong	Yes	Yes	Yes	Yes	Yes
11	Ng Kok Song	Yes	Yes	Yes	Yes	Yes
12	Quah Wee Ghee	Yes	No[8]	Yes	No	Yes

[1] Messrs Chew Choon Seng and Lee Hsien Yang are deemed non-independent, solely on account of each having completed nine consecutive years of service, as of the relevant dates during the year of report pursuant to the NGC's decision on Guideline 2.4 of the CCG 2012.
[2] Magnus Böcker ceased employment as CEO of SGX with effect from 30 June 2015 and on the same date he resigned as a Director of SGX.
[3] As CEO of SGX, Magnus Böcker is considered employed by SGX and deemed non-independent by virtue of Guideline 2.3(a) of the CCG 2012.
[4] As CEO of SGX, Magnus Böcker is non-independent from management relationship.
[5] Loh Boon Chye was appointed CEO with effect from 14 July 2015 and Executive and Non-Independent Director with effect from 20 July 2015.
[6] As CEO of SGX, Loh Boon Chye is considered employed by SGX and deemed non-independent by virtue of Guideline 2.3(a) of the CCG 2012.
[7] As CEO of SGX, Loh Boon Chye is non-independent from management relationship.
[8] With effect from 9 January 2012, Quah Wee Ghee is deemed non-independent by virtue of Regulation 3(3)(c)(ii), due to his directorship held with OCBC Ltd, which is a related corporation of an SGX member firm.

The directors are provided with continuing briefings and updates in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards and issues which have a direct impact on financial statements, so as to enable them to properly discharge their duties as Board or Board committee members. The scope of such continuous briefings and updates includes overview of industry trends and developments, governance practices and developing trends, and changes in trends in governance practices and regulatory requirements pertaining to SGX's business.

Briefings and Updates Provided for Directors in FY2015

- The external auditor, PricewaterhouseCoopers LLP, briefs the AC members on developments in accounting and governance standards.
- The CEO updates the Board at each meeting on business and strategic developments in the global exchange and clearing house industry.
- The Board Strategy Session was held on 25 September 2014.

The directors also attend other appropriate courses, conferences and seminars. These include programmes run by the Singapore Institute of Directors, of which SGX is a corporate member.

Directors can request for further explanations, briefings or information on any aspect of SGX's operations or business issues from management.

Board Composition and Guidance
Principle 2

Board Independence

SFR 2005 provides that an independent director is one who is independent from any management and business relationship with SGX and independent from any substantial shareholder of SGX. Under this definition, more than half of the Board is considered independent.

Under SFR 2005, it is mandatory for the NGC to determine annually whether a director is independent.

Over the course of the year, the NGC assessed the independence of Board members in light of SFR 2005 and took into consideration, Guideline 2.4 of the CCG 2012. With

regard to Guideline 2.4 of the CCG 2012 which requires that the independence of any director who has served on the Board beyond nine years from the date of first appointment, to be subject to particularly rigorous review, the NGC had decided that any independent director upon completing nine consecutive years of service will thereafter be deemed a non-independent director, notwithstanding demonstrable independence of management, or business relationships with SGX or any substantial shareholder. The Board is in accord with the NGC's decision.

Consequently, Messrs Lee Hsien Yang and Chew Choon Seng were deemed non-independent, solely on account of each of them having completed nine consecutive years of service as of the relevant dates during this year of report.

Mr Lee Hsien Yang's contributions and inputs to the Board, and the Board committees he has been a member of, continue to be invaluable. The Board agreed that in light of Mr Lee's experience and institutional memory of SGX, it is in the best interests of SGX for Mr Lee to continue on the Board as a non-independent director. Mr Lee has consented to the Board's request.

Assessment of Independence of Individual Directors

All references to Regulations are a reference to SFR 2005, which can be obtained from www.agc.gov.sg. All references to Guidelines are references to the CCG 2012, which can be obtained from www.mas.gov.sg .

Board Composition and Size

Each year, the NGC reviews the composition and size of the Board and each Board committee and the skills and core competencies of its members to ensure an appropriate balance and diversity of skills and experience. Core competencies include banking, finance, accounting, business acumen, management experience, exchange industry knowledge, familiarity with regulatory requirements and knowledge of risk management. The directors are continually updated on company affairs by management. The Board, taking into account the views of the NGC, considers that its directors possess the necessary competencies and knowledge to lead and govern SGX effectively.

Taking into account the nature and scope of SGX's businesses and the number of Board committees, as well as the requirements of SFR 2005 and CCG 2012, the Board, taking into account the views of the NGC, considers that a board with the majority of members being independent is necessary.

Board Guidance

An effective and robust Board, whose members engage in open and constructive debate and challenge management on its assumptions and proposals, is fundamental to good corporate governance. A Board should also aid in the development of strategic proposals and oversee effective implementation by management to achieve set objectives.

For this to happen, the Board, in particular Non-Executive Directors (NEDs), must be kept well informed of SGX's businesses and be knowledgeable about the exchange industry. To ensure that NEDs are well supported by accurate, complete and timely information, NEDs have unrestricted access to management. NEDs also receive periodic information papers and board briefings on latest market developments and trends, and key business initiatives. Regular informal meetings are held for management to brief directors on prospective deals and potential developments in the early stages, before formal Board approval is sought. Board papers are provided to directors not less than a week in advance of the meeting to afford the directors sufficient time to review the board papers prior to the meeting. If a director is unable to attend a Board or Board committee meeting, the director may nevertheless provide his/her comments to the Chairman or relevant Board committee Chairman separately.

The four regular Board sessions in a year are organised to focus on:

a risk management strategies;
b strategic issues and directions for SGX;
c budget considerations for the financial year; and
d end-of-financial period review.

Meeting of Directors without Management

Executive sessions are available for the NEDs to meet without the presence of management or executive directors at each Board meeting, where necessary.

Chairman and Chief Executive Officer

Principle 3

Separation of the Role of Chairman and the Chief Executive Officer

The roles of Chairman and CEO are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision-making. The Chairman is not related to the CEO. The division of responsibilities and functions between the two has been demarcated with the concurrence of the Board.

The Chairman manages the business of the Board and monitors the translation of the Board's decisions and wishes into executive action. He approves the agendas for the Board meetings and ensures sufficient allocation of time for thorough discussion of each agenda item. He promotes an open environment for debate, and ensures that NEDs are able to speak freely and contribute effectively. He exercises control over the quality and quantity of the information as well as the timeliness of the flow of information between the Board and

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management. In addition, he provides close oversight, guidance, advice and leadership to the CEO and management.

At AGMs and other shareholders' meetings, the Chairman plays a pivotal role in fostering constructive dialogue between shareholders, the Board and management.

The CEO manages and develops the businesses of SGX and implements the Board's decisions. He chairs the EMCO, which comprises senior management executives. EMCO meets weekly to oversee the management of the SGX group and implement the Board's strategic policies.

Board interaction with, and independent access to, senior management is encouraged. EMCO members are invited to attend all Board meetings, and relevant Board committee meetings.

Lead Independent Director

Mr Kwa Chong Seng, chairman of the NGC and RSDC, was appointed as Lead Independent Director (LID) on 1 December 2013 to lead and co-ordinate the activities of the NEDs of SGX. The charter of the LID is available on SGX's website.

The LID has the authority to call and lead meetings of the independent directors when necessary and appropriate, and to preside at all meetings of the Board at which the Chairman is not present or has to recuse himself, including closed sessions of the NEDs. The LID shall represent the independent directors in responding to shareholders' questions and comments that are directed to the independent directors as a group.

Board Membership
Principle 4

Continuous Board Renewal

The Board, in conjunction with the NGC, reviews the composition of the Board and Board committees annually, taking into account the performance and contribution of each individual director. Board composition is also evaluated to ensure diversity of skills and experience is maintained within the Board and Board committees.

Based on the NGC's assessment of independence of each individual director and his or her relevant expertise, and with the aim of ensuring compliance with the requirements of SFR 2005 and the CCG 2012, the Board reviews, and reconstitutes as appropriate, the membership of the Board committees.

Composition Requirements for the Board and Board Committees as per SFR 2005

NGC Composition

The NGC is chaired by Mr Kwa Chong Seng, and comprises Mr Chew Choon Seng, Ms Chew Gek Khim, Mr Liew Mun Leong and Mr Ng Kok Song. In compliance with SFR 2005 requirements, the NGC has five members (including the NGC Chairman), four of whom are independent directors.

During the financial year, the Nominating Committee was re-named as Nominating & Governance Committee, to appropriately reflect its expanded role and duties, that is, to develop and recommend to the Board a corporate governance framework applicable to the Company, and to review from time to time relevant local and international development in the area of corporate governance (including changes in applicable law, regulations and listing rules).

Recommendation of Directors

The NGC is responsible for identifying candidates and reviewing all nominations for the appointment, re-appointment or termination of directors and Board committee members, taking into account the Monetary Authority of Singapore's (MAS) fit and proper criteria for such appointments, the director's independence status, his or her participation and contributions during and outside board meetings, SFR 2005, CCG 2012 and other relevant factors as may be determined by the NGC. All directors of SGX are approved by the MAS, based on its fit and proper criteria, before they are appointed by the Board or at the AGM (as the case may be).

The Articles provide that at each AGM, one-third of the directors, including the CEO who also serves on the Board (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. Effectively, this results in all directors having to retire at least once in three years or even earlier. Directors appointed by the Board during the financial year, without shareholders' approval at the AGM, shall only hold office until the next AGM, and thereafter be eligible for re-election at the AGM.

Continuous Review of Directors' Independence

Under SFR 2005, it is mandatory for the NGC to conduct an annual review of each director's independence, based on SFR 2005 requirements.

	Board/Board Committee	SFR2005 Reg No.	Composition requirements: Independent from management and business relationships	Independent Directors*	Independent from any single substantial shareholder	Additional requirements	Composition requirements fulfilled
1	Board of Directors	6	Majority	One-third	Majority	N.A.	Yes
2	Risk Management Committee	7	N.A.	One-third	Majority	N.A.	Yes
3	Nominating & Governance Committee	9	Majority (including NGC Chairman)	One-third	Majority	Must comprise at least five directors	Yes
4	Remuneration & Staff Development Committee	13	Majority (including RSDC Chairman)	One-third	Majority	Must comprise at least three directors, matters referred to in regulation 3(3) (c), (d) and (e) do not apply to all directors	Yes
5	Audit Committee	14	All	Majority (including AC Chairman)	N.A.	Must comprise at least three directors	Yes
6	Regulatory Conflicts Committee	15	All	N.A.	Majority (including RCC Chairman)	Must comprise at least three directors	Yes

* Independent from management and business relationships, and from any substantial shareholder.

SGX has procedures in place for enhanced controls and to ensure continuous monitoring of SGX directors' independence. The NGC has ascertained that a majority of the Board members are independent according to these criteria. If at any time the MAS is not satisfied that a director is independent, notwithstanding any determination by the NGC, the MAS may direct SGX to rectify the composition of the Board or Board committees, as the case may be.

Since November 2011, SGX has in place a policy whereby directors must consult the Chairman of the Board and the NGC Chairman prior to accepting new director appointments. Directors must also immediately report any changes in their external appointments, including any corporate developments relating to their external appointments, which may affect their independence status under SFR 2005. This ensures directors continually meet the stringent requirements of independence under SFR 2005.

Directors' Time Commitments

The NGC assesses the effectiveness of the Board as a whole and takes into account, each director's contribution and devotion of time and attention to SGX. The NGC also assesses nominees identified for recommendation to the Board, on their individual credentials and their ability to devote appropriate time and attention to SGX.

The NGC is of the view that the effectiveness of each of the directors is best assessed by a qualitative assessment of the director's contributions as well as by taking into account each director's listed company board directorships, and any other relevant time commitments. While having a numerical limit on the number of directorships may be considered by some other companies to be suitable for their circumstances, at present SGX considers the assessment as described above to be more effective for its purposes. SGX also does not wish to omit from consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board.

For now, the NGC believes that SGX's qualitative assessment and the existing practice, which requires each director to confirm annually to the NGC, his/her ability to devote sufficient time and attention to SGX's affairs, having regard to his/her other commitments, are effective.

SGX will continue to disclose each director's listed company board directorships and principal time commitments. which may be found in the 'Board of Directors' section in the AR.

The Board is satisfied that all directors have discharged their duties adequately for FY2015. The Board also expects that the directors (including the directors to be newly appointed) will continue to (or will) discharge their duties adequately in FY2016.

Succession Planning for the Board

Succession planning is an important part of the governance process. The NGC will seek to refresh the Board membership progressively and in an orderly manner, to avoid losing institutional memory.

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The NC reviews the succession and leadership development plans for senior management, which are subsequently approved by the Board. As part of this annual review, the successors to key positions are identified, and development plans instituted for them.

Criteria and Process for Nomination and Selection of New Directors

SGX adopts a comprehensive and detailed process in the selection of new directors. Candidates are first sourced through an extensive network of contacts and identified based on the needs of SGX and the relevant expertise required. After the NGC Chairman, the SGX Chairman and the other NGC members have interviewed the candidates, the candidates are further shortlisted for the NGC's formal consideration for appointment to the Board.

The NGC complies with SFR 2005 criteria when reviewing a nomination for a proposed Board appointment.

The criteria are as follows:

a a determination of the candidate's independence;
b his/her appointment will not result in non-compliance with any of SFR 2005 composition requirements for the Board and Board committees; and
c whether the candidate is a fit and proper person in accordance with MAS' fit and proper guidelines, taking into account track record, age, experience, capabilities, skills and such other relevant experience as may be determined by the NGC.

The MAS' fit and proper guidelines broadly take into account the candidate's honesty, integrity and reputation; competence and capability; and financial soundness.

Key Information on Directors

Please refer to the 'Board of Directors' section in the AR for key information on the directors and proposed directors. The Notice of AGM sets out the directors proposed for re-election, appointment or re-appointment at the AGM. Key information on directors is also available on SGX's website.

Board Performance

Principle 5

Board Evaluation Policy

The Board has implemented a process carried out by the NGC, for assessing the effectiveness of the Board as a whole and for assessing the contribution by each individual director to the effectiveness of the Board. Please refer to the Board Evaluation Policy, which is available on SGX's website.

Board Evaluation Process

a The NGC will assess and discuss the performance of the Board as a whole and its Board committees every year, and will ascertain key areas for improvement and requisite follow-up actions;
b Once every two years, independent consultants will be appointed to assist in the evaluation process of the Board and Board committees. This process includes a questionnaire designed to assess the performance of the Board and its Board committees and enhance the overall effectiveness of directors; and
c The Board and Board committees' performance will be evaluated by each director and each EMCO member.

The Board believes that the use of an external independent consultant greatly enhances the quality and objectivity of the evaluation.

The Board last engaged an external independent consultant to conduct SGX's Board Evaluation in FY2014. The external independent consultant had no connection with SGX or the Board. Questionnaires were developed through incorporating the best practices in the market on board evaluation and revised based on key issues and areas the Board wanted to focus on.

Board Performance Criteria

The Board reviews its performance against qualitative and quantitative targets on an annual basis. This remains unchanged from the previous year.

The Board is required to ensure that a proper balance is maintained between its commercial objectives and its regulatory responsibilities. Therefore, the Board performance criteria include a measure to capture the performance of its regulatory responsibilities as a SRO.

In line with CCG 2012's recommendation of using quantitative financial indicators, the Board has adopted performance measures which align its interests with shareholders' interests, such as

a Return on Equity,
b absolute minimum SGX Total Shareholder Return (TSR), and
c SGX's TSR performance against the TSR of the FTSE/MV Exchanges Index, which is an index of 18 listed exchanges, in order to benchmark its relative performance against other exchanges.

Individual Director Evaluation

There is an individual assessment of each NED's contribution by the

Chairman, and the results of the assessment are discussed with the NGC Chairman. Some factors considered in the individual review are directors' attendance and participation in and outside meetings, the quality of directors' interventions and special skills and contributions made by directors.

The performance of individual directors is taken into account in their re-appointment or re-election. Specific needs which arise from time to time are taken into account in any appointment of new directors.

The assessment of CEO's performance is undertaken by the Chairman, together with the NGC Chairman and the RSDC Chairman, and the results are reviewed by the Board. The NEDs, led by the NGC Chairman, assess the Chairman's performance, and the NGC Chairman provides the feedback to the Chairman.

Access to Information
Principle 6

Complete, Adequate and Timely Information
Management recognises that the flow of complete, adequate and timely information on an on-going basis to the Board is essential to the Board's effective and efficient discharge of its duties. To allow directors sufficient time to prepare for the meetings, all scheduled Board and Board committee papers are distributed not less than a week in advance of the meeting to directors. This enables the discussion during the meeting to focus on questions that directors may have. Any additional material or information requested by the directors is promptly furnished.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, expected outcomes, conclusions and recommendations. Any material variance between any projections and the actual results of budgets is disclosed and explained to the Board. Employees, who can provide additional insight into matters to be discussed, will be present at the relevant time during the Board and Board committee meetings.

To facilitate direct and independent access to the senior management, directors are also provided with the names and contact details of the management team. Draft agendas for Board and Board committee meetings are circulated to EMCO and Board committee chairmen respectively, in advance, in order for them to suggest items for the agenda and/or review the usefulness of the items in the proposed agenda.

For the AC and the RMC to liaise closely and have a clear understanding of each other's work and plan their work on the same risk framework, finalised minutes of the respective committees are circulated more promptly to the other committee. Arrangements are also in place for the AC and the RMC to share information on a regular basis, which includes having common directors on the AC and the RMC, and the Head, Internal Audit and Chief Risk Officer attending both the AC and the RMC meetings. These measures are in line with the recommendations of the Guidebook for Audit Committees in Singapore, which was jointly introduced by the Accounting and Corporate Regulatory Authority, MAS and SGX in 2014.

In order to keep directors abreast of sell-side analysts' views on SGX's performance, the Board is updated once a year on the market view which includes a summary of analysts' feedback and recommendations following the full-year and half-year results. A monthly financial performance report is also provided to the Board. This report includes the financial and management accounts, accompanied by an analysis of SGX's performance and supporting data. It also contains operational metrics, audit observations, and a risk dashboard which provides an overview of SGX's key risks. These risks include clearing and settlement risks, regulatory and compliance risks, technology and operations service availability, and other strategic risks.

The quarterly and year-end financial statements are reviewed and recommended by the AC to the Board for approval.

Company Secretary
Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that SGX's memorandum and the Articles, relevant rules and regulations, including requirements of the Securities and Futures act (SFA), Companies Act and Listing Manual, are complied with. The Company Secretary also assists the Chairman and the Board to implement and strengthen corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The Company Secretary assists the Chairman to ensure good information flows within the Board and its committees and between senior management and NEDs, as well as facilitating orientation and assisting with professional development as required. The Company Secretary is responsible for training, designing and implementing a framework for management's compliance with the Listing Rules, including advising management to ensure that material information is disclosed on a prompt basis. The Company Secretary attends and prepares minutes for all Board meetings. As secretary to all the other Board committees, the Company Secretary assists to ensure coordination and liaison between the Board, the Board committees and management. The Company Secretary assists the Chairman, the Chairman of each Board committee and management in the development of the agendas for the various Board and Board committee meetings.

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The appointment and the removal of the Company Secretary are subject to the Board's approval as a whole.

Independent Professional Advice

Directors, either individually or as a group, in the furtherance of their duties, may take independent professional advice, if necessary, at SGX's expense.

During the financial year, the Board or the relevant Board committee engaged professional advisers and experts to aid the Board Committee of Inquiry in its investigations and deliberations, succession planning and search for the chief executive officer, and staff remuneration matters.

Remuneration Matters

Procedures for Developing Remuneration Policies
Principle 7

Remuneration & Staff Development Committee

The RSDC is chaired by Mr Kwa Chong Seng and comprises four members (including the RSDC Chairman), three of whom are independent and all of whom are non-executive directors based on the CCG 2012's criteria. The members are Mr Chew Choon Seng, Mr Liew Mun Leong and Mr Ng Kok Song. The Board considers that Mr Kwa Chong Seng, who has many years of experience in senior management positions and on various boards dealing with remuneration issues, is well qualified to chair the RSDC and that the members of the RSDC collectively have strong management experience and expertise on remuneration issues.

During the financial year, the Remuneration Committee was re-named as Remuneration & Staff Development Committee, to (a) reflect the role it plays in practice, that is, to oversee management and executive development; and (b) segregate the duties of RSDC and NGC such that, the review of succession plan for EMCO comes under the RSDC's purview while that for the Board remains with the NGC.

No member of the RSDC is involved in deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to him.

The RSDC reviews and recommends to the Board for approval, matters concerning remuneration of the Board and CEO. The RSDC reviews and recommends to the Board, the specific remuneration package for the CEO upon recruitment or renewal (where applicable). Subsequently, annual increments, variable bonuses, performance share grants and other incentive awards or benefits in kind, will be reviewed by the RSDC against the achievement of prescribed goals and targets for the CEO and key management personnel, for recommendation to the Board. Please refer to 'Remuneration Report' in the AR for further information on SGX's compensation philosophy and actual performance targets for the award of long-term incentives.

The RSDC also reviews and approves the terms of compensation of the key management personnel at the time of their respective employment or renewal (where applicable) including considering SGX's obligations in the event of termination of services. The RSDC approves the framework of remuneration for the entire organisation including the structure of incentive schemes and policies. The RSDC also approves the annual salary increment pool, market adjustments and total incentive pool for distribution to staff of all grades. The RSDC's recommendations are submitted for the Board's discussion or, as the case may be, approval.

The RSDC has access to appropriate advice from the Head of Human Resources, who attends all RSDC meetings. The RSDC may seek expert advice inside and/or outside SGX on remuneration of directors and staff.

The RSDC reviews the succession and leadership development plans for senior management, which are subsequently approved by the Board. As part of this annual review, the successors to key positions are identified, and development plans instituted for them.

Level and Mix of Remuneration
Principle 8

The RSDC administers the Performance Share Plan (PSP). The performance-related elements of remuneration are designed to align interests of the CEO, key management personnel and staff with those of shareholders and link rewards to corporate and individual performance. Details of SGX's compensation philosophy and the compensation framework including the PSP awards made thereunder, and the performance conditions for the vesting of the awards, are found under 'Remuneration Report' in the AR.

Non-executive Directors' Remuneration

Having regard to the scope and extent of a director's responsibilities and obligations, the prevailing market conditions and referencing

directors' fees against comparable benchmarks, the Board agreed with the RSDC's recommendation that the current fee structure for NEDs remains unchanged from FY2012. The fee structure was last revised in FY2011, and the Basic fee and Attendance fee have remained unchanged since FY2008.

The SGX Chairman receives fees for being Chairman of the Board, together with the provision to him of a car with a driver, as approved by a separate resolution at each AGM. Director fees and additional fees for serving on Board committees and attendance fees are paid to the NEDs in accordance with the following framework:

Fee Structure	FY2015
NED – Basic Fee	S$55,000
Audit Committee Chairman	S$40,000
Audit Committee Member	S$30,000
Other Committee Chairman	S$30,000
Other Committee Member	S$20,000
Attendance Fee (per meeting)	S$1,500

SGX pays the NED fees on a quarterly basis in arrears, instead of 16 months after the past financial year. The NED fees which are paid on a current year basis, will be payable to the director if he/she is in service at the end of the current year quarter, or if the term of appointment ends within the quarter. Overseas directors are reimbursed for out-of-pocket travelling and accommodation expenses in Singapore.

Executive Directors' Remuneration

Executive directors do not receive directors' fees.

Long-term Incentive Scheme

Please refer to the 'Remuneration Report' and 'Directors' Report' in the AR for further information on the long-term incentive scheme.

Disclosure of Remuneration
Principle 9

For disclosure of the remuneration of the executive and non-executive directors and the five top-earning executives and a breakdown of the fees payable to each director, please refer to 'Remuneration Report' in the AR. The 'Remuneration Report' further sets out the performance conditions used to determine EMCO's short-term and long-term incentives. SGX has also disclosed in the Remuneration Report the remuneration of the five top-earning executives in actual figures, in line with best practices, with a breakdown in terms of fixed pay, variable bonus, ex-gratia payment (if any), long-term incentives and benefits-in-kind. The Remuneration Report also discloses the employee share schemes that SGX has in place and how remuneration paid is varied according to SGX's performance.

None of the current employees are related to the directors.

Accountability & Audit

Accountability
Principle 10

The Board provides shareholders with quarterly and annual financial reports. Results for the first three quarters are released to shareholders no later than 25 days from the end of the quarter. Annual results are released within 31 days from the financial year-end. In presenting the annual and quarterly financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of SGX's results, position and prospects.

For the financial year under review, the President and the Chief Financial Officer (CFO) have provided assurance to the Board on the integrity of the financial statements for SGX and its subsidiaries. For interim financial statements, the Board provides a statement of negative assurance to shareholders, in line with the Listing Rules. For the full year financial statements, the Board with the concurrence of the AC provides an opinion that the financial statements gives a true and fair view of the results of SGX group and SGX will be able to pay its debts as and when they fall due. This, in turn, is supported by a negative assurance statement from the President and the CFO. Management provides directors with a monthly financial performance report either (a) within 10 business days from month-end close; or (b) on or prior to the day when the annual or quarterly financial results are released.

SGX also provides to its regulator, MAS, an annual report on the RCC's activities in relation to SGX's SRO conflicts management, and an annual self-assessment report of its discharge of its responsibilities as an exchange and a clearing house. MAS also conducts an annual on-site inspection of SGX.

Risk Management and Internal Controls
Principle 11

The RMC assists the Board in the oversight of risk management in SGX. Its responsibilities include reviewing and recommending to the Board the type and level of business risk that SGX undertakes on an integrated basis to achieve its business strategy and the appropriate framework and policies for managing risks that are consistent with SGX's risk appetite.

SGX has in place an enterprise-wide risk management framework to enhance its risk management capabilities. This is administered by the Enterprise Risk Management team (ERM), which reports to the Chief Risk Officer. The key risks facing SGX have been identified and action plans are in place to mitigate these risks. In addition, the key risks at the process level have been identified via risk self-assessment exercises. Risk awareness and ownership of risk treatments are also continuously

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fostered across the organisation. Please refer to the 'Risk Management Report' in the AR for further information on the identification and management of these risks.

SGX has various processes to establish and test internal controls, including standard operating procedures and a control self-assessment programme under which SGX units are required to submit regular attestations on their key internal controls.

The Board has received assurance from the CEO and CFO on SGX group's financial records and the effectiveness of SGX's risk management and internal controls. The Board also receives a separate quarterly representation on SGX's financial information and controls, including that the financial records have been properly maintained and the financial statements give a true and fair view of SGX group's operations and finances, from the CEO and CFO.

Based on the internal controls established and maintained by SGX, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the Board with the concurrence of the AC is, of the opinion that SGX's internal controls and risk management systems, addressing financial, operational, compliance and information technology controls, are adequate and effective as of 30 June 2015.

The system of internal controls and risk management established by SGX provides reasonable, but not absolute, assurance that SGX will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

There were two the significant market outages on 5 November and 3 December 2014. A Board Committee of Inquiry (BCOI) was set up to independently oversee investigations into the 5 November 2014 incident. The BCOI reviewed SGX's incident management and crisis communications, and recommended improvements to prevent recurrence and enhance crisis management processes. The BCOI's findings and recommendations were released to the public on 24 June 2015. The 3 December 2014 incident was also reviewed by SGX, with the assistance of an independent consultant. SGX has taken significant measures to address the experts' recommendations, and has addressed the key causes for the power outage on 5 November 2014 and enhanced its incident recovery capabilities. SGX's RMC will closely monitor management's progress in implementing the remaining recommendations.

On 24 June 2015, MAS issued a reprimand to SGX on the two market outages and directed SGX to complete various actions, specifically:

a strengthen its monitoring system capabilities to allow timely and accurate problem identification when incidents occur;
b strengthen its business continuity management and disaster recovery procedures to improve crisis preparedness;
c improve its crisis communications processes to provide prompt information to all stakeholders.
d to improve its service recovery and how it implements technical changes.

There will be a moratorium on fee increases for the securities and derivatives markets with immediate effect until the improvements are completed.

Audit Committee
Principle 12

Composition of the AC
The AC is chaired by Mr Kevin Kwok and comprises four members (including the AC Chairman), three of whom are independent directors based on the CCG 2012's criteria. The other three members are Ms Jane Diplock AO, Mr Lee Hsien Yang and Mr Liew Mun Leong.

In compliance with the requirements of SFR 2005, all members of the AC are non-executive directors who are free from management and business relationships, and from any substantial shareholder.

The Board considers that Mr Kevin Kwok, who has extensive and practical accounting and financial management knowledge and experience, is well qualified to chair the AC.

The members of the AC collectively have strong accounting and related financial management expertise and experience. They keep abreast of relevant changes through regular updates from the external auditor, on changes to accounting standards and issues which have a direct impact on the financial statements.

Authority and Duties of the AC
The AC reviews the scope and results of audit work, the cost effectiveness of the audit, and the independence and objectivity of the external auditor. The

AC also undertakes quarterly reviews of the nature, extent and costs of non-audit services provided by the external auditor, seeking to balance the maintenance of objectivity of the external auditor and their ability to provide value-for-money services.

The AC meets on a quarterly basis to review the integrity of the financial statements including the relevance and consistency of the accounting principles adopted. The AC reviews and recommends the financial statements and corresponding SGXNet announcements to the Board for approval.

The AC reviews and assesses the adequacy and effectiveness of SGX's system of internal controls and regulatory compliance through discussions with management, the Head of Internal Audit, the Head of Compliance and the external auditor, at its quarterly AC meetings.

It has full access to, and the co-operation of, management and full discretion to invite any director or officer to attend its meetings. The AC has access to adequate resources, including access to Internal Audit unit, external consultants and the external auditor, to enable it to discharge its responsibilities properly.

The AC met four times during the financial year under review. The Chairman, CEO, CFO, President, Chief Operations & Technology Officer, EVP Technology, Internal Audit, Compliance, and the external auditor were invited to attend these meetings. The AC considered and reviewed with management, the Head of Internal Audit and the Head of Compliance (where applicable) the following:

a significant internal and external audit observations and management's responses thereto;
b regulatory breaches;
c scope of the annual internal and external audit plans to ensure that the plans provided a sufficiently robust review of the internal controls of SGX;
d scope of the annual compliance plans; and
e budget and staffing for Internal Audit and Compliance functions.

External Auditor

The AC reviews the selection of the external auditor and recommends to the Board the appointment, re-appointment and removal of the external auditor, the remuneration and terms of engagement of the external auditor. The annual re-appointment of the external auditor is subject to shareholder approval at SGX's AGM.

In February 2014, SGX conducted a Request for Proposal exercise for external audit services. Following the AC's evaluation, the AC recommended the re-appointment of PwC as they possess the relevant industry experience and knowledge as well as a deep understanding of SGX's business, operations, systems and risks. The Board accepted the AC's recommendation for PwC's re-appointment as the external auditor at the AGM held in September 2014.

During the financial year, the external auditor held a meeting with the AC, and separately with the AC Chairman, without the presence of management.

The AC reviewed the independence and objectivity of the external auditor through discussions with them as well as a review of the volume and nature of non-audit services provided by the external auditor during the financial year under review. Based on this information, the AC is satisfied that the financial, professional and business relationships between SGX and the external auditor will not prejudice their independence and objectivity. The AC, together with management, has evaluated their performance and concluded that PwC has fulfilled its responsibilities as external auditor. The Board concurred with AC's endorsement. Accordingly, the Board recommends the re-appointment of PwC at the coming AGM.

In the review of the financial statements for the financial year ended 30 June 2015, the AC discussed with management and the external auditor the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. Following the review and discussions, the AC recommended to the Board to approve the full-year financial statements. The total fees paid to our external auditor, PricewaterhouseCoopers LLP, are as disclosed in the table below:

External Auditor Fees for FY2015	S$'000	% of Total Audit Fees
Total Audit Fees	628	–
Total Non-Audit Fees	59	9%
Total Fees Paid	687	–

SGX has complied with Rule 712 and Rule 715 in the appointment of its auditor.

Whistleblowing Policy

SGX has a whistleblowing policy in place which encourages employees and vendors to report malpractices and misconduct in the workplace. SGX will protect employees, who have acted in good faith, from victimisation and harassment by their colleagues. SGX will treat all information received confidentially and protect the identity and the interest of all whistle-blowers. Anonymous disclosures will be accepted and anonymity honoured. Reports can be lodged by calling the hotline at +65 6236 8585 or via email at whistleblowing@sgx.com.

The policy allows a single, confidential line to report concerns about possible improprieties to the Head of Internal Audit in good faith and in confidence. The policy defines the processes clearly to ensure independent investigation of such matters and appropriate follow-up action, and provides assurance that staff will be protected from reprisals.

Interested Person Transactions Policy

SGX has procedures in place to comply with the Listing Manual requirements relating to interested person transactions. All new directors are briefed on the relevant provisions that they need to comply with. All interested person transactions, if any, are reported to and monitored by the

Corporate Governance Report

Finance department, and reviewed by the AC.

There were no Interested Person Transactions in FY2015.

Material Contracts (Rule 1207(8) of the Listing Manual)

There were no material contracts entered into by SGX or any of its subsidiaries involving interests of any Director or controlling shareholder during FY2015.

Internal Audit

Principle 13

Internal Audit

On an annual basis, the Internal Audit function prepares and executes a robust risk-based audit plan, which complements that of the external auditor, so as to review the adequacy and effectiveness of the system of internal controls of SGX. These include operational, financial, compliance and information technology controls. In addition, the external auditor will highlight any material internal control weaknesses which have come to their attention in the course of their statutory audit. All audit findings and recommendations made by the internal and external auditors are reported to the AC. Significant issues are discussed at AC meetings. Internal Audit unit follows up on all recommendations by the internal and external auditors to ensure management has implemented them in a timely and appropriate fashion and reports the results to the AC every quarter.

Compliance

The Compliance function executes an annual risk-based compliance program, focusing on regulatory risk arising from SGX's own obligations to comply with applicable laws and regulations. The programme comprises a combination of regulatory risk assessments and responses, compliance training (including mandatory annual e-learning), monitoring and testing through functional controls self-assessments and independent compliance reviews, and regular reporting to senior management, the AC and regulators on breaches, significant compliance issues and relevant action plans. Compliance is independent of the business and reports directly to the CEO. However, Compliance remains an integral part of overall management, and is actively engaged in providing compliance advice across all SGX businesses and support functions, including formal training as required. The "functional self-assessment" mentioned above is the Control Self-Assessment.

Line of Reporting and Activities

Internal Audit unit is an independent function within SGX. The Head of Internal Audit reports directly to the AC and administratively to the CEO. The AC approves matters relating to the Internal Audit Charter, risk assessment and related audit plans and results and follows up on internal audit activities. The AC approves the hiring, removal, evaluation and compensation of the Head of Internal Audit. The AC Chairman meets the Head of Internal Audit at least four times a year, without the presence of management. Internal Audit unit has unfettered access to all of SGX's documents, records, properties and personnel including the Chairman and the AC.

Internal Audit unit operates within the framework stated in its Internal Audit Charter which is approved by the AC. The primary role is to assist the Board and senior management to meet the strategic and operational objectives of SGX, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes.

All audit reports are circulated to the AC, the CEO, the external auditor and relevant senior management representatives. The progress of corrective actions on outstanding audit issues is monitored through a company-wide issue management system. Information on outstanding issues is categorised according to severity and quarterly reports are sent to senior management and AC.

Adequacy of the Internal Audit Function

The annual plan of the Internal Audit unit is established in consultation with, but independent of management and is aligned with the risk management framework of SGX. The plan is submitted to and approved by the AC. The AC is satisfied that Internal Audit unit has adequate resources to perform its functions, and has appropriate standing within SGX. The AC also reviews annually the adequacy and effectiveness of the Internal Audit unit.

Professional Standards and Competency

Internal Audit unit is a member of The Institute of Internal Auditors (IIA) and has adopted the Standards for the Professional Practice of Internal Auditing (IIA Standards) laid down in the International Professional Practices Framework issued by the IIA. The Internal Audit unit continues to meet or exceed the requirements of the IIA Standards in all key aspects. Quality assessment reviews are carried out at least once in five years by external qualified professionals. The last review was completed in 2013 and the next review will be due by 2017.

The professional competence of the internal auditors is maintained or upgraded through training programmes, conferences and seminars that provide updates on auditing techniques, regulations, financial products and services. Internal Audit unit is staffed with suitably qualified experienced professionals with diverse operational and financial experience.

Shareholder Rights and Responsibilities

Shareholder Rights
Principle 14

SGX group's corporate governance practices promote the fair and equitable treatment of all shareholders. To facilitate shareholders' ownership rights, SGX ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNet. SGX recognises that the release of timely and relevant information is central to good corporate governance and enables shareholders to make informed decisions in respect of their investments in SGX.

Shareholders are entitled to attend the general meetings of shareholders and are afforded the opportunity to participate effectively in and vote at general meetings of shareholders. Shareholders are informed of the rules, including the voting procedures that govern the general meetings of shareholders. The Articles allow a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings of shareholders. The Articles also allow shareholders, who hold shares through nominees such as CPF and custodian banks, to attend the general meetings of shareholders as observers without being constrained by the two-proxy rule, subject to availability of seats.

Communication with Shareholders
Principle 15

Disclosure of Information on a Timely Basis
SGX is committed to disclosing to its shareholders as much relevant information as is possible, in a timely, fair and transparent manner.

In addition to comprehensive, accurate and timely disclosure of material information on SGXNet, SGX adopts the practice of regularly communicating major developments in its businesses and operations through the appropriate media. Such channels include news releases, annual reports, shareholder circulars, shareholders' meetings, and direct announcements.

SGX notifies investors in advance of the date of release of its financial results, through an SGXNet announcement, and a media release. Results for the first three quarters are released to shareholders no later than 25 days from the end of the quarter. Annual results are released within 31 days from the financial year-end.

Briefings to present quarterly and full-year results are held for the media and analysts. "Live" video webcasts of briefings, accessible by the public, is also available at on SGX's website.

Interaction with Shareholders
The Investor Relations (IR) team presents to the SGX Board an information paper, providing an overview of market feedback (including investors' concerns), updates on the shareholder register, share price performance and other IR matters, on an annual basis.

Dividend Policy
For FY2016, the Board aims to declare a base dividend of 5 cents per share every quarter. For each financial year, the Board aims to pay, as dividend, an amount which is no less than (a) 80% of the annual net profit after tax; or (b) 20 cents per share, whichever is higher. The difference between the targeted dividend and the interim base dividend will be declared and paid as final dividend of each financial year.

Corporate Website
SGX adopts transparent, accountable and effective communication practices as a key means to enhance standards of corporate governance. We aim to provide clear and continuous disclosure of our Corporate Governance practices through efficient use of technology. SGX's website has much to offer its shareholders and other stakeholders. The following information can be accessed from our corporate website:

a Board of Directors and EMCO profiles;
b Minutes and Summary of Proceedings of general meetings of shareholders;
c Audiocasts of general meetings of shareholders;
d Annual Reports;
e Letter/Circular to Shareholders;
f Company announcements;
g Press releases;
h Financial Results; and
i Calendar of Events.

The latest AR, financial results (including webcasts of the quarterly and full-year results briefings for media and analysts and press releases) and company announcements are posted on the website following their release to the market, to ensure fair and equal dissemination to shareholders. SGX also makes available speeches and presentations given by the Chairman, CEO, and senior management, and a range of other information considered to be of interest to investors.

SGX's website has a clearly dedicated 'Investor Relations' link, which features prominently the latest and past financial results and related information. The contact details of the IR team are available on the dedicated link, as well as in the AR, to enable shareholders to contact SGX easily. IR has procedures in place for addressing investors' queries or complaints as soon as possible.

Conduct of Shareholder Meetings
Principle 16

Shareholders are informed of shareholders' meetings through published notices and reports or circulars sent to all shareholders or at the shareholder's election, made available electronically. The general meetings of shareholders procedures provide shareholders the opportunity to ask questions relating to each

Corporate Governance Report

resolution tabled for approval. Opportunities are given to shareholders to participate, engage, and openly communicate their views on matters relating to SGX to the directors.

Shareholders are given the opportunity to vote at the general meetings of shareholders. However, as the authentication of shareholder identity information and other related security issues still remain a concern, SGX has decided, for the time being, not to implement voting in absentia by mail, email or fax.

The Chairman of each of the AC, NGC, RSDC, RCC and RMC, external auditor, management and legal advisors (where necessary), are also present to address shareholders' queries.

SGX provides for separate resolutions at general meetings on each distinct issue. All the resolutions at the general meetings are single item resolutions. Detailed information on each item in the AGM agenda is in the explanatory notes to the AGM Notice in the AR.

The Company Secretary prepares minutes of shareholders' meetings which captures the essence of the comments and queries from shareholders and responses to them from the Board and management. These documents are publicly available on SGX's website. The composition of the Board and Board committees are also made available on SGXNet following the general meetings of shareholders.

SGX has been conducting electronic poll voting for all the resolutions passed at the general meetings of shareholders for greater transparency in the voting process. Votes cast for, or against, each resolution will be tallied and displayed live-on-screen to shareholders immediately at the meeting. The total numbers and percentage of votes cast for or against the resolutions are also announced after the meeting via SGXNet.

Securities Dealing

To guard against insider trading, SGX's Code of Dealing in Securities (Code of Dealing) adopts a "black-out" policy that is consistent with what is prescribed in the Listing Manual. The Code of Dealing prohibits dealings in SGX's securities by its directors and staff and their "related persons" for a period of two weeks before the announcement of its quarterly or half-yearly financial results, and one month before the announcement of its year-end results.

SGX issues a quarterly notice to its directors and officers informing them that SGX and its officers must not deal in SGX's securities during a black-out period and at any time they are in possession of unpublished material price-sensitive information.

In addition to the black-out policy on SGX shares, staff and their "related persons" who want to trade securities of any company listed on Singapore Exchange Securities Trading Limited must, subject to very limited exceptions, seek prior approval from their approving authority. Directors and staff are prohibited at all times from trading if they are in possession of material non-public information. Staff are also discouraged from dealing in SGX Securities on short-term considerations.

Since 2009, all SGX employees are required to complete an annual online refresher module as part of SGX's mandatory compliance training, and submit a certification of their understanding and compliance with the Code of Dealing.

The Board and management believe that SGX has not only complied with the Listing Manual, but with industry best practices.

Other Codes

Code of Confidentiality

The SGX group of companies deals with confidential information on a daily basis. Protecting the confidentiality of information is of paramount importance to creating and maintaining a trusted marketplace. SGX has a Code of Confidentiality which provides clear guidance to its staff on the proper management, use and disclosure of the different types of confidential information. The Code of Confidentiality, along with the SGX Personal Data Protection Policy, sets out SGX's framework and procedures for compliance with, among other things, the user confidentiality obligations under the SFA, and the personal data obligations under the Personal Data Protection Act.

Code of Conduct & Ethics for Employees

SGX has a Code of Conduct & Ethics for Employees (Code of Conduct & Ethics) that sets the standards and ethical conduct expected of employees. The Code of Conduct & Ethics covers all aspects of the business operations of SGX such as confidentiality of information, related party transactions, gifts, gratuities or bribes and dishonest conduct. Employees are required to observe and maintain high standards of integrity, as well as compliance with laws and regulations, and company policies.

Self-Regulatory Organisation Governance Report

Regulatory Obligations

SGX is a self-regulatory organisation that has a dual role as a commercial for-profit entity and as a regulator of market participants, including listed companies, trading and clearing members. We employ robust systems and high standards to address conflicts between our responsibilities to shareholders and our regulatory responsibilities.

SGX's regulatory activities focus on:

1. **Operating a fair, orderly and transparent market**
2. **Admitting high quality members and issuers**
3. **Providing safe and efficient clearing and settlement facilities**
4. **Supporting the continuous development of the financial market**

In order to achieve our objectives, we have stringent rules in place. We apply strict admission criteria for our members and issuers to assure their quality and safeguard the integrity of the markets and clearing houses. Issuers must ensure the timely, accurate and adequate disclosure of material information. We also impose prudent financial requirements on our members and have robust default management processes. To ensure compliance with the rules, we conduct comprehensive supervision and surveillance, taking enforcement action when necessary. We continually benchmark ourselves against developed jurisdictions and established international standards to improve our systems and processes.

Managing Self-Regulatory Organisation (SRO) conflicts

The Monetary Authority of Singapore (MAS) regulates us in the discharge of our regulatory functions and our management of regulatory conflicts. We have a strong governance framework in place to manage any perceived or actual conflicts. The Regulatory Conflicts Committee (RCC) assists the SGX Board with the management of SRO conflicts.

Self-Regulatory Organisation Governance Report

The RCC comprises directors who are not only independent of management, but are also not substantial shareholders and have no business relationships with SGX. Appointments to the RCC are subject to MAS approval.

The RCC decides on conflict cases, as needed, and reviews the regulatory implications of our strategic initiatives. The RCC also ensures the adequacy of resources allocated to the regulatory function and oversees the processes for identifying and managing regulatory conflicts. The RCC reports to the MAS annually on the adequacy of our conflicts management framework and practices as required under the Securities and Futures Act.

The RCC reported to the MAS in October 2014 that it had fulfilled its statutory duties in overseeing SRO governance within SGX, ensuring the adequacy of regulatory resources and addressing SRO conflicts.

Enhancing the Quality and Integrity of Our Marketplace

As part of our effort to improve the quality and integrity of our market, we introduced several new measures.

Minimum Trading Price and Listing Committees

In 2014, the MAS and SGX issued a joint consultation paper on proposed enhancements to the securities market. Following extensive consultation and feedback we have taken several actions to strengthen the securities market. A Minimum Trading Price (MTP) set at S$0.20 for Main Board companies was introduced on 2 March 2015. A 12-month transition period from the date of introduction of the MTP has been given to affected issuers to undertake corporate actions to meet the new requirements, which take effect on 1 March 2016. This initiative will enhance the integrity of the market, as higher priced shares are less susceptible to excessive speculation or manipulation.

SGX is also establishing an independent Listings Advisory Committee to introduce fresh perspectives from market professionals and representatives of the investment community, as well as to address any perception that SGX pursues growth at the expense of the quality of listings. The committee will consider listing applications as well as listing policy decisions and will augment the listing process.

A MINIMUM TRADING PRICE SET AT

S$0.20

for Main Board companies was introduced on 2 March 2015.

SGX's enforcement powers over issuers, issue managers, directors and executive officers will be expanded.

Independent Listings Disciplinary and Appeals Committees will also be established to enhance the transparency of SGX's disciplinary process and ensure fair administration of the new sanctions.

Decisions made by the committees will be published on the SGX website.

Read more on www.sgx.com

Enhanced Listings Admissions Framework

As part of our constant efforts to streamline the listing process, SGX implemented an enhanced listings framework in July 2015. The new process will focus on up-front resolution by the listing applicant and its advisers of key issues critical to assuring SGX that the admission criteria has been met. At the same time, the issuer will enjoy greater certainty on the time to market once the key issues have been adequately resolved.

Streamlined Secondary Listings Framework

Companies already listed on another exchange can also seek to list on SGX via a secondary listing. We introduced the Secondary Listings Framework in November 2014 to streamline the admission process for secondary listings. We will admit companies from developed markets without any additional continuing listing requirements beyond their obligations to comply on a continuing basis with their home exchange rules. This calibrated approach will streamline rules for the secondary listings of companies from developed markets.

Sustainability Reporting

SGX is working to raise the levels of governance and transparency among listed companies by requiring sustainability reporting on a "comply or explain" basis. Singapore is widely recognised for corporate governance; expanding the coverage of reporting to include environmental and social aspects of business will enhance transparency to investors. SGX is currently developing a listing rule and updating the existing voluntary Guide to Sustainability Reporting for Listed Companies (the "Guide"), having gathered feedback from listed companies and investors to help shape the Guide. The introduction of the listing rule and the updated Guide is targeted for early 2016.

Regulatory Activities

Front-line Regulatory Activities

SGX conducts rigorous real time surveillance of trading activities to promote orderly trading and detect any undesirable market conduct. Where there is any indication of anomalous trading, we issue a public query to the listed company to see if it has unannounced material information that could explain the trading activity. A Trade with Caution (TWC) announcement is issued if listed companies are unable to explain the unusual trading activity in response to our query. This year, we issued 85 public queries and 47 TWCs.

For potential breaches of the law, SGX works with the relevant agencies and authorities to take appropriate action. This helps in ensuring the integrity of our market. In the year, we referred 32 cases to the authorities. MAS and the Commercial Affairs Department (CAD) concluded the case of China Sky by imposing a civil penalty of S$2.5 million on the CEO. Arising from another referral from SGX, MAS took civil penalty action against a trading representative for false trading in an exchange-traded fund. He was fined S$157,000.

For breaches of our rules, we charged two trading representatives for manipulating the closing prices of certain share counters. The Disciplinary Committee fined them S$35,000 and S$45,000 respectively. It is noteworthy that the fines imposed were in excess of the mandatory minimum penalty of S$30,000 prescribed for this particular rule breach, to reflect the severity of the offences.

Listings Applications

We continued to uphold high standards of listing criteria to ensure the quality of our issuers. During the year, we received 36 Initial Public Offering (IPO) and Reverse Takeover (RTO) applications and notifications. Including applications and notifications from the previous year, 30 were approved or proceeded to lodge and four applications were returned or withdrawn.

Member Admissions and Inspections

We conduct periodic inspections and reviews of Members to ensure that they have put in place adequate internal controls in accordance with our rules. We also monitor the financial health of all Members on an ongoing basis. Members must immediately notify us when their financial resources decline to prescribed threshold levels so that we can take early and appropriate mitigating actions. All this is necessary to protect the interests of their customers.

Proportionate enforcement action is taken against errant Members who breach our rules and financial requirements. A total of seven composition fines and 17 letters of warning were issued to various Member Firms and Trading Representatives for breaches.

We are constantly looking to broaden the scope of participation in our exchange and clearing house. In this respect, we admitted seven new agency Members, one of whom we admitted as our first offshore Clearing Member to clear SGX OTC Commodities. We will continue to seek further memberships in the following year.

Expanding Our Global Presence

The regulatory landscape continues to evolve with the introduction of further regulation of financial markets by national and international regulators. We support the global development of our marketplace by ensuring compliance with these regulatory standards.

We achieved a significant milestone last year when our

Self-Regulatory Organisation Governance Report

derivatives and securities clearing houses were in the first group of central counterparties (CCPs) to gain recognition as third country CCPs from the European Securities and Markets Authority (ESMA) under the European Market Infrastructure Regulation (EMIR).

This authorisation allows EU-based clearing members to continue to clear their derivatives contracts with SGX Derivatives Clearing (SGX-DC) and their securities with the Central Depository Pte Limited (CDP) in compliance with EU legislation and regulation. In addition, it allows EU-based financial institutions and their subsidiaries to treat SGX-DC and CDP as Qualified Central Counterparties (QCCPs) for the purpose of the Basel III capital rules.

With regard to the US, SGX Derivatives Trading (SGX-DT) gained recognition as a Foreign Board of Trade (FBOT) from the Commodity Futures Trading Commission (CFTC) in addition to the Designated Clearing Organisation (DCO) status received by SGX-DC in 2013. This allows US persons to continue to access trading of SGX exchange-traded derivatives and clearing of SGX OTC derivatives.

We also obtained an authorisation to provide automated trading services in Hong Kong for SGX Securities Trading (SGX-ST) from the Hong Kong Securities and Futures Commission (SFC). This license will provide the broking and investing community in Hong Kong with more efficient access to securities listed on SGX and will enable us to actively market SGX-ST services in Hong Kong. This complements the automated trading services approval for SGX-DT received from the SFC in 2013.

Engaging the Investing Public

We continue to reach out to stakeholders and be more transparent about the discharge of our regulatory functions. We began to highlight regulatory content via social media, the My Gateway portal, and through e-communications to Trading Representatives. We also worked with the Securities Investors Association (Singapore) to feature regulatory content in their communications to members.

We continued to roll out more retail investor education initiatives through SGX Academy and partners. Overall education outreach grew to 140,000 retail investors in FY2015 from 90,000 in the previous year. This was achieved through new education channels with partners and new education platforms such as e-tutorials and education carnivals.

To help new investors, SGX Academy launched a suite of easy-to-understand bite-sized animated videos on various topics such as the basics of trading and investing, making your first trade, riding the market cycles and the ABC's of stock valuation. To encourage shareholders to become more active, we included topics on what to look out for when reading annual reports and questions to ask at Annual General Meetings. These e-videos have garnered about 90,000 views including regional viewers.

Other investor education initiatives included retail outreach efforts via two stock carnivals at local shopping malls. The aim was to impart basic investing knowledge through guided exhibitions, on-site seminars and games, to help members of the public gain basic investing knowledge and take their first steps in investing. The events attracted 12,000 participants. SGX teamed up with SIM University and held a joint Investor Education Day to impart investing knowledge to tertiary students, attracting over 1,500 participants. With the theme "Start Your Investing Journey Today: Investing Today Matters Tomorrow", the event comprised a series of talks. These introduced simple investing principles and techniques as well as explaining how to build an effective investment portfolio with stocks, Exchange Traded Funds and Real Estate Investment Trusts.

A partnership was also forged with the National Institute of Education (NIE) to equip teachers with investment knowledge. A specially designed eight part financial and investment education programme was put together to educate teachers. We expect the partnership to progressively benefit more than 30,000 teachers and trainee teachers.

New Chief Regulatory Officer

The Regulation unit went through a leadership transition during the year. Tan Boon Gin joined SGX as Chief Regulatory Officer in June 2015 following the departure of Richard Teng in February 2015. Yeo Lian Sim, Special Advisor for SGX stepped in as the Chief Regulatory officer during the interim. Boon Gin joins us from the CAD and has previously held several positions at the MAS.

Risk Management Report

Building an enduring market place through operating a fair, orderly and transparent Exchange and a safe and efficient Clearing House for both the securities and derivatives markets.

Key Highlights in Financial Year 2015

1



Established the SGX Risk Appetite Statement, which encourages the pursuit of strategic goals and business opportunities within clearly defined risk boundaries.

2



Collaborated with regulators and participants in the formulation, implementation and promotion of effective risk management that results in margin efficiency and low risk charge against SGX for our participants.

3



Heightened vigilance in monitoring credit, liquidity and financial risk exposures of participants in an increasingly volatile market environment.

As an international Exchange and Clearing House in a developed country with a diverse range of service offerings and clientele, SGX is committed to meeting the highest risk management standards as recommended by international regulatory bodies such as the Committee on Payments and Market Infrastructures and the International Organization of Securities Commissions (CPMI-IOSCO), and as prescribed by the regulators of jurisdictions where it operates as a recognised Exchange and/or Clearing House. We continually review and improve our risk management practices and are working towards providing greater transparency of key risk management information in order to strengthen our standing among participants as a provider of strong, resilient and efficient infrastructure.

Committed to High Standards of Governance

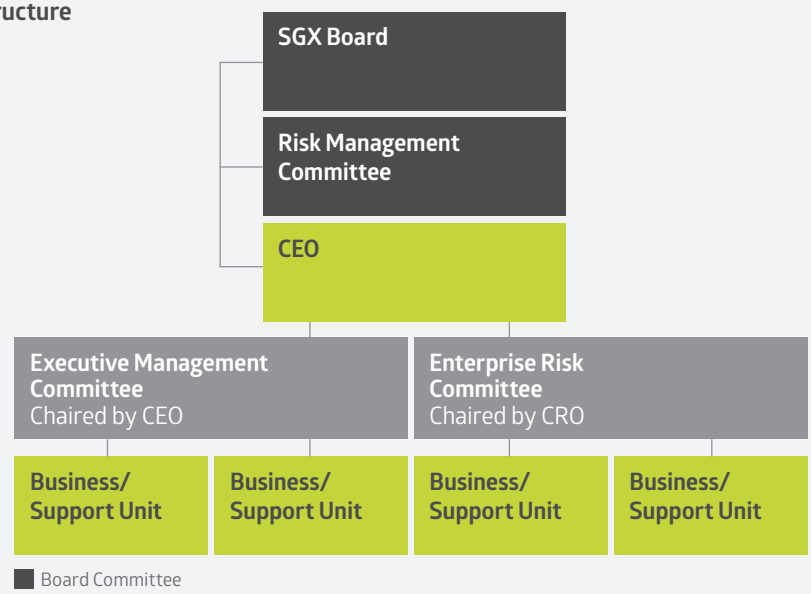
SGX views its strong risk governance as a key pillar in achieving its strategic and operational objectives.

The Board oversees risk management as part of its overall management of SGX. The Risk Management Committee (RMC), a Board committee comprising non-executive directors, assists the Board in reviewing risks and risk mitigations that SGX undertakes to achieve its objectives. The RMC approves the various risk frameworks and policies, and assesses the adequacy of risk management resources.

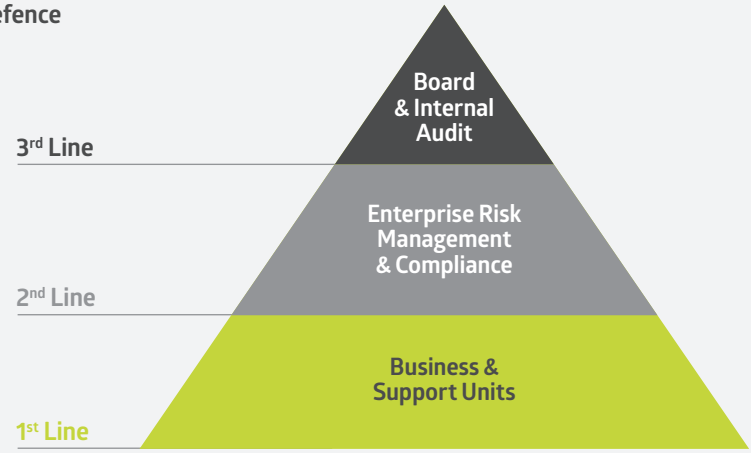
At the management level, the Executive Management Committee (EMCO) and the Enterprise Risk Committee (ERC), a subset of EMCO chaired by the Chief Risk Officer, are responsible for the active identification of risks and the implementation of mitigation measures.

Risk Management Report

Risk Governance Structure



Three Lines of Defence



In relation to risk taking, SGX has three lines of defence, each with a clear responsibility. The operating units own the risks and effect processes and controls to respond to them, whilst the independent Enterprise Risk Management and Compliance functions oversee the completeness and accuracy of risk assessments, risk reporting and the adequacy of mitigation plans. Internal Audit provides objective assurance to the Audit Committee. Together, these three lines of defence assure that there are adequate internal controls relating to processes, risk and control governance.

SGX's risk governance structure and three lines of defence model are illustrated in the figures above.

Thriving on a Sustainable Risk and Reward Balance

As we pursue our strategic priorities and business opportunities, we recognise the importance of balancing risks and rewards to achieve the optimal amount of risk SGX can profitably absorb. This year, the Board has formalised SGX's Risk Appetite Statement to identify the return objectives that are imperative to the organisation and the corresponding risk boundaries that are critical to support the achievement of these objectives.

This understanding between the Board and Management aligns the Company's risk profile with its business objectives and helps bring discipline as Management drives strategy within the established risk boundaries. It also reinforces our risk culture through establishing a "tone from the top" regarding the nature and extent of risks the Company is willing to accept.

Managing Enterprise Risks Holistically

Effective risk management remains integral to the Company's business success. Our holistic ERM framework codifies and integrates structure and discipline towards managing risk, allowing Management to identify, assess, manage and monitor risks systematically and comprehensively. We are committed to promoting a strong and sustainable risk culture throughout the organisation, and seek to assure a robust and extensive system of internal controls and risk management techniques.

As part of our risk management process, Management conducts an annual review to identify key and emerging risks for the year. This year's review has identified various risks, which can be broadly classified as strategic, operational, financial, regulatory and reputational risks. The ensuing paragraphs elaborate on the first three risks, which remain our key concerns for FY2016.

i Strategic Risks – Achieving Sustainable Growth amidst Competition

Globally, exchanges compete with one another on various fronts. These range from the attraction of new listings and growth of distribution channels, to the expansion of product and service offerings to promote trading activity. SGX is not spared this intensified competition. The risk of losing our competitive position is a key risk. We recognise the increasing need to compete successfully in this evolving landscape, to achieve sustainable growth and create value for our stakeholders.

ii Operational Risks – Strengthening Technological & Operational Resilience to Minimise Service Disruptions

As the operator of a market infrastructure, we recognise the importance of providing a reliable and resilient trading and clearing facility. Given the complex nature of our infrastructure, the risk of technology service disruptions will increase. Management acknowledges that business disruptions can happen. We are committed to improving our infrastructure to enhance technology and operational resilience.

iii Clearing Risks – Active and Effective Management of Counterparty Credit Risk and Liquidity Risk

While the Exchange facilitates trading by matching buyers to sellers, the Clearing House inherits the credit risk in its capacity as the central counterparty (CCP) to all matched trades. CDP and SGX Derivatives Clearing (SGX-DC), the respective Clearing Houses for the Securities and Derivatives markets, manage their exposure to the individual Clearing Members, who act as guarantors for the obligations undertaken by their clients through trading. Furthermore, SGX works with commercial banks to facilitate the transfer of obligations. These are the participants that SGX engage with collectively on a daily basis, and it is SGX's job to manage its credit risk exposure to individual participants actively and effectively.

Proactive, Responsive and Effective Management of Clearing Risks

In recent years we have witnessed an increasing regulatory push towards greater adoption of central clearing by market participants. While we welcome the change as an opportunity for business expansion, it requires SGX to meet the recommended risk management standards in order to facilitate client participation from all over the world.

In the daily course of business, SGX does not require its own financial resources to complete clearing and settlement, as participants are required to meet their obligations in a timely manner. However when a participant fails to meet its obligation to the CCP, SGX will still be required to honour its obligations to all other surviving participants. It is imperative that SGX has effective processes in place to manage the clearing risk that arises with new products and participants, which represents the biggest financial risk driven by external factors that SGX faces.

The risk of a participant default is first mitigated through the admission of high quality members and commercial banks, as only participants with strong balance sheets and robust processes are considered. After admission, participants are closely monitored on a daily basis for their financial adequacy in meeting immediate obligations. In addition to adopting international regulatory standards, the risk management processes are designed to be proactive in identifying relevant issues that

Risk Management Report

would impact the market place. Once an issue is identified, the Risk Management unit responds in a timely manner, often with cross-functional involvement, to assure a holistic and effective solution.

Market volatility has increased substantially since the start of the 2015 as participants address developments in Greece, the changing outlook for US interest rates and the internationalisation of the Chinese stock market, against a background of extended government intervention globally to promote growth. SGX has stayed keenly attuned to market developments and revised its risk management processes to preserve the safety and efficiency of its clearing system. Our ability to achieve a balance between safeguarding participants' interests without imposing excessive financial burdens on them is well recognised in the market.

Strengthening Regulatory Compliance to Facilitate Business Growth

Since the global financial crisis in 2008, market participants and regulators have recognised the importance of adequate capital and liquidity, and have sought to improve market practices through regulatory reform. Appreciating the importance of this development, SGX has dedicated significant resources to meeting stringent international regulatory standards. This translates into better protection, lower risk charge and higher capital efficiency for participants, and also enables SGX to stay relevant and attractive to our portfolio of international customers in an environment of higher regulatory standards.

Besides complying with the Principles for Financial Market Infrastructures (PFMI) and registration with the Commodity Futures Trading Commission (CFTC) in the US as a Designated Clearing Organization, SGX's Securities and Derivatives Clearing Houses were among the first to be awarded equivalence as Third Country CCPs from the European Securities and Markets Authority (ESMA), in April 2015. Recognition from major international regulators provides quality assurance of SGX's risk management standards to market participants, paving the way for business growth beyond jurisdictional boundaries.

Disciplinary and Appeals Committee Report

Overview

SGX's systems to deal with SRO conflicts include the setting up of independent committees to supplement its disciplinary processes.

Disciplinary and Appeals Committees

The Disciplinary Committee and Appeals Committee currently comprise 12 and 6 members respectively.

The Disciplinary Committee hears charges brought by SGX against Regulated Persons[1] who are alleged to have violated SGX's trading and clearing rules. The Disciplinary Committee is able to impose a wide range of sanctions including reprimands, fines, restrictions or conditions on activities, suspension, expulsion, revocation of authorisation, deregistration, requiring Regulated Persons to undertake an education or compliance program, ordering directors to relinquish their day-to-day roles, and confirming, charging or discharging the appointment of a manager by the Regulated Person.

The Appeals Committee hears appeals by SGX or the Regulated Persons against the Disciplinary Committee's decisions. The decision of the Appeals Committee is final.

Independence

The Disciplinary Committee and Appeals Committee consist of members who are legal practitioners, industry experts and professionals who are not directors, officers or employees of SGX. These committees are supported by a newly-established Secretariat which manages the processes of the independent committees' hearings. The Secretariat is independent of the business and regulation functions within SGX and the Head of Secretariat reports directly to the Chairmen of the respective committees. The establishment of a Secretariat dedicated to supporting the committees reflects SGX's commitment to provide the committees with the necessary resources to exercise their disciplinary powers independently, impartially and in accordance with due process.

Cases Heard in FY2015

During FY2015, the Disciplinary Committee heard two cases involving breaches of the SGX-ST Rules by trading representatives as set out below:

Date of Hearing	Subject of Disciplinary Action	Details	Rule Violation
27 May 2015	Trading representative with a SGX-ST Trading Member	SGX-ST Disciplinary Committee imposed a fine of $35,000 and required the defendant to attend an education program on securities regulations before being allowed to resume his duties as a trading representative	Securities Trading
27 May 2015	Trading representative with a SGX-ST Trading Member	SGX-ST Disciplinary Committee imposed a fine of $45,000 and required the defendant to attend an education program on securities regulations	Securities Trading

The grounds of decision are available on SGX's website.

In FY2015, there were no cases brought before the Appeals Committee.

[1] Regulated Persons include a Trading or Clearing Member under SGX's Rules, or any of the members' directors, trading representatives, approved traders, registered representatives, officers, employees or agents or a Sponsor or Registered Professional registered with Catalist.

Disciplinary Committee Members

During FY2015, three members, namely Mr Petrus Huang Yen San, Mr Steve Ng Kuan Kuen and Mr Tan Kah Gee, retired from the Disciplinary Committee, while another three new members were added. The newly added members are Mr Colin Ng Teck Sim, who retired from the Appeals Committee in FY2015, Mr Teyu Che Chern and Ms Yeoh Choo Guan.

The current members of the Disciplinary Committee are:

Name	Position	Title
Mr Eddie Tan	Chairman	Corporate Regional Treasurer, Asia, Citibank N.A
Mr Hamidul Haq	Deputy Chairman	Partner, Rajah & Tann LLP
Mr Leong Mun Wai	Deputy Chairman	Chief Executive Officer, Timbre Capital Pte Ltd
Mr Hemant Bhatt	Member	Chief Executive Officer – Downstream & Commercial, Golden Agri-Resources Ltd
Mr Paul Davies	Member	Managing Director, Goldman Sachs Futures Pte Ltd
Mr Kan Shik Lum	Member	Former corporate finance practitioner, DBS Bank Ltd
Mr Lam Chee Kin	Member	Managing Director, Group Head of Compliance, DBS Bank Ltd
Mr Mah Kah Loon	Member	Managing Director and Head of Investment Banking, CIMB Bank Berhad Singapore Branch
Mr Francis Mok Lip Wee	Member	Partner, Allen & Gledhill LLP
Mr Colin Ng Teck Sim	Member	Partner, Colin Ng & Partners LLP
Mr Teyu Che Chern	Member	Chief Executive Officer, Phillip Futures Pte Ltd
Ms Yeoh Choo Guan	Member	Managing Director, UBS AG and Chief Executive Officer, UBS Securities Pte Ltd

Appeals Committee Members

During FY2015, four members, namely Mr Michael Sydney Hwang, Mr Lawrence Ang Boon Kong, Mr Colin Ng Teck Sim and Ms Tracey Woon retired from the Appeals Committee. Two new members were added, namely, Mr Francis Xavier and Mr Quek Suan Kiat.

The current members of the Appeals Committee are:

Name	Position	Title
Mr Francis Xavier	Chairman[2]	Senior Counsel and Partner, Rajah & Tann LLP
Mr George Lee	Member	Former Corporate Finance Practitioner and current Head of Global Corporate Banking, OCBC Bank Ltd
Mr Lim How Teck	Member	Chairman, Redwood International Pte Ltd Chairman, Heliconia Capital Management Pte. Ltd Chairman, ARA-CWT Trust Management (Cache) Limited Chairman, Swissco Holdings Limited
Mr Quek Suan Kiat	Member	Former Vice Chairman, Barclays Bank PLC Singapore Branch Director, Singapore Accountancy Commission and Gardens by the Bay
Mr Michael Wong Ping Seng	Member	Director, Business Development, Phillip Securities Pte Ltd
Mr Hugh Young	Member	Managing Director, Aberdeen Asset Management Asia Ltd

[2] With effect from 5 August 2015

Remuneration Report

The Remuneration Committee (RC) has been renamed Remuneration & Staff Development Committee (RSDC). It reviews and recommends to the Board for approval, and where authority is delegated by the board, approve matters concerning staff development, succession plan and the remuneration of senior management and employees, and the remuneration of the Company's directors.

The RSDC comprises the following directors:
Kwa Chong Seng
Chairman
Liew Mun Leong
Ng Kok Song
Chew Choon Seng

Compensation Philosophy

SGX adopts a compensation philosophy that is directed towards the attraction, retention and motivation of talent to achieve its business vision and create sustainable value for its shareholders. It emphasises pay-for-performance by linking total compensation to the achievement of organisational and individual performance objectives, and considers relevant comparative compensation in the market to maintain market competitiveness.

Compensation Mix and Components

Total compensation is made up of fixed and variable compensation. The fixed compensation comprises annual basic salary, fixed allowances and an annual wage supplement. The variable or "at risk" compensation is subject to achievement of corporate and individual performance objectives. Consistent with market best practice, variable compensation may be paid in a combination of cash-based short-term incentives and share-based long-term incentives. By design, the proportion of variable compensation to total compensation increases with job grade seniority.

In alignment with current regulatory standards, the mix of fixed and variable compensation for staff in Regulation, Risk Management, CFO's Office, Human Resources, Internal Audit and Compliance functions, (collectively known as "control functions"), is weighted in favour of fixed compensation, to lessen the relationship between the compensation of staff in control functions and the company's financial performance. Additionally, a greater proportion of senior management's variable compensation is deferred in the form of long-term incentives.

Fixed Pay

Fixed pay comprises base salary, fixed allowances and an annual wage supplement. Base salary is pegged to the 50th percentile of market pay data in the Singapore banking and financial services industry.

The annual salary review is in July of each year. The salary structure of SGX is benchmarked against the financial industry and the RSDC approves the salary increment budget taking into account market trends and the profitability of SGX as a whole.

Total Incentives Funding

The total incentives pool funds the annual variable bonus for non-sales and non-control functions and the long-term incentive plans. It is computed using the following formula:

Total Incentives (TI) Pool =	A percentage of [Profit before Variable Bonus less Corporate Tax less Cost of Equity]

Short-term Incentives

Short-term incentives take the form of an annual variable bonus for employees in non-sales roles and sales incentive payment for employees performing sales roles.

Each year, the RSDC reviews and approves the variable bonus pool for distribution. The management moderates and allocates the variable bonus based on the individual performance of employees and their contributions towards SGX's performance. The sales incentive pool is generated by the achievement of sales targets and distributed to employees based on the achievement of team and individual sales targets and objectives.

The short-term incentives of the control functions are determined independent of the company's financial performance and based on a qualitative assessment of performance against regulatory and controls key performance indicators (KPIs).

Long-term Incentives

Long-term incentives (LTI) create value for the company by aligning employees' long-term incentives to the achievement of SGX's long-term results. Furthermore, due to its time-based vesting characteristic, it carries a retention element that strengthens SGX's ability to reward and retain key employees.

In alignment with current regulatory standards, LTIs may be clawed back in the event of exceptional circumstances of misstatement of financial results or of misconduct resulting in financial or other losses to the company.

Remuneration Report

The SGX Performance Share Plan

The Plan is a share-based incentive scheme administered by the RSDC. It was established with the objective of rewarding, motivating, and retaining key senior executives to achieve superior performance. Through the Plan, SGX will be able to recognise and reward past contributions and services, and motivate Participants# to continue to strive for SGX's long-term success.

The RSDC may decide to make an award under the Plan, wholly or partly, in SGX shares or in cash (based on the market value of shares on vesting date).

Restrictions

The total number of new SGX shares which may be issued pursuant to awards granted under the Plan on any date, when added to the total number of new shares issued and issuable in respect of all awards granted under the Plan, and all options granted under the SGX Share Option Plan (which was terminated after the adoption of the Plan), shall not exceed 10% of SGX's issued shares on the day preceding the relevant date of award.

Participants are required to retain 50% of the total number of shares that are released to them for at least one calendar year from the vesting date. Unless otherwise decided by the RSDC, the entitlement to this award is conditional on the Participant remaining in service up to the specified vesting date.

Eligibility

Selected members of senior management who have attained the rank of Vice President, job grade 2 and above are eligible to participate in the Plan.

Performance Share Plans for FY2013, FY2014 and FY2015

The RSDC has approved the Plan for FY2013, FY2014 and FY2015 and has absolute discretion in the granting of performance shares. Details are as follows:

FY2013 Grant

The FY2013 grant will vest upon achievement of the following measures over a three-year performance period from 1 July 2012 to 30 June 2015: **i** ROE; **ii** Absolute TSR; **iii** SGX TSR against FTSE/MV TSR

	ROE (Weight = 50%)		+	Absolute TSR* (Weight = 25%)		+	SGX TSR against FTSE/MV TSR (Weight = 25%)	
Performance Level	**Average over 3FYs**	**Payout (% of base allocation)**		**Average over 3FYs**	**Payout (% of base allocation)**		**Average over 3FYs**	**Payout (% of base allocation)**
Above Target	≥45.0%	150%		≥17%	150%		≥7.0% points	150%
At Target	40.00%	100%		13%	100%		4.5% points	100%
Threshold	35.00%	50%		10%	50%		2.0% points	50%
Below Threshold	<35.0%	Nil		<10%	Nil		<2.0% points	Nil

Defined under the Plan as "A Group Employee or an Associated Company Employee who has been granted an award".
* Absolute TSR is benchmarked against the Cost of Equity of 10%.

The shares awarded on the vesting date could range from 0% to 150%, depending on the level of achievement against the performance targets. There shall be no award if the achievement falls below the threshold performance level. For an achievement between the Threshold and Above Target performance levels, the payout percentage will be pro-rated on a straight-line basis.

The performance shares will vest on 1 September 2015. Details of the shares granted to the Participants are as follows:

Participants (as defined under the Plan)		Balance as at 01.07.2014	Shares lapsed during financial year	Balance as at 30.06.2015[1]
EMCO members	Magnus Böcker[2,3]	174,500	–	174,500
	Muthukrishnan Ramaswami[2]	69,000	–	69,000
	Chew Sutat[2]	45,600	–	45,600
	Lawrence Wong Liang Ying[2]	36,100	–	36,100
	Bob Caisley	33,700	–	33,700
	Michael Syn[4]	17,800	–	17,800
	Chng Lay Chew	15,900	–	15,900
	Arulraj Devadoss	15,900	–	15,900
Other staff		183,000	–	183,000
	Yeo Lian Sim [2,5]	48,800	–	48,800
	Richard Teng Wee Chen[6]	30,000	(30,000)	–
Total		**670,300**	**(30,000)**	**640,300**

1 Represents the number of shares required if Participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions. There shall be no award if the achievement falls below the threshold performance condition.

2 Received more than 5% of the 702,000 shares granted under the FY2013 grant.

3 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

4 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.

5 Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

6 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

FY2014 Grant

The FY2014 grant will vest upon achievement of the following measures over a three-year performance period from 1 July 2013 to 30 June 2016: **i** ROE; **ii** Absolute TSR; **iii** SGX TSR against FTSE/MV TSR

	ROE (Weight = 50%)		+	Absolute TSR* (Weight = 25%)		+	SGX TSR against FTSE/MV TSR (Weight = 25%)	
Performance Level	Average over 3FYs	Payout (% of base allocation)		Average over 3FYs	Payout (% of base allocation)		Average over 3FYs	Payout (% of base allocation)
Above Target	≥45.0%	150%		≥17%	150%		≥7.0% points	150%
At Target	40.00%	100%		13%	100%		4.5% points	100%
Threshold	35.00%	50%		10%	50%		2.0% points	50%
Below Threshold	<35.0%	Nil		<10%	Nil		<2.0% points	Nil

* Absolute TSR is benchmarked against the Cost of Equity of 10%.

Remuneration Report

The shares awarded on the vesting date could range from 0% to 150%, depending on the level of achievement against the performance targets. There shall be no award if the achievement falls below the threshold performance level. For an achievement between the Threshold and Above Target performance levels, the payout percentage will be pro-rated on a straight-line basis.

The performance shares will vest on 1 September 2016. Details of the shares granted to the Participants are as follows:

Participants (as defined under the Plan)		Balance as at 01.07.2014	Shares lapsed during financial year	Balance as at 30.06.2015[1]
EMCO members	Magnus Böcker[2,3]	161,100	–	161,100
	Muthukrishnan Ramaswami[2]	68,300	–	68,300
	Chew Sutat[2]	48,300	–	48,300
	Chng Lay Chew[2]	38,500	–	38,500
	Lawrence Wong Liang Ying	35,000	–	35,000
	Bob Caisley	35,000	–	35,000
	Tim Utama	28,700	–	28,700
	Michael Syn[4]	28,000	–	28,000
	Arulraj Devadoss	24,500	–	24,500
Other staff		197,600	–	197,600
	Yeo Lian Sim[2,5]	45,500	–	45,500
	Richard Teng Wee Chen[6]	31,500	(31,500)	–
Total		**742,000**	**(31,500)**	**710,500**

1 Represents the number of shares required if Participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions. There shall be no award if the achievement falls below the threshold performance condition.

2 Received more than 5% of the 753,900 shares granted under the FY2014 grant.

3 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

4 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.

5 Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

6 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

FY2015 Grants

The FY2015 grant will vest upon achievement of the following measures over a three-year performance period from 1 July 2014 to 30 June 2017: **i** ROE; **ii** Absolute TSR; **iii** SGX TSR against FTSE/MV TSR

	ROE (Weight = 50%)		+	Absolute TSR* (Weight = 25%)		+	SGX TSR against FTSE/MV TSR (Weight = 25%)	
Performance Level	Average over 3FYs	Payout (% of base allocation)		Average over 3FYs	Payout (% of base allocation)		Average over 3FYs	Payout (% of base allocation)
Above Target	≥45.0%	150%		≥17%	150%		≥7.0% points	150%
At Target	40.00%	100%		13%	100%		4.5% points	100%
Threshold	35.00%	50%		10%	50%		2.0% points	50%
Below Threshold	<35.0%	Nil		<10%	Nil		<2.0% points	Nil

* Absolute TSR is benchmarked against the Cost of Equity of 10%.

The shares awarded on the vesting date could range from 0% to 150%, depending on the level of achievement against the performance targets. There shall be no award if the achievement falls below the threshold performance level. For an achievement between the Threshold and Above Target performance levels, the payout percentage will be pro-rated on a straight-line basis.

The performance shares will vest on 1 September 2017. Details of the shares granted to the Participants are as follows:

Participants (as defined under the Plan)		Shares granted during financial year	Shares lapsed during financial year	Balance as at 30.06.2015[1]
EMCO members	Magnus Böcker[2,3]	144,100	–	144,100
	Muthukrishnan Ramaswami[2]	61,200	–	61,200
	Tim Utama[2]	45,000	–	45,000
	Chew Sutat[2]	43,200	–	43,200
	Chng Lay Chew	34,200	–	34,200
	Lawrence Wong Liang Ying	32,400	–	32,400
	Bob Caisley	31,500	–	31,500
	Michael Syn[4]	27,400	–	27,400
	Arulraj Devadoss	21,600	–	21,600
Other staff		220,800	–	220,800
	Richard Teng Wee Chen[5]	25,900	(25,900)	–
Total		**687,300**	**(25,900)**	**661,400**

1 Represents the number of shares required if Participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions. There shall be no award if the achievement falls below the threshold performance condition.
2 Received more than 5% of the 687,300 shares granted under the FY2015 grant.
3 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.
4 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.
5 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

On 30 June 2015, an additional grant was awarded to Mr Magnus Böcker for financial year ending 30 June 2015. The grant will vest upon achievement of the following measures over a three-year performance period from 1 July 2015 to 30 June 2018: **i** ROE; **ii** Absolute TSR; **iii** SGX TSR against FTSE/MV TSR

	ROE (Weight = 50%)		+	Absolute TSR* (Weight = 25%)		+	SGX TSR against FTSE/MV TSR (Weight = 25%)	
Performance Level	**Average over 3FYs**	**Payout (% of base allocation)**		**Average over 3FYs**	**Payout (% of base allocation)**		**Average over 3FYs**	**Payout (% of base allocation)**
Above Target	≥45.0%	150%		≥17%	150%		≥7.0% points	150%
At Target	40.00%	100%		13%	100%		4.5% points	100%
Threshold	35.00%	50%		10%	50%		2.0% points	50%
Below Threshold	<35.0%	Nil		<10%	Nil		<2.0% points	Nil

* Absolute TSR is benchmarked against the Cost of Equity of 10%.

The shares awarded on the vesting date could range from 0% to 150%, depending on the level of achievement against the performance targets. There shall be no award if the achievement falls below the threshold performance level. For an achievement between the Threshold and Above Target performance levels, the payout percentage will be pro-rated on a straight-line basis. The performance shares will vest on 1 September 2018.

Remuneration Report

Participants (as defined under the Plan)		Shares granted during financial year	Shares lapsed during financial year	Balance as at 30.06.2015[1]
EMCO member	Magnus Böcker[2]	124,300	–	124,300
		124,300	–	**124,300**

1 Represents the number of shares required if Participant is to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions. There shall be no award if the achievement falls below the threshold performance condition.

2 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

The SGX Deferred Long-Term Incentives Scheme

The LTI Scheme was approved by the RSDC in July 2006. It recognises past contributions and services, and strengthens the Company's ability to reward and retain high-performing Recipients# who have the potential for higher level jobs.

The RSDC may decide to grant an award, wholly or partly, in SGX shares or in cash (based on the market value of shares on vesting date) subject to a vesting schedule.

Restrictions

Unless otherwise decided by the RSDC, the entitlement to the award is conditional on the Recipient remaining in service up to the specified vesting date.

Eligibility

Selected executives who have attained the rank of Assistant Vice President and above are eligible to be considered for the award under the scheme.

Defined under the LTI Scheme as "A Group Employee or an Associate Company Employee who has been granted an award".

FY2013 Award

The award will vest in three equal instalments over a period of three years with the first instalment vested on 2 September 2013.

Below are the details of shares awarded:

Participants (as defined under the LTI Scheme)		Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2015
EMCO members	Magnus Böcker[1,2]	116,334	-	(58,166)	58,168
	Muthukrishnan Ramaswami	46,000	-	(23,000)	23,000
	Chew Sutat	30,400	-	(15,200)	15,200
	Lawrence Wong Liang Ying	24,067	-	(12,033)	12,034
	Bob Caisley	22,467	-	(11,233)	11,234
	Michael Syn[3]	11,867	-	(5,933)	5,934
Other staff		346,636	(9,338)	(171,964)	165,334
	Yeo Lian Sim[4]	32,534	-	(16,266)	16,268
	Richard Teng Wee Chen[5]	20,000	(10,000)	(10,000)	-
Total		**650,305**	**(19,338)**	**(323,795)**	**307,172**

1 Received more than 5% of the 1,044,400 shares granted under the FY2013 award.

2 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

3 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.

4 Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. The balance of the LTI shares is retained until the stipulated vesting date as approved by the RSDC.

5 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

FY2014 Award

The award will vest in three equal instalments over a period of three years with the first instalment vested on 1 September 2014. Below are the details of shares awarded:

Participants (as defined under the LTI Scheme)		Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2015
EMCO members	Magnus Böcker[1,2]	161,100	-	(53,700)	107,400
	Muthukrishnan Ramaswami[1]	68,300	-	(22,766)	45,534
	Chew Sutat	48,300	-	(16,100)	32,200
	Chng Lay Chew	38,500	-	(12,833)	25,667
	Lawrence Wong Liang Ying	35,000	-	(11,666)	23,334
	Bob Caisley	35,000	-	(11,666)	23,334
	Tim Utama	28,700	-	(9,566)	19,134
	Michael Syn[3]	28,000	-	(9,333)	18,667
	Arulraj Devadoss	24,500	-	(8,166)	16,334
Other staff		650,600	(29,469)	(214,704)	406,427
	Yeo Lian Sim[4]	45,500	-	(15,166)	30,334
	Richard Teng Wee Chen[5]	31,500	(21,000)	(10,500)	-
Total		**1,195,000**	**(50,469)**	**(396,166)**	**748,365**

1 Received more than 5% of the 1,223,500 shares granted under the FY2014 award.
2 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.
3 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.
4 Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. The balance of the LTI shares is retained until the stipulated vesting date as approved by the RSDC.
5 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

FY2015 Award

The award will vest in three equal instalments over a period of three years with the first instalment vesting on 1 September 2015. Below are the details of shares awarded:

Participants (as defined under the LTI Scheme)		Shares granted during financial year	Shares lapsed during financial year	Balance as at 30.06.2015
EMCO members	Magnus Böcker[1,2]	144,100	-	144,100
	Muthukrishnan Ramaswami[1]	61,200	-	61,200
	Tim Utama	45,000	-	45,000
	Chew Sutat	43,200	-	43,200
	Chng Lay Chew	34,200	-	34,200
	Lawrence Wong Liang Ying	32,400	-	32,400
	Bob Caisley	31,500	-	31,500
	Michael Syn[3]	27,400	-	27,400
	Arulraj Devadoss	21,600	-	21,600
Other staff		693,000	(25,200)	667,800
	Richard Teng Wee Chen[4]	25,900	(25,900)	-
Total		**1,159,500**	**(51,100)**	**1,108,400**

1 Received more than 5% of the 1,159,500 shares granted under the FY2015 award.
2 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.
3 Michael Syn was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under 'Other staff'.
4 Richard Teng Wee Chen resigned from his position as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

On 30 June 2015, an additional award was given to Mr Magnus Böcker for the financial year ending 30 June 2015. The award will vest in three equal instalments over a period of three years with the first instalment vesting on 1 September 2016.

Below are the details of shares awarded:

Participants (as defined under the LTI Scheme)		Shares granted during financial year	Shares lapsed during financial year	Balance as at 30.06.2015
EMCO member	Magnus Böcker[1]	124,300	–	124,300
		124,300	–	**124,300**

1 Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

Remuneration Report

Disclosure on Directors' Remuneration

The tables below show the gross remuneration of the Executive Directors and Non-Executive Directors of SGX for FY2015.

Executive Director	Fixed pay	Bonus for FY2015[1] $	Long-term incentives[2] $	Benefits-in-kind[3] $	Total gross Remuneration $
Magnus Böcker	1,017,808	1,942,380	780,962	102,910	3,844,060

[1] The bonus was determined by the Board after taking into account the achievement of specific quantitative and qualitative targets and objectives set for FY2015.
[2] Vesting of the Plan for FY2012 and the LTI Scheme for FY2014 based on the fair value on grant date. The shares vested on 1 September 2014.
[3] Includes one-time leave encashment.

Non-Executive Director	Director's Fees	Non-Executive Director	Director's Fees
Chew Choon Seng[1]	82,272	Lee Hsien Yang	109,000
Thaddeus Beczak	111,500	Liew Mun Leong	149,000
Chew Gek Khim[2]	102,153	Ng Kee Choe[4]	26,960
Jane Diplock AO	144,555	Ng Kok Song[3]	110,000
Kwa Chong Seng	133,000	Quah Wee Ghee	112,000
Kevin Kwok	158,055	Davinder Singh[4]	25,460
Total	1,263,955		

[1] Excluding the provision of a car with a driver.
[2] Ms Chew Gek Khim was appointed as Non-Executive Director on 1 December 2013.
[3] Mr Ng Kok Song was appointed as Non-Executive Director on 19 September 2013.
[4] Mr Ng Kee Choe and Mr Davinder Singh retired on 25 September 2014.
(Directors' fees are subject to shareholders' approval at the Annual General Meeting. Please refer to the Corporate Governance Report on page 44 for the remuneration framework of Non-Executive Directors.)

Disclosure on Five Top-Earning Executives' Remuneration

The table below shows the gross remuneration of the five top-earning executives for the financial year ended 30 June 2015.

	Fixed pay	Bonus for FY2015[1] $	Long-term incentives[2] $	Benefits-in-kind $	Total gross Remuneration $
Muthukrishnan Ramaswami	509,754	850,000	534,541	3,400	1,897,695
Chew Sutat	414,158	600,000	363,652	14,548	1,392,358
Lawrence Wong Liang Ying	407,483	437,500	293,709	9,227	1,147,919
Michael Syn	414,158	550,000	107,959	2,246	1,074,362
Chng Lay Chew	583,758	362,500	94,194	6,399	1,046,851

[1] The bonuses for SGX senior management were determined by the RSDC after taking into account the achievement of the specific individual and organisational targets and objectives set for FY2015.
[2] Vesting of the Plan for FY2012 and the LTI Scheme for FY2013 and FY2014 based on the fair value on grant date. The shares vested on 1 September 2014.

Benefits

Benefits provided for employees are comparable with local market practices. These include medical, dental, group insurances.

Financials

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Directors' Report

For the financial year ended 30 June 2015

The directors present their report to the shareholders together with the audited financial statements of Singapore Exchange Limited ("the Company" or "SGX") and its subsidiaries ("the Group") for the financial year ended 30 June 2015.

Directors

The directors of the Company in office at the date of this report are as follows:

Chew Choon Seng (Chairman)
Loh Boon Chye (Chief Executive Officer)
Thaddeus Beczak
Chew Gek Khim
Jane Diplock AO
Kwa Chong Seng
Kevin Kwok
Lee Hsien Yang
Liew Mun Leong
Ng Kok Song
Quah Wee Ghee

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share plans" in this report.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Number of ordinary shares registered in name of director or nominee		Number of ordinary shares in which director is deemed to have an interest	
Singapore Exchange Limited	**At 30.06.2015**	At 01.07.2014	**At 30.06.2015**	At 01.07.2014
Magnus Böcker[1]	**361,932**	115,866	**–**	–
Kwa Chong Seng	**20,000**	20,000	**–**	–
Kevin Kwok	**70,000**	70,000	**70,000**	70,000

[1] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015.

(b) According to the register of directors' shareholdings, one director holding office at the end of the financial year had interests in the shares of the Company granted pursuant to the SGX Performance Share Plan and SGX Deferred Long-Term Incentives Scheme as set out below:

Subject to the terms and conditions of the SGX Performance Share Plan and SGX Deferred Long-Term Incentives Scheme, 1,037,968 shares granted to Magnus Böcker will vest between 1 September 2015 and 1 September 2018.

(c) There was no change in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 July 2015.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than as disclosed in the consolidated financial statements or in this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share plans

The Company offers the following share plans to its employees:

(a) SGX Performance Share Plan ("the Plan")

(b) SGX Deferred Long-Term Incentives Scheme ("the Scheme")

All share plans are administered by the Remuneration & Staff Development Committee ("RSDC"), formerly known as the Remuneration Committee.

(a) SGX Performance Share Plan

The Plan was approved at the 2005 Extraordinary General Meeting. It recognises and rewards past contributions and services, and motivates key senior management to ensure the long-term success of the Company.

Eligibility

Selected senior management who have attained the rank of Vice President, job grade 2 and above are eligible to participate in the Plan.

The RSDC may determine to grant a reward, wholly or partly, in the form of SGX shares, which will be free of charge, or in the form of cash. The amount released, if in the form of cash, is based on the market value of such shares on vesting date.

Unless otherwise decided by the RSDC, the entitlement to this award is conditional on the participant remaining in service up to the specified vesting date.

Restrictions

The total number of new SGX shares which may be issued pursuant to awards granted under the Plan on any date, when added to the total number of new shares issued and issuable in respect of all awards granted under the Plan, shall not exceed 10% of SGX's issued share capital on the day preceding the relevant date of award.

Participants are required to retain 50% of the total number of shares that are released to them for at least one calendar year from the vesting date.

Share grant and vesting

The RSDC approves all grants relating to the Plan, and has absolute discretion in the granting and award of performance shares.

Share plans (continued)

(a) SGX Performance Share Plan (continued)

Share grant and vesting (continued)

(i) FY2012 Grant

The number of SGX shares to be awarded to each participant will be based on the achievement of certain prescribed performance targets, over a three-year performance period from 1 July 2011 to 30 June 2014. The performance shares vested on 1 September 2014 and were fulfilled by the delivery of shares previously purchased from the market.

The details of shares granted to the participants are as follows:

Participants (as defined under the Plan)	Shares granted at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year [1]	Balance as at 30.06.2015
Executive Management Committee (EMCO) members					
Magnus Böcker [2][3]	353,100	353,100	(218,900)	(134,200)	–
Muthukrishnan Ramaswami [2]	107,000	107,000	(66,300)	(40,700)	–
Chew Sutat [2]	72,000	72,000	(44,600)	(27,400)	–
Lawrence Wong Liang Ying [2]	64,000	64,000	(39,700)	(24,300)	–
Robert Ian Caisley	53,000	53,000	(32,900)	(20,100)	–
Syn Hsien–Min Michael [4]	26,000	26,000	(16,100)	(9,900)	–
Other staff	257,000	257,000	(159,300)	(97,700)	–
Other participants					
Yeo Lian Sim [2][5]	82,000	82,000	(50,800)	(31,200)	–
Benjamin Foo [6]	48,000	–	–	–	–
Richard Teng Wee Chen [7]	26,000	26,000	(16,100)	(9,900)	–
	1,088,100	**1,040,100**	**(644,700)**	**(395,400)**	**–**

[1] The number of shares vested during the financial year represents the level of achievement against the performance conditions.

[2] Received more than 5% of the 1,088,100 shares granted under the FY2012 grant.

[3] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015.

[4] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[5] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she is eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[6] Benjamin Foo resigned as SGX's Head of Operations and his last day of service was 11 January 2013. All his unvested shares lapsed at the end of his employment.

[7] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015.

(ii) FY2013 Grant

The number of SGX shares to be awarded to each participant will be based on the achievement of certain prescribed performance targets, over a three-year performance period from 1 July 2012 to 30 June 2015. The performance shares will vest on 1 September 2015.

The details of shares granted to the participants are as follows:

Participants (as defined under the Plan)	Shares granted at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Balance as at 30.06.2015 [1]
EMCO members				
Magnus Böcker [2][3]	174,500	174,500	–	174,500
Muthukrishnan Ramaswami [2]	69,000	69,000	–	69,000
Chew Sutat [2]	45,600	45,600	–	45,600
Lawrence Wong Liang Ying [2]	36,100	36,100	–	36,100
Robert Ian Caisley	33,700	33,700	–	33,700
Syn Hsien-Min Michael [4]	17,800	17,800	–	17,800
Chng Lay Chew	15,900	15,900	–	15,900
Arulraj Maria Devadoss	15,900	15,900	–	15,900
Other staff	183,000	183,000	–	183,000
Other participants				
Yeo Lian Sim [2][5]	48,800	48,800	–	48,800
Benjamin Foo [6]	31,700	–	–	–
Richard Teng Wee Chen [7]	30,000	30,000	(30,000)	–
	702,000	**670,300**	**(30,000)**	**640,300**

[1] Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

[2] Received more than 5% of the 702,000 shares granted under the FY2013 grant.

[3] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[4] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[5] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[6] Benjamin Foo resigned as SGX's Head of Operations and his last day of service was 11 January 2013. All his unvested shares lapsed at the end of his employment.

[7] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

Share plans (continued)

(a) SGX Performance Share Plan (continued)

Share grant and vesting (continued)

(iii) FY2014 Grant

The number of SGX shares to be awarded to each participant will be based on the achievement of certain prescribed performance targets, over a three-year performance period from 1 July 2013 to 30 June 2016. The performance shares will vest on 1 September 2016.

The details of shares granted to the participants are as follows:

Participants (as defined under the Plan)	Shares granted at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Balance as at 30.06.2015 [1]
EMCO members				
Magnus Böcker [2][3]	161,100	161,100	–	161,100
Muthukrishnan Ramaswami [2]	68,300	68,300	–	68,300
Chew Sutat [2]	48,300	48,300	–	48,300
Chng Lay Chew [2]	38,500	38,500	–	38,500
Lawrence Wong Liang Ying	35,000	35,000	–	35,000
Robert Ian Caisley	35,000	35,000	–	35,000
Timothy Utama	28,700	28,700	–	28,700
Syn Hsien-Min Michael [4]	28,000	28,000	–	28,000
Arulraj Maria Devadoss	24,500	24,500	–	24,500
Other staff	209,500	197,600	–	197,600
Other participants				
Yeo Lian Sim [2][5]	45,500	45,500	–	45,500
Richard Teng Wee Chen [6]	31,500	31,500	(31,500)	–
	753,900	**742,000**	**(31,500)**	**710,500**

[1] Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

[2] Received more than 5% of the 753,900 shares granted under the FY2014 grant.

[3] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[4] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[5] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[6] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

(iv) FY2015 Grant

There were two grants in FY2015. The first grant of 687,300 SGX shares was granted on 15 August 2014. The number of SGX shares to be awarded to each participant will be based on the achievement of certain prescribed performance targets, over a three-year performance period from 1 July 2014 to 30 June 2017. The second grant of 124,300 SGX shares was granted to Magnus Böcker on 30 June 2015. The number of SGX shares to be awarded will be based on the achievement of certain prescribed performance targets, over a three-year performance period from 1 July 2015 to 30 June 2018. The performance shares of the first grant and second grant will vest on 1 September 2017 and 1 September 2018 respectively.

The details of shares granted to the participants are as follows:

Participants (as defined under the Plan)	Shares granted during the financial year	Shares lapsed during financial year	Balance as at 30.06.2015 [1]
EMCO members			
Magnus Böcker [2][3]	268,400	-	268,400
Muthukrishnan Ramaswami [2]	61,200	-	61,200
Timothy Utama [2]	45,000	-	45,000
Chew Sutat [2]	43,200	-	43,200
Chng Lay Chew	34,200	-	34,200
Lawrence Wong Liang Ying	32,400	-	32,400
Robert Ian Caisley	31,500	-	31,500
Syn Hsien-Min Michael [4]	27,400	-	27,400
Arulraj Maria Devadoss	21,600	-	21,600
Other staff	220,800	-	220,800
Other participants			
Richard Teng Wee Chen [5]	25,900	(25,900)	-
	811,600	**(25,900)**	**785,700**

[1] Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

[2] Received more than 5% of the 811,600 shares granted under the FY2015 grants.

[3] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[4] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[5] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

Share plans (continued)

(a) SGX Performance Share Plan (continued)

Share grant and vesting (continued)

(v) Summary of the Plan

The summary of the total number of shares granted, lapsed, vested and outstanding as at 30 June 2015 are as follows:

	Shares granted during financial year	Aggregate shares granted since commencement of the Plan to 30.06.2015	Aggregate shares lapsed since commencement of the Plan to 30.06.2015	Aggregate shares vested since commencement of the Plan to 30.06.2015	Aggregate shares outstanding as at 30.06.2015
Participants who received more than 5% of the total grants available					
Hsieh Fu Hua [1]	–	2,712,485	(676,900)	(2,035,585)	–
Magnus Böcker [2]	268,400	1,149,300	(353,400)	(191,900)	604,000
Gan Seow Ann [3]	–	902,100	(357,500)	(544,600)	–
Yeo Lian Sim [4]	–	855,700	(289,300)	(472,100)	94,300
Seck Wai Kwong [5]	–	845,600	(335,900)	(509,700)	–
Muthukrishnan Ramaswami	61,200	698,500	(336,000)	(164,000)	198,500
Participants who received less than 5% of the total grants available					
Other staff	482,000	6,662,850	(2,756,000)	(2,667,150)	1,239,700
	811,600	**13,826,535**	**(5,105,000)**	**(6,585,035)**	**2,136,500**

[1] Hsieh Fu Hua was SGX's former Chief Executive Officer and his contract ended on 30 November 2009.

[2] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[3] Gan Seow Ann resigned as SGX's Co-President and his last day of service was 26 May 2012. All his unvested shares lapsed at the end of his employment.

[4] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date, subject to the level of achievement against the performance conditions.

[5] Seck Wai Kwong resigned as SGX's Chief Financial Officer and his last day of service was 10 June 2011. All his unvested shares lapsed at the end of his employment.

No shares were granted to employees of Associated Company (as defined under the Plan) since the commencement of the Plan.

(b) SGX Deferred Long-Term Incentives Scheme

The Scheme was approved by the RSDC in July 2006. It recognises past contributions and services, and strengthens the Company's ability to reward and retain high-performing executives and key senior employees.

Eligibility

Selected executives who have attained the rank of Assistant Vice President up to CEO are eligible to be considered for the award under the Scheme.

Unless otherwise decided by the RSDC, the entitlement to the award is conditional on the Recipient remaining in service up to the specified vesting date.

The RSDC may determine to grant an award, wholly or partly, in the form of SGX shares, which will be free of charge, or in the form of cash. If the award is in the form of SGX shares, the Scheme only allows the delivery of SGX shares held in treasury by the Company to fulfill its obligations to recipients. If the award is in the form of cash, the amount released is based on the market value of such shares on vesting date.

Share award and vesting

(i) FY2012 Award

There were two awards in FY2012 in the form of SGX shares. One award had a one-year vesting period which vested on 1 November 2012. The other award vested in three equal instalments over a period of three years with the first instalment having vested on 1 November 2012. The final instalment of this award vested on 3 November 2014.

The details of shares awarded are as follows:

	Shares awarded at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2015
Recipients (as defined under the Scheme)	225,000	59,800	(800)	(59,000)	–
Total	**225,000**	**59,800**	**(800)**	**(59,000)**	**–**

No recipient has been awarded 5% or more of the total shares available under the Scheme for the FY2012 award and before.

Share plans (continued)

(b) SGX Deferred Long-Term Incentives Scheme (continued)

Share grant and vesting (continued)

(ii) FY2013 Award

The FY2013 Award was in the form of SGX shares. The award will vest in three equal instalments over a period of three years with the first instalment having vested on 2 September 2013.

The details of shares awarded are as follows:

Recipients (as defined under the Scheme)	Shares awarded at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2015
EMCO members					
Magnus Böcker [1][2]	174,500	116,334	–	(58,166)	58,168
Muthukrishnan Ramaswami [1]	69,000	46,000	–	(23,000)	23,000
Chew Sutat	45,600	30,400	–	(15,200)	15,200
Lawrence Wong Liang Ying	36,100	24,067	–	(12,033)	12,034
Robert Ian Caisley	33,700	22,467	–	(11,233)	11,234
Syn Hsien-Min Michael [3]	17,800	11,867	–	(5,933)	5,934
Other staff	557,200	346,636	(9,338)	(171,964)	165,334
Other recipients					
Yeo Lian Sim [4]	48,800	32,534	–	(16,266)	16,268
Benjamin Foo [5]	31,700	–	–	–	–
Richard Teng Wee Chen [6]	30,000	20,000	(10,000)	(10,000)	–
Total	**1,044,400**	**650,305**	**(19,338)**	**(323,795)**	**307,172**

[1] Received more than 5% of the 1,044,400 shares granted under the FY2013 award.

[2] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date.

[3] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[4] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date.

[5] Benjamin Foo resigned as SGX's Head of Operations and his last day of service was 11 January 2013. All his unvested shares lapsed at the end of his employment.

[6] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

(iii) FY2014 Award

The FY2014 Award was in the form of SGX shares. The award will vest in three equal instalments over a period of three years with the first instalment vested on 1 September 2014.

The details of shares awarded are as follows:

Recipients (as defined under the Scheme)	Shares awarded at grant date	Balance as at 01.07.2014	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2015
EMCO members					
Magnus Böcker [1][2]	161,100	161,100	–	(53,700)	107,400
Muthukrishnan Ramaswami [1]	68,300	68,300	–	(22,766)	45,534
Chew Sutat	48,300	48,300	–	(16,100)	32,200
Chng Lay Chew	38,500	38,500	–	(12,833)	25,667
Lawrence Wong Liang Ying	35,000	35,000	–	(11,666)	23,334
Robert Ian Caisley	35,000	35,000	–	(11,666)	23,334
Timothy Utama	28,700	28,700	–	(9,566)	19,134
Syn Hsien-Min Michael [3]	28,000	28,000	–	(9,333)	18,667
Arulraj Maria Devadoss	24,500	24,500	–	(8,166)	16,334
Other staff	679,100	650,600	(29,469)	(214,704)	406,427
Other recipient					
Yeo Lian Sim [4]	45,500	45,500	–	(15,166)	30,334
Richard Teng Wee Chen [5]	31,500	31,500	(21,000)	(10,500)	–
Total	**1,223,500**	**1,195,000**	**(50,469)**	**(396,166)**	**748,365**

[1] Received more than 5% of the 1,223,500 shares granted under the FY2014 award.

[2] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date.

[3] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[4] Yeo Lian Sim retired from her position as SGX's Chief Regulatory & Risk Officer and her last day of service was 31 December 2013. As approved by the RSDC, she will continue to be eligible to receive the award at the vesting date.

[5] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

Share plans (continued)

(b) SGX Deferred Long-Term Incentives Scheme (continued)

Share grant and vesting (continued)

(iv) FY2015 Award

There were two awards in FY2015 in the form of SGX shares. The first award of 1,159,500 shares was awarded on 15 August 2014 which will vest in three equal instalments over a period of three years with the first instalment vesting on 1 September 2015. The second award of 124,300 SGX shares was awarded to Magnus Böcker on 30 June 2015 which will vest in three equal instalments over a period of three years with the first instalment vesting on 1 September 2016.

The details of shares awarded are as follows:

Recipients (as defined under the Scheme)	Shares awarded during financial year	Shares lapsed during financial year	Balance as at 30.06.2015
EMCO members			
Magnus Böcker [1][2]	268,400	–	268,400
Muthukrishnan Ramaswami	61,200	–	61,200
Timothy Utama	45,000	–	45,000
Chew Sutat	43,200	–	43,200
Chng Lay Chew	34,200	–	34,200
Lawrence Wong Liang Ying	32,400	–	32,400
Robert Ian Caisley	31,500	–	31,500
Syn Hsien-Min Michael [3]	27,400	–	27,400
Arulraj Maria Devadoss	21,600	–	21,600
Other staff	693,000	(25,200)	667,800
Other recipient			
Richard Teng Wee Chen [4]	25,900	(25,900)	–
Total	**1,283,800**	**(51,100)**	**1,232,700**

[1] Received more than 5% of the 1,283,800 shares granted under the FY2015 awards.

[2] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date.

[3] Syn Hsien-Min Michael was appointed as a member of EMCO with effect from 1 July 2014. His unvested shares were previously grouped under "Other staff".

[4] Richard Teng Wee Chen resigned as SGX's Chief Regulatory Officer and his last day of service was 28 February 2015. All his unvested shares lapsed at the end of his employment.

(v) Summary of the Scheme

The summary of the total number of shares awarded, lapsed, vested and outstanding as at 30 June 2015 are as follows:

	Shares awarded during financial year	Aggregate shares awarded since commencement of the Plan to 30.06.2015	Aggregate shares lapsed since commencement of the Plan to 30.06.2015	Aggregate shares vested since commencement of the Plan to 30.06.2015	Aggregate shares outstanding as at 30.06.2015
Recipient who received more than 5% of the total awards available					
Magnus Böcker [(1)]	268,400	604,000	–	(170,032)	433,968
Recipients who received less than 5% of the total awards available					
Other staff	1,015,400	5,299,100	(595,575)	(2,849,256)	1,854,269
	1,283,800	5,903,100	(595,575)	(3,019,288)	2,288,237

[(1)] Magnus Böcker's contract as the Chief Executive Officer ended on 30 June 2015. Under his contract, he will continue to be eligible to receive the award at the vesting date.

Audit Committee

The Audit Committee comprises the following Non-Executive Directors at the date of this report:

Kevin Kwok (Chairman)
Jane Diplock AO
Lee Hsien Yang
Liew Mun Leong

Based on the criteria prescribed in both the Securities and Futures (Corporate Governance of Approved Exchanges, Approved Clearing Houses and Approved Holding Companies) Regulations 2005 (SFR 2005) and the Code of Corporate Governance 2012 (CCG 2012), all the Audit Committee members, except Lee Hsien Yang, are independent.

Audit Committee (continued)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Regulation 14(2) of the SFR 2005, the CCG 2012, and the SGX-ST Listing Manual. These functions include a review of the financial statements of the Company and of the Group for the financial year and the independent auditor's report thereon.

Accordingly, the Audit Committee has also undertaken a review of the nature and extent of non-audit services provided by the firm acting as the auditor. In the opinion of the Audit Committee, these services would not affect the independence of the auditor.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP be nominated for re-appointment at the forthcoming Annual General Meeting.

In appointing the auditor of the Company and the subsidiaries, the Group has complied with Rule 712 and Rule 715 of the SGX-ST Listing Manual. The Group has no significant associated companies.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Chew Choon Seng
Director



Kwa Chong Seng
Director

29 July 2015

Statement By Directors

For the financial year ended 30 June 2015

In the opinion of the directors,

(a) the statement of comprehensive income, statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 85 to 147 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group at 30 June 2015, of the results of the business and changes in equity of the Company and of the Group for the financial year then ended, and of the cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors



Chew Choon Seng
Director



Kwa Chong Seng
Director

29 July 2015

Independent Auditor's Report

To the Members of Singapore Exchange Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Singapore Exchange Limited (the "Company") and its subsidiary corporations (the "Group") set out on pages 85 to 147, which comprise the statements of financial position as at 30 June 2015, the statements of comprehensive income, the statements of changes in equity of the Group and the Company and the consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statements of financial position, comprehensive income and changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position and performance of the Group and of the Company as at 30 June 2015, and of the results, changes in equity of the Group and the Company and the cash flows of the Group for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 29 July 2015

Statements of Financial Position

As at 30 June 2015

	Note	The Group 2015 $'000	The Group 2014 $'000	The Company 2015 $'000	The Company 2014 $'000
Assets					
Current assets					
Cash and cash equivalents	3	**789,902**	756,864	**436,437**	420,545
Trade and other receivables	4	**653,508**	572,161	**14,996**	13,967
Derivative financial instruments	6	**311**	472	**86**	–
Securities Clearing Fund	7	**60,000**	60,000	**–**	–
		1,503,721	1,389,497	**451,519**	434,512
Non-current assets					
Available-for-sale financial asset	8	**50,956**	50,956	**50,956**	50,956
Other receivables	4	**–**	–	**–**	17,989
Property, plant and equipment	9	**61,169**	61,488	**52,395**	59,520
Software	10	**139,977**	111,594	**29,735**	35,053
Intangible asset	11	**26,462**	–	**–**	–
Goodwill	12	**9,614**	–	**–**	–
Club memberships		**287**	287	**287**	287
Investments in subsidiaries	13	**–**	–	**534,990**	493,501
Investments in associated companies	15	**9,426**	27,260	**4,389**	4,389
		297,891	251,585	**672,752**	661,695
Total assets		**1,801,612**	1,641,082	**1,124,271**	1,096,207
Liabilities					
Current liabilities					
Trade and other payables	16	**718,326**	615,637	**419,115**	359,093
Derivative financial instruments	6	**84**	–	**–**	–
Taxation	17	**76,802**	75,273	**2,714**	1,143
Provisions	18	**9,433**	8,146	**6,172**	5,618
		804,645	699,056	**428,001**	365,854
Non-current liabilities					
Trade and other payables	16	**1,807**	5,167	**–**	–
Deferred tax liabilities	17	**18,764**	14,782	**5,687**	4,353
		20,571	19,949	**5,687**	4,353
Total liabilities		**825,216**	719,005	**433,688**	370,207
Net assets		**976,396**	922,077	**690,583**	726,000
Equity					
Capital and reserves attributable to the Company's equity holders					
Share capital	19	**428,568**	428,332	**428,568**	428,332
Treasury shares	19	**(12,049)**	(13,865)	**(12,049)**	(13,865)
Cash flow hedge reserve		**146**	391	**71**	–
Currency translation reserve		**(835)**	(1,045)	**–**	–
Derivatives clearing fund reserve	20	**34,021**	34,021	**–**	–
Securities clearing fund reserve	7	**25,000**	25,000	**–**	–
Share-based payment reserve		**19,695**	16,116	**19,695**	16,116
Retained profits		**310,625**	261,943	**83,073**	124,233
Proposed dividends	29	**171,225**	171,184	**171,225**	171,184
Total equity		**976,396**	922,077	**690,583**	726,000

Statements of Comprehensive Income

For the financial year ended 30 June 2015

	Note	The Group		The Company	
		2015	2014	**2015**	2014
		$'000	$'000	**$'000**	$'000
Operating revenue					
Management fees from subsidiaries		**–**	–	**191,579**	171,163
Dividends from subsidiaries		**–**	–	**253,000**	295,000
Securities	21	**209,284**	226,861	**–**	–
Derivatives	21	**295,650**	208,698	**–**	–
Market data and Connectivity	21	**81,174**	76,598	**14,434**	12,604
Depository services	21	**104,177**	95,017	**11,084**	11,544
Issuer services	21	**87,570**	78,263	**–**	–
Other		**1,038**	1,423	**320**	369
Operating revenue		**778,893**	686,860	**470,417**	490,680
Operating expenses					
Staff	22	**149,953**	126,510	**114,353**	98,343
Technology	23	**115,911**	105,521	**54,192**	49,180
Processing and royalties		**46,891**	28,401	**433**	389
Premises	24	**22,642**	20,418	**18,095**	17,620
Professional fees		**13,260**	13,187	**9,741**	9,456
Others	25	**28,025**	21,163	**14,619**	12,545
Operating expenses		**376,682**	315,200	**211,433**	187,533
Profit from operating segments	26	**402,211**	371,660	**258,984**	303,147
Other gains - net	27	**7,435**	4,954	**2,625**	2,564
Profit before tax and share of results of associated companies		**409,646**	376,614	**261,609**	305,711
Share of results of associated companies	15	**1,903**	2,423	**–**	–
Profit before tax		**411,549**	379,037	**261,609**	305,711
Tax	17	**(62,937)**	(58,599)	**(2,839)**	(2,563)
Net profit after tax		**348,612**	320,438	**258,770**	303,148
Attributable to:					
Equity holders of the Company		**348,612**	320,438	**258,770**	303,148
Earnings per share based on net profit attributable to the equity holders of the Company (in cents per share)					
– Basic	28	**32.6**	30.0		
– Diluted	28	**32.5**	29.8		

	Note	The Group		The Company	
		2015	2014	**2015**	2014
		$'000	$'000	**$'000**	$'000
Net profit after tax		**348,612**	320,438	**258,770**	303,148
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net currency translation differences of financial statements of subsidiary and associated companies		**210**	(341)	**–**	–
Fair value gains/(losses) arising from cash flow hedges	17(e)	**(245)**	1,127	**71**	–
Other comprehensive income/(expense) for the financial year, net of tax		**(35)**	786	**71**	–
Total comprehensive income for the financial year		**348,577**	321,224	**258,841**	303,148
Total comprehensive income attributable to:					
Equity holders of the Company		**348,577**	321,224	**258,841**	303,148

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2015

The Group

	Note	Share capital $'000	Treasury shares $'000	Cash flow hedge reserve* $'000	Currency translation reserve* $'000	Derivatives clearing fund reserve* $'000	Securities clearing fund reserve* $'000	Share-based payment reserve* $'000	Retained profits $'000	Proposed dividends $'000	Total $'000
2015											
Balance at 1 July 2014		**428,332**	**(13,865)**	**391**	**(1,045)**	**34,021**	**25,000**	**16,116**	**261,943**	**171,184**	**922,077**
Dividends paid											
– Financial year 2014 – Final dividend		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(171,184)**	**(171,184)**
– Financial year 2014 – Underprovision of final dividend		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(178)**	**–**	**(178)**
– Financial year 2015 – Interim dividends	29	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(128,527)**	**–**	**(128,527)**
Proposed dividend											
– Financial year 2015 – Final dividend	29	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(171,225)**	**171,225**	**–**
Employee share plan – Value of employee services	22	**–**	**–**	**–**	**–**	**–**	**–**	**13,792**	**–**	**–**	**13,792**
Vesting of shares under share plans		**236**	**9,977**	**–**	**–**	**–**	**–**	**(10,213)**	**–**	**–**	**–**
Purchase of treasury shares		**–**	**(8,025)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(8,025)**
Tax effect on treasury shares**	19(a)	**–**	**(136)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(136)**
		236	**1,816**	**–**	**–**	**–**	**–**	**3,579**	**(299,930)**	**41**	**(294,258)**
Total comprehensive income for the financial year		**–**	**–**	**(245)**	**210**	**–**	**–**	**–**	**348,612**	**–**	**348,577**
Balance at 30 June 2015		**428,568**	**(12,049)**	**146**	**(835)**	**34,021**	**25,000**	**19,695**	**310,625**	**171,225**	**976,396**

* These reserves are not available for distribution as dividends to the equity holders of the Company.

** The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and variable share-based payment to employees.

Consolidated Statement of Changes in Equity (continued)

For the financial year ended 30 June 2015

The Group (continued)

	Note	Share capital	Treasury shares	Cash flow hedge reserve*	Currency translation reserve*	Derivatives clearing fund reserve*	Securities clearing fund reserve*	Share-based payment reserve*	Retained profits	Proposed dividends	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2014											
Balance at 1 July 2013		426,298	(20,010)	(736)	(704)	34,021	25,000	12,525	241,161	171,066	888,621
Dividends paid											
– Financial year 2013 – Final dividend		–	–	–	–	–	–	–	–	(171,066)	(171,066)
– Financial year 2013 – Underprovision of final dividend		–	–	–	–	–	–	–	(91)	–	(91)
– Financial year 2014 – Interim dividends	29	–	–	–	–	–	–	–	(128,381)	–	(128,381)
Proposed dividend											
– Financial year 2014 – Final dividend	29	–	–	–	–	–	–	–	(171,184)	171,184	–
Employee share plan – Value of employee services	22	–	–	–	–	–	–	11,061	–	–	11,061
Vesting of shares under share plans		2,034	5,436	–	–	–	–	(7,470)	–	–	–
Tax effect on treasury shares **	19(a)	–	709	–	–	–	–	–	–	–	709
		2,034	6,145	–	–	–	–	3,591	(299,656)	118	(287,768)
Total comprehensive income for the financial year		–	–	1,127	(341)	–	–	–	320,438	-	321,224
Balance at 30 June 2014		428,332	(13,865)	391	(1,045)	34,021	25,000	16,116	261,943	171,184	922,077

* These reserves are not available for distribution as dividends to the equity holders of the Company.

** The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and variable share-based payment to employees.

Statement of Changes in Equity

For the financial year ended 30 June 2015

The Company

	Note	Share capital $'000	Treasury shares $'000	Cash flow hedge reserve* $'000	Share-based payment reserve* $'000	Retained profits $'000	Proposed dividends $'000	Total $'000
2015								
Balance at 1 July 2014		**428,332**	**(13,865)**	**–**	**16,116**	**124,233**	**171,184**	**726,000**
Dividends paid								
– Financial year 2014 – Final dividend		**–**	**–**	**–**	**–**	**–**	**(171,184)**	**(171,184)**
– Financial year 2014 – Underprovision of final dividend		**–**	**–**	**–**	**–**	**(178)**	**–**	**(178)**
– Financial year 2015 – Interim dividends	29	**–**	**–**	**–**	**–**	**(128,527)**	**–**	**(128,527)**
Proposed dividend								
– Financial year 2015 – Final dividend	29	**–**	**–**	**–**	**–**	**(171,225)**	**171,225**	**–**
Employee share plan – Value of employee services	22	**–**	**–**	**–**	**13,792**	**–**	**–**	**13,792**
Vesting of shares under share plans		**236**	**9,977**	**–**	**(10,213)**	**–**	**–**	**–**
Purchase of treasury shares		**–**	**(8,025)**	**–**	**–**	**–**	**–**	**(8,025)**
Tax effect on treasury shares**	19(a)	**–**	**(136)**	**–**	**–**	**–**	**–**	**(136)**
		236	**1,816**	**–**	**3,579**	**(299,930)**	**41**	**(294,258)**
Total comprehensive income for the financial year		**–**	**–**	**71**	**–**	**258,770**	**–**	**258,841**
Balance at 30 June 2015		**428,568**	**(12,049)**	**71**	**19,695**	**83,073**	**171,225**	**690,583**
2014								
Balance at 1 July 2013		426,298	(20,010)	–	12,525	120,741	171,066	710,620
Dividends paid								
– Financial year 2013 – Final dividend		–	–	–	–	–	(171,066)	(171,066)
– Financial year 2013 – Underprovision of final dividend		–	–	–	–	(91)	–	(91)
– Financial year 2014 – Interim dividends	29	–	–	–	–	(128,381)	–	(128,381)
Proposed dividend								
– Financial year 2014 – Final dividend	29	–	–	–	–	(171,184)	171,184	–
Employee share plan – Value of employee services	22	–	–	–	11,061	–	–	11,061
Vesting of shares under share plans		2,034	5,436	–	(7,470)	–	–	–
Tax effect on treasury shares **	19(a)	–	709	–	–	–	–	709
		2,034	6,145	–	3,591	(299,656)	118	(287,768)
Total comprehensive income for the financial year		–	–	–	–	303,148	–	303,148
Balance at 30 June 2014		428,332	(13,865)	–	16,116	124,233	171,184	726,000

* These reserves are not available for distribution as dividends to the equity holders of the Company.

** The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and variable share-based payment to employees.

Consolidated Statement of Cash Flows

For the financial year ended 30 June 2015

	Note	2015 $'000	2014 $'000
Cash flows from operating activities			
Profit before tax and share of results of associated companies		**409,646**	376,614
Adjustments for:			
– Depreciation and amortisation	26	**57,273**	45,590
– Variable share-based payment	22	**13,792**	11,061
– Net write-off of property, plant and equipment	25	**–**	37
– Dividend income	27	**(415)**	(425)
– Interest income	27	**(5,317)**	(4,236)
Operating cash flow before working capital change		**474,979**	428,641
Change in working capital			
– Cash committed for the National Electricity Market of Singapore		**3,245**	–
– Trade and other receivables		**115,153**	184,866
– Trade and other payables		**(106,746)**	(169,273)
– Reversal/(accrual) of property, plant and equipment and software		**6,073**	(10,884)
Cash generated from operations		**492,704**	433,350
Income tax paid	17(c)	**(63,656)**	(74,712)
Net cash provided by operating activities		**429,048**	358,638
Cash flows from investing activities			
Purchases of property, plant and equipment and software		**(82,431)**	(71,787)
Dividend received from other investments		**415**	425
Dividend received from associated company	15	**–**	2,254
Interest received		**5,190**	3,865
Acquisition of a subsidiary, net of cash acquired	31(b)	**(18,550)**	–
Net cash used in investing activities		**(95,376)**	(65,243)
Cash flows from financing activities			
Purchase of treasury shares	19	**(8,025)**	–
Dividends paid		**(299,889)**	(299,538)
Net cash used in financing activities		**(307,914)**	(299,538)
Net increase/(decrease) in cash and cash equivalents		**25,758**	(6,143)
Cash and cash equivalents at beginning of financial year	3	**606,843**	612,986
Cash and cash equivalents at end of financial year	3	**632,601**	606,843

Notes to the Financial Statements

For the financial year ended 30 June 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The Company is incorporated and domiciled in Singapore. On 23 November 2000, the Company was admitted to the Official List of Singapore Exchange Securities Trading Limited ("SGX-ST"). The address of the registered office is:

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

The principal activities of the Group are to operate the only integrated securities exchange and derivatives exchange in Singapore and related clearing houses.

The principal activities of the Company are those of investment holding, treasury management, provision of management and administrative services to related corporations, provision of contract processing and technology connectivity services. The principal activities of the subsidiaries are set out in Note 13 to the financial statements. There has been no significant change in the principal activities of the Company and its subsidiaries during the financial year. On 1 October 2014, the Group acquired control of Energy Market Company Pte Ltd ("EMC"), a Company operating the Singapore electricity spot market (Note 31).

2. Significant accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention except as disclosed in the accounting policies below. The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions, based on management's best knowledge, that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year.

Information about significant areas of estimation, uncertainty and critical judgements in applying the accounting policies that have significant effect on the amount recognised in the financial statements are included in the following notes:

Note 8 – Available-for-sale financial asset
Note 12 – Goodwill
Note 17 – Income taxes

The following new, revised or amended FRS and interpretations were applied with effect from 1 July 2014:

FRS 27	Separate Financial Statements
FRS 28	Investments in Associates and Joint Ventures
FRS 110	Consolidated Financial Statements
FRS 112	Disclosure of Interests in Other Entities
Amendments to FRS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 36	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 110, FRS 112 and FRS 27	Consolidated Financial Statements, Disclosure of Interests in Other Entities, Separate Financial Statements – Investment entities
Amendments to FRS 39	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting

Improvements to FRSs (issued in January 2014)

Improvements to FRSs (issued in February 2014)

The adoption of these FRS does not have any material impact on the Group's financial statements.

2. Significant accounting policies (continued)

(b) Group accounting

(1) Subsidiaries

(i) Consolidation

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date when control is transferred to the Group and cease to be consolidated on the date when that control ceases.

In preparing the consolidated financial statements, intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Unrealised losses are considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interest is that part of the net results of operations and of net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interest based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Please refer to Note 2(g) for the Company's accounting policy on investments in subsidiaries.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

Please refer to Note 2(i) for the accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific FRS.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(2) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distribution received from associated companies or joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company or joint venture.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the assets transferred. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2(g) for the Company's accounting policy on investments in associated companies and joint ventures.

(c) Currency translation

(1) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("SGD"), which is the functional currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss.

Foreign currency monetary assets and liabilities are translated into the functional currency at the rates of exchange at the balance sheet date. Currency translation differences are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

The results and financial position of foreign operations, associates and joint ventures that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) Revenue and expenses are translated at average exchange rates; and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the foreign operations, associates and joint ventures that give rise to such reserve.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with banks which are subject to an insignificant risk of change in value.

2. Significant accounting policies (continued)

(e) Trade and other receivables

Trade and other receivables are recognised on the date they are originated and initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. An allowance for impairment of trade and other receivables is recognised when there is objective evidence that the Group will not be able to collect amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate and is recognised in profit or loss.

The allowance for impairment loss is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Available-for-sale financial assets

Available-for-sale financial assets are initially recognised at fair value plus transaction costs and are subsequently carried at fair value. Purchase and sales of available-for-sale financial assets are recognised on trade date, on which the Group commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the available-for-sale financial assets have expired or all risks and rewards of ownership have been transferred. Changes in fair values of available-for-sale equity securities are recognised in the fair value reserve, together with the related currency translation differences. The fair value of available-for-sale financial assets not traded in an active market are determined by using valuation techniques, such as discounted cash flow analysis.

Dividends on available-for-sale financial assets are recognised in profit or loss when the right to receive payment is established.

When available-for-sale financial assets are sold, the difference between the carrying amount and the sales proceeds is recognised in the profit or loss. The accumulated fair value adjustments recognised in the fair value reserve within equity are reclassified to profit or loss.

The Group assesses at each balance sheet date whether there is objective evidence that the available-for-sale financial assets are impaired. A significant or prolonged decline in the fair value of the available-for-sale financial asset below its cost is considered an indicator that the available-for-sale financial asset is impaired. When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that has been recognised directly in the fair value reserve is removed from the fair value reserve within equity and recognised in profit or loss. The cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that available-for-sale financial asset previously recognised in profit or loss. Impairment losses previously recognised in profit or loss on available-for-sale financial assets are not reversed through profit or loss.

(g) Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are stated at cost less accumulated impairment losses in the statement of financial position. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. Impairment losses are recognised in the profit or loss in the year in which it is determined.

On disposal of an investment, the difference between the net proceeds and its carrying amount is recognised in profit or loss.

(h) Property, plant and equipment

(1) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and accumulated impairment losses.

(2) Components of costs

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition and bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management. Cost also includes any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is required to be incurred for the purpose of acquiring and using the asset.

(3) Depreciation of property, plant and equipment

No depreciation is provided on work-in-progress.

Depreciation is calculated on a straight-line basis to allocate the cost of property, plant and equipment over their expected useful lives as follows:

	Useful lives
Leasehold improvements	1 to 7 years or lease term, whichever is shorter
Furniture, fittings and office equipment	3 to 10 years
Computer hardware	1 to 7 years
Motor vehicles	5 years

Fully depreciated assets still in use are retained in the financial statements.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each financial year end. The effects of any revision are recognised in profit or loss when the changes arise.

(4) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and the cost can be reliably measured. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(5) Disposal

On disposal or retirement of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

(i) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries on or after 1 January 2010 represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the net identifiable assets acquired.

Goodwill on acquisition of subsidiaries, associated companies and joint ventures prior to 1 January 2010 represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately in the statement of financial position and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

(j) Software

Costs recognised are directly associated with identifiable software controlled by the Group that generate economic benefits exceeding costs beyond one year. Cost also includes any fair value gains or losses on qualifying cash flow hedges of computer software that are transferred from the hedging reserve. Costs associated with maintaining computer software are expensed off when incurred.

Acquired computer software licences are capitalised on the basis of the cost incurred to acquire and other directly attributable costs of preparing the software for its intended use. Direct expenditures, including employee costs, which enhance or extend the performance of computer software programmes beyond their original specifications, and which can be reliably measured, are recognised as a capital improvement and added to the original cost of the software.

Computer software costs and acquired computer software licences are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives, a period not exceeding 7 years. Where an indication of impairment exists, the carrying amount is assessed and written down immediately to its recoverable amount.

(k) Intangible asset

Intangible asset comprises licence that is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the estimated useful life of 30 years of the underlying asset.

(l) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities, if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. Significant accounting policies (continued)

(n) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Changes in the estimated amount are recognised in profit or loss when the changes arise.

(o) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, on whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

Derivatives that are designated as hedging instrument are designated by the Group as cash flow hedge. Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

Currency forwards – cash flow hedge

The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value of currency forward contracts purchased or sold is based on the quoted bid price or offer price respectively at the balance sheet date. The notional principal amounts of the currency forward contracts are recorded as off-balance sheet items.

The fair value changes on the ineffective portion of currency forwards are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are transferred to profit or loss immediately.

(p) Share capital and treasury shares

Ordinary shares are classified as equity.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from equity attributable to the Company's equity holders and presented as "treasury shares" within equity, until they are cancelled, sold or reissued.

When treasury shares are cancelled, the cost of the treasury shares is deducted against the share capital account, if the shares are purchased out of capital of the Company, or against the retained profits of the Company, if the shares are purchased out of profits of the Company.

When treasury shares are subsequently sold or reissued pursuant to the share-based compensation plan, the cost of the treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is taken to the share capital account of the Company.

(q) Dividends

Interim dividends are deducted from retained profits during the financial year in which they are declared payable.

Final dividends are transferred from retained profits to a proposed dividend reserve when they are proposed by the directors. The amount will be transferred from the proposed dividend reserve to dividend payable when the dividends are approved by the shareholders.

(r) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable. Revenue is presented net of goods and services tax and after eliminating revenue within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured and it is probable that the collectability of the related receivables is reasonably assured. The recognition criteria below must be met before revenue is recognised:

(i) securities clearing revenue, equity and commodities revenue, net of rebates, on a due date basis;
(ii) listing revenue, collateral management, licence, membership revenue, connectivity revenue and rental income on a time proportion basis;
(iii) access revenue, market data revenue, depository services revenue, corporate actions and other revenue, when the services are rendered;
(iv) interest income, on a time proportion basis using the effective interest method;
(v) dividend income, when the right to receive payment is established; and
(vi) management fees, when the services are rendered.

(s) Income taxes

Current income tax liabilities (and assets) for current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured at:

(i) the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date; and

(ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax jurisdiction.

(t) Leases

Operating lease payments are recognised in profit or loss on a straight-line basis over the lease period.

When an operating lease is terminated before the expiry of the lease period, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which the lease is terminated.

(u) Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants relating to expenses are offset against the related expenses. Government grants relating to assets are deducted against the carrying amount of the assets.

(v) Employee benefits

Employee benefits are recognised as employee compensation expense when they are due, unless they can be capitalised as an asset.

(1) Defined contribution plans

The Group makes legally required contributions to the Central Provident Fund ("Fund"). The Group's obligation, in regard to the defined contribution plan, is limited to the amount it contributes to the Fund. The Group's contributions are recognised as employee compensation expense when they are due.

(2) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(3) Share-based compensation

The fair value of the employee services received in exchange for the grant of shares is recognised as share-based payment to employees in profit or loss with a corresponding increase in the share-based payment reserve over the vesting period. The amount is determined by reference to the fair value of the shares on grant date and the expected number of shares to be vested on vesting date.

At the end of each financial reporting period, the Company revises its estimates of the expected number of shares that the participants are expected to receive. Any changes to the expected number of shares to be vested will entail a corresponding adjustment to the share-based payment to employees and share-based payment reserve.

Upon vesting of a share-based compensation plan, the portion of share-based payment previously recognised in the share-based payment reserve is reversed against treasury shares. Differences between share-based payment and cost of treasury shares are taken to the share capital of the Company.

2. Significant accounting policies (continued)

(w) Impairment of non-financial assets

(1) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in associated company or joint venture is tested for impairment as part of the investment, rather than separately.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(2) Property, plant and equipment
Software
Intangible assets
Investments in subsidiaries, associated companies and joint ventures

Property, plant and equipment, software, intangible assets and investments in subsidiaries, associated companies and joint ventures are reviewed for impairment whenever there is any objective evidence or indication that the carrying amount may not be fully recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of an asset's net selling value and its value in use. The impairment loss is recognised in profit or loss.

The recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee who are responsible for allocating resources and assessing performance of the operating segments.

3. Cash and cash equivalents

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Cash at bank and on hand	**43,531**	22,303	**10,207**	4,265
Fixed deposits with banks	**746,371**	734,561	**426,230**	416,280
	789,902	756,864	**436,437**	420,545

For the purpose of presenting the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	The Group	
	2015 $'000	2014 $'000
Cash and bank balances (as above)	**789,902**	756,864
Less: Cash committed for Singapore Exchange Derivatives Clearing Limited ("SGX-DC") Clearing Fund (Note 33)	**(150,021)**	(150,021)
Cash committed for National Electricity Market of Singapore ("NEMS")(Note 5)	**(7,280)**	–
Cash and cash equivalents per consolidated statement of cash flows	**632,601**	606,843

Fixed deposits have the following average maturity from the end of the financial year with the following weighted average effective interest rates:

	The Group		The Company	
	2015	2014	**2015**	2014
Average maturity (days)	**91**	172	**92**	170
Effective weighted average interest rate (% per annum)	**0.91**	0.62	**0.95**	0.58

The exposure of cash and cash equivalents to interest rate risks is disclosed in Note 40.

Acquisition of subsidiary

On 1 October 2014, the Group acquired the remaining 51% equity interest in its associated company, EMC. Consequently, EMC became a wholly owned subsidiary.

Please refer to Note 31 for the effects of the acquisition of EMC on the cash flows of the Group.

4. Trade and other receivables

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Current				
Trade receivables (net) (Note (a))	**622,911**	550,844	**4,431**	5,362
Other receivables (Note (b))	**30,597**	21,317	**10,565**	8,605
	653,508	572,161	**14,996**	13,967
(a) Trade receivables comprise:				
Receivables from clearing members and settlement banks – Daily settlement of accounts for due contracts and rights	**416,330**	486,833	**–**	–
Receivables under NEMS (Note 5)	**134,122**	–	**–**	–
Other trade receivables	**74,113**	66,173	**4,436**	5,383
	624,565	553,006	**4,436**	5,383
Less: Allowance for impairment of trade receivables (Note 40)	**(1,654)**	(2,162)	**(5)**	(21)
	622,911	550,844	**4,431**	5,362
(b) Other receivables comprise:				
Interest receivable	**12,784**	9,603	**977**	1,009
Prepayments	**16,397**	10,531	**9,302**	6,893
Deposits	**976**	492	**249**	333
Staff advances	**30**	18	**6**	12
Others (non-trade)	**410**	673	**31**	358
	30,597	21,317	**10,565**	8,605
Non-Current				
Other receivables				
– Amount due from subsidiary (non-trade)	**–**	–	**–**	17,989

5. Cash, receivables and payables under NEMS

As at 30 June 2015, EMC has cash, receivables and payables in respect of sale of electricity to market participants and purchase of electricity and ancillary services from market participants in the NEMS as follows:

	The Group
	2015 $'000
Cash committed for NEMS	**7,280**
Receivables under NEMS	**134,122**
Total settlement cash and receivables	**141,402**
Payables under NEMS	**141,402**
Total settlement payables	**141,402**

(a) Cash committed for NEMS

The cash represents EMC's commitment to NEMS for the operations of the NEMS. The manner in which the cash can be used is defined by the Singapore Electricity Market Rules ("Market Rules") issued by the Energy Market Authority of Singapore. The committed cash is not available to EMC for its operations.

(b) Adjustments to balances arising from post-transaction changes in metering data or dispute over final settlement statements

EMC acts as a principal in the NEMS. In the NEMS, the Market Support Services Licensee ("MSSL") is responsible for the provision and accuracy of metering data, which is used in calculation of settlements. From time-to-time, EMC may be advised by the MSSL of the changes to the metering data and the quantities of electricity traded. This will result in adjustments to the settlement amount due to/from the market participants. These adjustments may take place up to 250 business days after the meter adjustments.

6. Derivative financial instruments

The table below sets out the notional principal amounts of the outstanding currency forward contracts of the Group and their corresponding fair values at the balance sheet date:

	Group			Company		
		Fair value			Fair value	
	Contract notional amount $'000	Asset $'000	Liability $'000	Contract notional amount $'000	Asset $'000	Liability $'000
2015						
Cash-flow hedges						
– Currency forwards	**44,031**	**311**	**(84)**	**1,614**	**86**	**–**
		311	**(84)**		**86**	**–**
2014						
Cash-flow hedges						
– Currency forwards	40,739	472	–	–	–	–
		472	–		–	–

As at 30 June 2015, the settlement dates on currency forward contracts range between 1 month and 9 months (2014: 1 month and 9 months).

Currency forwards designated as cash flow hedges are entered to hedge transactions denominated in United States Dollar ("USD"), Japanese Yen ("JPY") and Euro ("EUR"). Gains and losses recognised in the cash flow hedge reserve prior to the occurrence of these transactions are reclassified to profit or loss in the month the transaction takes place.

The fair value measurement of these derivative financial instruments is disclosed in Note 40.

7. Securities Clearing Fund

The securities clearing fund was established under the clearing rules of the securities clearing subsidiary, The Central Depository (Pte) Limited ("CDP"). The clearing fund is to provide resources to enable CDP to discharge its obligations and the liabilities of defaulting clearing members arising from transactions in approved securities and futures.

The CDP Clearing Fund uses a scalable structure to better align members' contributions to their clearing risk exposure with CDP. Contributions by clearing members will vary with the value of securities and futures traded.

The CDP Clearing Fund comprised contributions from both CDP and its clearing members as follows:

(a) Contribution by CDP

	The Group	
	2015 $'000	2014 $'000
Cash at bank – contributed by CDP	**60,000**	60,000

Cash contributions by CDP are denominated in SGD and placed in interest bearing accounts with a bank. The initial $25,000,000 contribution by CDP into the CDP Clearing Fund is recorded in the securities clearing fund reserve.

7. Securities Clearing Fund (continued)

(b) Contribution by Clearing Members

The cash contributions from CDP clearing members are not recorded in the consolidated statement of financial position of the Group as these contributions are held in trust by the Group.

	The Group	
	2015	2014
	$'000	$'000
Contributions by CDP clearing members		
– cash at bank, held in trust	44,680	43,087

The CDP clearing fund is a trust asset held subject to the trust purposes set out in CDP Clearing Rule 7.1.2.

Payments out of the CDP Clearing Fund shall be made in the following order:

(1) Contributions by defaulting clearing members;

(2) Contributions by CDP of an amount not less than 15% of the CDP Clearing Fund size or $30,000,000, whichever is higher;

(3) Collateralised contributions by all other non-defaulting clearing members on a pro-rata basis in the proportion of each clearing member's required Collateralised Contribution to the total required Collateralised Contributions of all other non-defaulting clearing members at the time of default;

(4) Contingent contributions by all other non-defaulting clearing members on a pro-rata basis in the proportion of each clearing member's required Contingent Contributions to the total required Contingent Contributions of all other non-defaulting clearing members;

(5) Insurance (if any); and

(6) Any other contributions (The last layer of the CDP Clearing Fund contributed by CDP amounted to $30,000,000 (2014: $30,000,000).)

8. Available-for-sale financial asset

	The Group and The Company	
	2015	2014
	$'000	$'000
Unlisted equity security – BSE Limited ("BSE")		
Balance at beginning and end of financial year	**50,956**	50,956

As of 30 June 2015, the fair value of the unlisted equity security has been determined by discounting the future estimated cash flows at the weighted average discount rate of 13.5% (2014: 13.5%). The discount rate used reflected the specific risks relating to operating an exchange in India. Future cash flows are forecasted based on past financial performance and after considering factors such as macroeconomics, general market and industry-specific conditions and other relevant information.

While the estimated fair value is sensitive to any change in key assumptions and inputs to the valuation model such as future cash flows and discount rate, the change in the fair value estimate is not likely to be material to the overall financial position of the Group or the Company. A sensitivity analysis of price and currency risk has been included in Note 40.

9. Property, plant and equipment

	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Computer hardware $'000	Motor vehicles $'000	Work-in-progress[a] $'000	Total $'000
The Group						
2015						
Cost						
At 1 July 2014	**22,614**	**5,426**	**45,522**	**750**	**16,194**	**90,506**
Acquisition of subsidiary (Note 31)	**108**	**10**	**3,716**	**–**	**–**	**3,834**
Reclassification	**10,097**	**958**	**4,664**	**–**	**(15,719)**	**–**
Additions	**900**	**329**	**2,401**	**–**	**7,746**	**11,376**
Disposals	**–**	**(6)**	**(1,232)**	**–**	**–**	**(1,238)**
At 30 June 2015	**33,719**	**6,717**	**55,071**	**750**	**8,221**	**104,478**
Accumulated depreciation						
At 1 July 2014	**1,677**	**99**	**26,754**	**488**	**–**	**29,018**
Depreciation charge[b]	**5,044**	**1,083**	**9,251**	**151**	**–**	**15,529**
Disposals	**–**	**(6)**	**(1,232)**	**–**	**–**	**(1,238)**
At 30 June 2015	**6,721**	**1,176**	**34,773**	**639**	**–**	**43,309**
Net book value						
At 30 June 2015	**26,998**	**5,541**	**20,298**	**111**	**8,221**	**61,169**
2014						
Cost						
At 1 July 2013	38,130	2,841	40,851	750	5,842	88,414
Reclassification	20,079	5,283	8,876	–	(34,238)	–
Additions	28	56	1,302	–	44,590	45,976
Disposals	(35,623)	(2,754)	(5,507)	–	–	(43,884)
At 30 June 2014	22,614	5,426	45,522	750	16,194	90,506
Accumulated depreciation						
At 1 July 2013	35,201	2,570	26,216	338	–	64,325
Depreciation charge[b]	2,062	283	6,045	150	–	8,540
Disposals	(35,586)	(2,754)	(5,507)	–	–	(43,847)
At 30 June 2014	1,677	99	26,754	488	–	29,018
Net book value						
At 30 June 2014	20,937	5,327	18,768	262	16,194	61,488

9. Property, plant and equipment (continued)

	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Computer hardware $'000	Motor vehicles $'000	Work-in-progress[a] $'000	Total $'000
The Company						
2015						
Cost						
At 1 July 2014	**22,610**	**5,342**	**34,974**	**750**	**14,949**	**78,625**
Reclassification	**10,007**	**958**	**4,035**	**–**	**(15,000)**	**–**
Additions	**872**	**330**	**1,674**	**–**	**3,848**	**6,724**
Disposals	**–**	**–**	**(769)**	**–**	**–**	**(769)**
At 30 June 2015	**33,489**	**6,630**	**39,914**	**750**	**3,797**	**84,580**
Accumulated depreciation						
At 1 July 2014	**1,673**	**99**	**16,845**	**488**	**–**	**19,105**
Depreciation charge(b)	**4,972**	**1,058**	**7,668**	**151**	**–**	**13,849**
Disposals	**–**	**–**	**(769)**	**–**	**–**	**(769)**
At 30 June 2015	**6,645**	**1,157**	**23,744**	**639**	**–**	**32,185**
Net book value						
At 30 June 2015	**26,844**	**5,473**	**16,170**	**111**	**3,797**	**52,395**
2014						
Cost						
At 1 July 2013	37,947	1,202	26,061	750	5,843	71,803
Reclassification	20,079	5,282	8,840	–	(34,201)	–
Additions	28	2	1,301	–	43,307	44,638
Disposals	(35,444)	(1,144)	(1,228)	–	–	(37,816)
At 30 June 2014	22,610	5,342	34,974	750	14,949	78,625
Accumulated depreciation						
At 1 July 2013	35,020	978	12,411	338	–	48,747
Depreciation charge[b]	2,061	265	5,662	150	–	8,138
Disposals	(35,408)	(1,144)	(1,228)	–	–	(37,780)
At 30 June 2014	1,673	99	16,845	488	–	19,105
Net book value						
At 30 June 2014	20,937	5,243	18,129	262	14,949	59,520

(a) Work-in-progress comprises mainly systems infrastructure under development and leasehold improvements under construction.

(b) Depreciation of leasehold improvements in SGX's data centres amounting to $276,000 (2014: $636,000) is classified as depreciation and amortisation expense under Technology cost.

10. Software

	Software $'000	Work-in-progress $'000	Total $'000
The Group			
2015			
Cost			
At 1 July 2014	**247,699**	**23,957**	**271,656**
Acquisition of subsidiary (Note 31)	**3,724**	**743**	**4,467**
Reclassification	**14,019**	**(14,019)**	**–**
Additions	**8,086**	**56,896**	**64,982**
Write-off	**(431)**	**–**	**(431)**
At 30 June 2015	**273,097**	**67,577**	**340,674**
Accumulated amortisation			
At 1 July 2014	**160,062**	**–**	**160,062**
Amortisation charge	**41,066**	**–**	**41,066**
Write-off	**(431)**	**–**	**(431)**
At 30 June 2015	**200,697**	**–**	**200,697**
Net book value			
At 30 June 2015	**72,400**	**67,577**	**139,977**
2014			
Cost			
At 1 July 2013	210,295	27,830	238,125
Reclassification	30,527	(30,527)	–
Additions	10,041	26,654	36,695
Write-off	(3,164)	–	(3,164)
At 30 June 2014	247,699	23,957	271,656
Accumulated amortisation			
At 1 July 2013	126,176	–	126,176
Amortisation charge	37,050	–	37,050
Write-off	(3,164)	–	(3,164)
At 30 June 2014	160,062	–	160,062
Net book value			
At 30 June 2014	87,637	23,957	111,594

10. Software (continued)

	Software $'000	Work-in-progress $'000	Total $'000
The Company			
2015			
Cost			
At 1 July 2014	**55,053**	**7,547**	**62,600**
Reclassification	**5,984**	**(5,984)**	**–**
Additions	**4,339**	**234**	**4,573**
Write-off	**(98)**	**–**	**(98)**
At 30 June 2015	**65,278**	**1,797**	**67,075**
Accumulated amortisation			
At 1 July 2014	**27,547**	**–**	**27,547**
Amortisation charge	**9,891**	**–**	**9,891**
Write-off	**(98)**	**–**	**(98)**
At 30 June 2015	**37,340**	**–**	**37,340**
Net book value			
At 30 June 2015	**27,938**	**1,797**	**29,735**
2014			
Cost			
At 1 July 2013	29,676	22,805	52,481
Reclassification	19,891	(19,891)	–
Additions	7,152	4,633	11,785
Write-off	(1,666)	–	(1,666)
At 30 June 2014	55,053	7,547	62,600
Accumulated amortisation			
At 1 July 2013	21,293	–	21,293
Amortisation charge	7,920	–	7,920
Write-off	(1,666)	–	(1,666)
At 30 June 2014	27,547	–	27,547
Net book value			
At 30 June 2014	27,506	7,547	35,053

11. Intangible asset

	The Group
	2015 $'000
Cost	
Beginning of financial year	**–**
Licence (Note 31(c))	**27,140**
End of financial year	**27,140**
Accumulated amortisation	
Beginning of financial year	**–**
Amortisation charge (Note 25)	**678**
End of financial year	**678**
Net book value	**26,462**

The intangible asset is a licence to operate the Singapore electricity spot market arising from the acquisition of EMC (Note 31).

12. Goodwill

Goodwill arising on consolidation

	The Group
	2015
	$'000
Beginning of financial year	–
Acquisition of subsidiary (Note 31(c))	**9,614**
End of financial year	**9,614**

The goodwill relates to the acquisition of EMC, a subsidiary operating the Singapore electricity spot market.

The recoverable amount of the goodwill was determined based on value-in-use calculation using the discounted cash flow model. Key variables of the computation are as follows:

	Key Variables	Basis
Cash flow projections	Based on financial budgets and forecasts over a ten-year period, as approved by management	Based on past performance and expectations of market development
Terminal growth rate	3%	Based on growth rate forecasts of electricity demand
Discount rate	9.5%	Reflected the specific risks relating to operating an electricity spot market in Singapore

Based on the value-in-use calculations, there is no impairment on goodwill. While the estimated recoverable amount of the goodwill is sensitive to any change in key variables and inputs to the value-in-use calculations, the change in the estimated recoverable amount is not likely to be material to the overall financial position of the Group.

13. Investments in subsidiaries

	The Company	
	2015	2014
	$'000	$'000
Equity investments at cost		
Balance at beginning of financial year	**493,501**	493,501
Incorporation of subsidiary	**500**	–
	494,001	493,501
Long-term receivables		
Amount due from subsidiary	**40,989**	–
Balance at end of financial year	**534,990**	493,501

The carrying value of the amount due from subsidiary approximates its fair value. The amount due from subsidiary is interest-free and has no fixed terms of repayment.

13. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

				Equity held by			
				The Company		Subsidiaries	
Name of subsidiary	Note	Principal activities	Country of business and incorporation	**2015 %**	2014 %	**2015 %**	2014 %
Singapore Exchange Securities Trading Limited	(a)	Operating a securities exchange	Singapore	**100**	100	**–**	–
Singapore Exchange Derivatives Trading Limited	(a)	Operating a derivatives exchange	Singapore	**100**	100	**–**	–
The Central Depository (Pte) Limited	(a)	Providing clearing, counterparty guarantee, depository and related services for securities transactions	Singapore	**100**	100	**–**	–
Singapore Exchange Derivatives Clearing Limited	(a)	Providing clearing, counterparty guarantee and related services for derivatives transactions	Singapore	**100**	100	**–**	–
SGX Bond Trading Pte. Ltd.	(a)	Providing bond trading services	Singapore	**100**	–	**–**	–
Singapore Exchange IT Solutions Pte Limited	(a)	Providing computer services and software maintenance	Singapore	**100**	100	**–**	–
Asian Gateway Investments Pte Ltd	(a)	Investment holding	Singapore	**100**	100	**–**	–
Singapore Commodity Exchange Limited	(a)	Inactive	Singapore	**100**	100	**–**	–
SGX International Pte. Ltd.	(a)	Dormant	Singapore	**100**	100	**–**	–
Securities Clearing and Computer Services (Pte) Limited	(a)	Dormant	Singapore	**100**	100	**–**	–
Asian Gateway Investments (China) Pte. Ltd.	(a)	Investment holding	Singapore	**–**	–	**100**	100
Energy Market Company Pte Ltd	(a),(b)	Operating an electricity market	Singapore	**–**	–	**100**	49
Asia Converge Pte Ltd	(a)	Dormant	Singapore	**–**	–	**100**	100
Asiaclear Pte Ltd	(a)	Dormant	Singapore	**–**	–	**100**	100
CDP Nominees Pte Ltd	(a)	Dormant	Singapore	**–**	–	**100**	100
Globalclear Pte Ltd	(a)	Dormant	Singapore	**–**	–	**100**	100
Joint Asian Derivatives Pte. Ltd.	(a)	Dormant	Singapore	**–**	–	**100**	100
SGX America Limited	(c)	Dormant	United States of America	**–**	–	**100**	100
Shanghai Yaxu Consultancy Company Limited	(d)	Providing consultancy services	People's Republic of China	**–**	–	**100**	–

(a) Audited by PricewaterhouseCoopers LLP, Singapore.

(b) Energy Market Company Pte Ltd became a wholly owned subsidiary with effect from 1 October 2014. This is following acquisition of the remaining 51% equity interest in EMC by Asian Gateway Investments Pte Ltd (AGI). It was previously accounted as an associated company in financial year 2014.

(c) Not required to be audited in the United States of America.

(d) Shanghai Yaxu Consultancy Company Limited was incorporated on 18 August 2014. The company is not required to be audited for the financial year ended 30 June 2015. PricewaterhouseCoopers Zhong Tian LLP, People's Republic of China has been appointed as auditor.

14. Investments in joint venture

	The Group	
	2015	2014
	$'000	$'000
Investment at cost		
Balance at beginning and end of financial year	**–**	–

			Equity holding	
Name of joint venture	Principal activities	Country of business and incorporation	**2015** **%**	2014 %
Chi-East Pte. Ltd. ("Chi-East")	Operate an electronic securities trading platform	Singapore	**–**	50

Chi-East was dissolved on 26 August 2014.

15. Investments in associated companies

	The Group		The Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Equity investment at cost			**4,389**	4,389
Balance at beginning of financial year	**27,260**	27,432		
Share of results	**1,903**	2,423		
Dividends received	**–**	(2,254)		
Disposal of associate	**(19,957)**	–		
Currency translation differences	**220**	(341)		
Balance at end of financial year	**9,426**	27,260		

On 1 October 2014, the Group acquired the remaining 51% equity interest in EMC. Consequently, EMC became a wholly owned subsidiary (Note 31). The 49% equity interest previously held by the Group is deemed to be disposed and EMC is now accounted as a subsidiary of the Group.

Details of the associated companies held by the Group are as follows:

			Equity holding	
Name of company	Principal activity	Country of business and incorporation	**2015** **%**	2014 %
Philippine Dealing System Holdings Corp. [(a)]	Investment holding	Philippines	**20**	20
Energy Market Company Pte Ltd [(b)]	Operating an electricity market	Singapore	**–**	49

[(a)] Audited by SyCip Gorres Velayo & Co, Philippines
[(b)] Audited by Ernst & Young LLP, Singapore for financial year 2014

15. Investments in associated companies (continued)

As of 30 June 2015 and 30 June 2014, no associated company was individually material to the Group.

The summarised financial information of the associated companies is as follows:

	The Group	
	2015	2014
	$'000	$'000
The Group's proportionate share		
– Assets	**10,370**	127,277
– Liabilities	**1,519**	115,250
– Revenue	**9,519**	16,918
– Net profit	**1,903**	2,423

Share of associated companies' contingent liabilities incurred jointly with other investors is nil (2014: Nil). In addition, there are no contingent liabilities in which the Group is severally liable (2014: Nil).

16. Trade and other payables

	The Group		The Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Current				
Trade payables (Note (a))	**585,448**	505,473	**352**	26
Other payables (Note (b))	**132,878**	110,164	**60,920**	67,374
Amount due to subsidiaries (non-trade) (Note (c))	**–**	–	**357,843**	291,693
	718,326	615,637	**419,115**	359,093
Non-current				
Trade and other payables:				
– Accrual for operating expenses	**1,807**	5,167	**–**	–
(a) Trade payables comprise:				
Payables to clearing members and settlement banks – Daily settlement of accounts for due contracts and rights	**416,330**	486,833	**–**	–
Payables under NEMS (Note 5)	**141,402**	–	**–**	–
Other trade payables	**27,716**	18,640	**352**	26
	585,448	505,473	**352**	26
(b) Other payables comprise:				
Accrual for operating expenses	**75,275**	60,636	**21,278**	34,345
Accrual for bonus	**45,450**	36,913	**34,367**	28,808
Central Provident Fund payable	**1,481**	1,052	**846**	674
Advance receipts	**4,569**	4,524	**231**	8
Others (non-trade)	**6,103**	7,039	**4,198**	3,539
	132,878	110,164	**60,920**	67,374

(c) The amounts due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

17. Income taxes

(a) Income tax expense

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Tax expense attributable to profit is made up of:				
– current income tax	**71,920**	65,359	**1,896**	81
– deferred income tax	**(2,115)**	195	**1,183**	2,905
	69,805	65,554	**3,079**	2,986
Under/(over) provision in prior financial years:				
– current income tax	**(6,868)**	(7,375)	**(240)**	(843)
– deferred income tax	**–**	420	**–**	420
	62,937	58,599	**2,839**	2,563

(b) Tax reconciliation

The tax expense on profit differs from the amount that would arise using the Singapore rate of income tax due to the following:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Profit before tax and share of results of associated companies	**409,646**	376,614	**261,609**	305,711
Tax calculated at a tax rate of 17% (2014: 17%)	**69,640**	64,024	**44,474**	51,971
Tax effect of:				
Singapore statutory income exemption	**(162)**	(131)	**(26)**	–
Income not subject to tax	**(301)**	(72)	**(43,081)**	(50,150)
Tax incentives and rebate	**(1,546)**	(125)	**(428)**	–
Expenses not deductible for tax purposes	**1,826**	1,224	**2,061**	927
Others	**348**	634	**79**	238
	69,805	65,554	**3,079**	2,986

(c) Movements in provision for tax

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Balance at beginning of financial year	**75,273**	92,001	**1,143**	5,144
Acquisition of subsidiary (Note 31(c))	**133**	–	**–**	–
Income tax paid	**(63,656)**	(74,712)	**(85)**	(3,239)
Tax expense on profit for the financial year	**71,920**	65,359	**1,896**	81
Over provision in prior financial years	**(6,868)**	(7,375)	**(240)**	(843)
Balance at end of financial year	**76,802**	75,273	**2,714**	1,143

17. Income taxes (continued)

(c) Movements in provision for tax (continued)

In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses.

The Group has open tax assessments at the year-end. As management believes that the provisions on tax positions are sufficient, the Group has not recognised any additional tax liability on these uncertain positions.

(d) Deferred income tax

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Deferred tax assets:				
– to be recovered within 12 months	**1,570**	1,977	**1,570**	1,977
– to be recovered after 12 months	**670**	485	**670**	485
	2,240	2,462	**2,240**	2,462
– Effect of offsetting	**(2,240)**	(2,462)	**(2,240)**	(2,462)
	–	–	**–**	–
Deferred tax liabilities:				
– to be settled within 12 months	**8,374**	6,423	**2,819**	1,322
– to be settled after 12 months	**12,630**	10,821	**5,108**	5,493
	21,004	17,244	**7,927**	6,815
– Effect of offsetting	**(2,240)**	(2,462)	**(2,240)**	(2,462)
	18,764	14,782	**5,687**	4,353

The movements in the gross deferred tax assets and liabilities during the financial year are as follows:

The Group – deferred tax assets

	Cash flow hedge reserve		Employee share plan		Total	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000
Balance at beginning of financial year	**–**	150	**2,462**	1,998	**2,462**	2,148
Charged to profit or loss	**–**	–	**(86)**	(245)	**(86)**	(245)
Credited/(charged) to equity	**–**	(150)	**(136)**	709	**(136)**	559
Balance at end of financial year	**–**	–	**2,240**	2,462	**2,240**	2,462

The Group – deferred tax liabilities

	Cash flow hedge reserve		Accelerated tax depreciation		Intangible asset arising from business combination		Total	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000
Balance at beginning of financial year	**80**	–	**17,164**	16,794	**–**	–	**17,244**	16,794
Acquisition of subsidiary (Note 31(c))	**–**	–	**1,397**	–	**4,614**	–	**6,011**	–
(Credited)/charged to profit or loss	**–**	–	**(2,085)**	370	**(116)**	–	**(2,201)**	370
(Credited)/charged to equity	**(50)**	80	**–**	–	**–**	–	**(50)**	80
Balance at end of financial year	**30**	80	**16,476**	17,164	**4,498**	–	**21,004**	17,244

The Company – deferred tax assets

	Employee share plan	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**2,462**	1,998
Charged to profit or loss	**(86)**	(245)
Charged/(credited) to equity	**(136)**	709
Balance at end of financial year	**2,240**	2,462

The Company – deferred tax liabilities

	Cash flow hedge reserve		Accelerated tax depreciation		Total	
	2015	2014	**2015**	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Balance at beginning of financial year	**–**	–	**6,815**	3,735	**6,815**	3,735
Charged to profit or loss	**–**	–	**1,097**	3,080	**1,097**	3,080
Charged to equity	**15**	–	**–**	–	**15**	–
Balance at end of financial year	**15**	–	**7,912**	6,815	**7,927**	6,815

Deferred tax assets have not been recognised in respect of the following items:

	The Group	
	2015	2014
	$'000	$'000
Tax losses	**23,572**	22,760
Unutilised capital allowances	**615**	615

These items principally relate to five (2014: four) entities within the Group of which four (2014: four) entities are dormant. Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Group can utilise the benefits. The tax losses and unutilised capital allowances are subject to the relevant provisions of the Singapore Income Tax Act and confirmation by the tax authorities.

17. Income taxes (continued)

(e) Tax effects on other comprehensive income

	The Group			The Company		
	Before tax	Tax benefit/ (liability)	Net of tax	Before tax	Tax benefit/ (liability)	Net of tax
	$'000	$'000	$'000	$'000	$'000	$'000
2015						
Other comprehensive income						
Net currency translation differences of financial statements of subsidiary and associated companies	**210**	**–**	**210**	**–**	**–**	**–**
Fair value gains/(losses) arising from cash flow hedges	**(295)**	**50**	**(245)**	**86**	**(15)**	**71**
	(85)	**50**	**(35)**	**86**	**(15)**	**71**
2014						
Other comprehensive income						
Net currency translation differences of financial statements of associated companies	(341)	–	(341)	–	–	–
Fair value gains arising from cash flow hedges	1,207	(80)	1,127	–	–	–
	866	(80)	786	–	–	–

18. Provisions

	The Group		The Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Provision for SGX-MAS Market Development Scheme (Note (a))	**1,802**	1,802	**–**	–
Provision for unutilised leave (Note (b))	**4,385**	2,909	**3,195**	2,183
Provision for dismantlement, removal or restoration of property, plant and equipment (Note (c))	**3,246**	3,435	**2,977**	3,435
	9,433	8,146	**6,172**	5,618

(a) Provision for SGX-MAS Market Development Scheme

Provision for SGX-MAS Market Development Scheme is used to fund projects that will raise awareness of the securities and derivatives market among investors.

The provision recorded at the Group as at 30 June 2015 is $1,802,000 (2014: $1,802,000).

(b) Provision for unutilised leave

Provision for unutilised leave is the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Movements in this provision are as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Balance at beginning of financial year	**2,909**	2,622	**2,183**	1,968
Acquisition of subsidiary (Note 31)	**311**	–	**–**	–
Provision made during the financial year, net	**1,165**	287	**1,012**	215
Balance at end of financial year	**4,385**	2,909	**3,195**	2,183

(c) Provision for dismantlement, removal or restoration of property, plant and equipment

Provision for dismantlement, removal or restoration is the estimated cost of dismantlement, removal or restoration of leased premises. The provision is expected to be utilised upon return of the leased premises.

Movements in this provision are as follows:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Balance at beginning of financial year	**3,435**	2,921	**3,435**	2,921
Acquisition of subsidiary (Note 31)	**269**	–	**–**	–
Provision (utilised)/made during the financial year, net	**(458)**	514	**(458)**	514
Balance at end of financial year	**3,246**	3,435	**2,977**	3,435

19. Share capital of Singapore Exchange Limited

(a) Share capital and treasury shares

The Group and The Company

	Number of shares		Amount	
	Issued shares '000	Treasury shares '000	Share capital $'000	Treasury shares $'000
2015				
Balance at beginning of financial year	**1,071,642**	**1,742**	**428,332**	**(13,865)**
Purchase of treasury shares	**–**	**920**	**–**	**(8,025)**
Vesting of shares under share plans	**–**	**(1,175)**	**236**	**9,977**
Tax effect on treasury shares	**–**	**–**	**–**	**(136)**
Balance at end of financial year	**1,071,642**	**1,487**	**428,568**	**(12,049)**
2014				
Balance at beginning of financial year	1,071,642	2,481	426,298	(20,010)
Vesting of shares under share plans	–	(739)	2,034	5,436
Tax effect on treasury shares	–	–	–	709
Balance at end of financial year	1,071,642	1,742	428,332	(13,865)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company, except for shares held as treasury shares.

The Company purchased 920,000 of its shares (2014: Nil) in the open market during the financial year. The total amount paid to purchase the shares was $8,025,000. The Company holds the shares bought back as treasury shares and plans to use these shares to fulfil its obligations under the Company's share-based compensation plans.

19. Share capital of Singapore Exchange Limited (continued)

(b) Performance share plans ("the Plan")

(i) Outstanding performance shares

Details of performance shares awarded to participants at the balance sheet date are as follows:

	The Group and The Company					
Number of shares	FY2011 grant *	FY2012 grant **	FY2013 grant **	FY2014 grant **	FY2015 grants ***	Total
2015						
Balance at beginning of financial year	**–**	**1,040,100**	**670,300**	**742,000**	**–**	**2,452,400**
Granted	**–**	**–**	**–**	**–**	**811,600**	**811,600**
Vested	**–**	**(395,400)**	**–**	**–**	**–**	**(395,400)**
Lapsed	**–**	**(644,700)**	**(30,000)**	**(31,500)**	**(25,900)**	**(732,100)**
Balance at end of financial year	**–**	**–**	**640,300**	**710,500**	**785,700**	**2,136,500**
2014						
Balance at beginning of financial year	800,200	1,040,100	670,300	–	–	2,510,600
Granted	–	–	–	753,900	–	753,900
Vested	(240,400)	–	–	–	–	(240,400)
Lapsed	(559,800)	–	–	(11,900)	–	(571,700)
Balance at end of financial year	–	1,040,100	670,300	742,000	–	2,452,400

* The number of shares vested represents the level of achievement against the performance conditions.

** Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

*** Comprise of 15 August 2014 and 30 June 2015 grants. These grants represent the number of shares required if participants are to be awarded at 100% of the grants. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grants, depending on the level of achievement against the performance conditions.

The terms of the Plan are set out in the Directors' Report under the caption "SGX Performance Share Plan".

(ii) Fair value of performance shares

The fair value of performance shares at grant date and the key assumptions of the fair value model for the grants were as follows:

	FY2015 grants	FY2014 grant	FY2013 grant	FY2012 grant	FY2011 grant
Date of grant	15.08.2014 and 30.06.2015	15.08.2013	15.08.2012	04.04.2012	01.07.2010
Vesting date	01.09.2017 and 01.09.2018	01.09.2016	01.09.2015	01.09.2014	02.09.2013
Number of performance shares at grant date	811,600	753,900	702,000	1,088,100	1,153,000
Fair value per performance share at grant date	$5.27 to $5.54	$5.77	$5.19	$5.27	$6.36
Assumption under Monte-Carlo Model					
Expected volatility					
Shares of Singapore Exchange Limited	14.44% to 16.03%	19.81%	19.82%	27.36%	43.19%
FTSE Mondo Visione	11.77% to 18.94%	21.14%	23.02%	28.29%	38.07%
Historical volatility period	36 months	36 months	36 months	36 months	36 months
Risk-free interest rate	0.71% to 1.27%	0.34%	0.28%	0.37%	0.53%
Date on which yield of Singapore government bond was based	15.08.2014 and 30.06.2015	15.08.2013	15.08.2012	03.04.2012	30.06.2010
Term (years)	3	3	3	3	3
Cost of funding					
Fixed deposit/risk-free interest rate	0.71% to 1.27%	0.34%	0.28%	0.37%	0.53%
Expected dividend yield based on management's forecast	3.97%	4.85%	4.91%	3.73%	4.03%
Share price reference	$7.08 to $7.94	$7.58	$6.90	$6.63	$7.44

19. Share capital of Singapore Exchange Limited (continued)

(c) Deferred long-term incentives scheme ("the Scheme")

(i) Outstanding deferred long-term incentives shares

Details of deferred long-term incentives shares awarded to recipients at the balance sheet date are as follows:

	The Group and The Company					
Number of shares	FY2011 award	FY2012 award	FY2013 award	FY2014 award	FY2015 awards *	Total
2015						
Balance at beginning of financial year	**–**	**59,800**	**650,305**	**1,195,000**	**–**	**1,905,105**
Awarded	**–**	**–**	**–**	**–**	**1,283,800**	**1,283,800**
Lapsed	**–**	**(800)**	**(19,338)**	**(50,469)**	**(51,100)**	**(121,707)**
Vested	**–**	**(59,000)**	**(323,795)**	**(396,166)**	**–**	**(778,961)**
Balance at end of financial year	**–**	**–**	**307,172**	**748,365**	**1,232,700**	**2,288,237**
2014						
Balance at beginning of financial year	108,950	126,600	995,300	–	–	1,230,850
Awarded	–	–	–	1,223,500	–	1,223,500
Lapsed	(1,050)	(5,400)	(15,368)	(28,500)	–	(50,318)
Vested	(107,900)	(61,400)	(329,627)	–	–	(498,927)
Balance at end of financial year	–	59,800	650,305	1,195,000	–	1,905,105

* Comprise of 15 August 2014 and 30 June 2015 awards.

The terms of the Scheme are set out in the Directors' Report under the caption "SGX Deferred Long-Term Incentives Scheme".

(ii) Fair value of deferred long-term incentives shares

The fair value of deferred long-term incentives shares was estimated by the present value of the share price adjusted for future expected dividends and funding cost. The fair value of shares at award date and the key assumptions of the fair value model for the awards were as follows:

FY2015 Award				
Date of award	15.08.2014 and 30.06.2015			
Vesting date	01.09.2015	01.09.2016	01.09.2017	01.09.2018
Number of shares at award date	386,460	427,893	428,013	41,434
Fair value per deferred long-term incentives share at award date	$6.88	$6.82 to $7.48	$6.77 to $7.50	$7.45
Assumption used in fair value model				
Risk-free interest rate	0.34%	0.47% to 0.86%	0.69% to 0.99%	1.28%
Date on which yield of Singapore government bond was based	14.08.2014	14.08.2014 and 29.06.2015	14.08.2014 and 29.06.2015	29.06.2015
Cost of funding Fixed deposit/risk-free interest rate	0.34%	0.47% to 0.86%	0.69% to 0.99%	1.28%
Expected dividend yield based on management's forecast	4.35%	3.91%	3.65%	4.36%
Share price reference	$7.21	$7.21 to $7.83	$7.21 to $7.83	$7.83

FY2014 Award			
Date of award		15.08.2013	
Vesting date	01.09.2014	01.09.2015	01.09.2016
Number of shares at award date	407,797	407,797	407,906
Fair value per deferred long-term incentives share at award date	$7.34	$7.34	$7.26
Assumption used in fair value model			
Risk-free interest rate	0.22%	0.26%	0.33%
Date on which yield of Singapore government bond was based	14.08.2013	14.08.2013	14.08.2013
Cost of funding			
Fixed deposit/risk-free interest rate	0.22%	0.26%	0.33%
Expected dividend yield based on management's forecast	4.43%	4.49%	5.63%
Share price reference	$7.61	$7.61	$7.61

FY2013 Award			
Date of award		15.08.2012	
Vesting date	02.09.2013	01.09.2014	01.09.2015
Number of shares at award date	348,092	348,092	348,216
Fair value per deferred long-term incentives share at grant date	$6.68	$6.65	$6.61
Assumption used in fair value model			
Risk-free interest rate	0.22%	0.25%	0.28%
Date on which yield of Singapore government bond was based	14.08.2012	14.08.2012	14.08.2012
Cost of funding			
Fixed deposit/risk-free interest rate	0.22%	0.25%	0.28%
Expected dividend yield based on management's forecast	4.44%	4.90%	5.54%
Share price reference	$6.96	$6.96	$6.96

19. Share capital of Singapore Exchange Limited (continued)

(c) Deferred long-term incentives scheme ("the Scheme") (continued)

(ii) Fair value of deferred long-term incentives shares (continued)

FY2012 Award			
Date of award		05.08.2011	
Vesting date	01.11.2012	01.11.2013	01.11.2014
Number of shares at award date	77,900	73,550	73,550
Fair value per deferred long-term incentives share at award date	$7.09	$7.06	$7.04
Assumption used in fair value model			
Risk-free interest rate	0.18%	0.14%	0.33%
Date on which yield of Singapore government bond was based	04.08.2011	04.08.2011	04.08.2011
Cost of funding			
Fixed deposit/risk-free interest rate	0.18%	0.14%	0.33%
Expected dividend yield based on management's forecast	4.16%	4.54%	4.85%
Share price reference	$7.33	$7.33	$7.33

FY2011 Award			
Date of award		05.08.2010	
Vesting date	01.11.2011	01.11.2012	01.11.2013
Number of shares at award date	148,000	143,100	144,500
Fair value per deferred long-term incentives share at award date	$7.52	$7.47	$7.40
Assumption used in fair value model			
Risk-free interest rate	0.43%	0.49%	0.54%
Date on which yield of Singapore government bond was based	04.08.2010	04.08.2010	04.08.2010
Cost of funding			
Fixed deposit/risk-free interest rate	0.43%	0.49%	0.54%
Expected dividend yield based on management's forecast	3.71%	4.40%	5.35%
Share price reference	$7.79	$7.79	$7.79

20. Derivatives clearing fund reserve

Upon the dissolution of the SGX-DT Compensation Fund on 24 November 2007, the cash proceeds of $34,021,000 were set aside as the Group's derivatives clearing fund reserve to support the SGX-DC Clearing Fund (Note 33). This reserve is not available for distribution as dividend.

21. Operating revenue

Operating revenue comprised the following:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Securities				
– Securities clearing	**163,540**	178,414	**–**	–
– Access	**37,675**	40,306	**–**	–
– Collateral management, membership and other	**8,069**	8,141	**–**	–
	209,284	226,861	**–**	–
Derivatives				
– Equity and Commodities	**224,228**	149,020	**–**	–
– Collateral management, licence, membership and other	**71,422**	59,678	**–**	–
	295,650	208,698	**–**	–
Market data and Connectivity				
– Market data	**36,600**	35,049	**410**	375
– Connectivity	**44,574**	41,549	**14,024**	12,229
	81,174	76,598	**14,434**	12,604
Depository services				
– Securities settlement	**81,267**	71,430	**–**	–
– Contract processing	**15,991**	17,126	**11,084**	11,544
– Depository management	**6,919**	6,461	**–**	–
	104,177	95,017	**11,084**	11,544
Issuer services				
– Listing	**51,570**	47,519	**–**	–
– Corporate actions and other	**36,000**	30,744	**–**	–
	87,570	78,263	**–**	–

22. Staff

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Salaries	**85,747**	75,272	**61,979**	56,423
Employer's contribution to Central Provident Fund on salaries	**6,346**	5,489	**4,380**	3,864
Variable bonus	**41,770**	33,270	**32,613**	26,058
Employer's contribution to Central Provident Fund on variable bonus	**2,298**	1,418	**1,589**	937
	44,068	34,688	**34,202**	26,995
Variable share-based payment	**13,792**	11,061	**13,792**	11,061
	149,953	126,510	**114,353**	98,343

Included in staff costs is remuneration of key management and directors under the employment of the Group and the Company (Note 39).

23. Technology

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
System maintenance and rental	**62,100**	58,670	**33,575**	32,096
Depreciation and amortisation	**50,593**	43,731	**17,835**	14,218
Communication charges	**3,218**	3,120	**2,782**	2,866
	115,911	105,521	**54,192**	49,180

24. Premises

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Rental and maintenance of premises	**16,791**	18,709	**12,341**	15,930
Depreciation of furniture and fittings and leasehold improvements	**5,851**	1,709	**5,754**	1,690
	22,642	20,418	**18,095**	17,620

25. Other operating expenses

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Marketing	**8,355**	8,045	**2,900**	3,337
Travelling	**3,063**	3,108	**2,005**	1,933
Allowance/(reversal) for impairment of trade receivables (net)	**529**	424	**(11)**	21
Net write-off of property, plant and equipment	**–**	37	**–**	37
Directors' fee	**2,108**	2,036	**1,976**	2,036
Regulatory fees	**3,524**	1,490	**425**	350
Services from price vendors	**2,649**	1,969	**1,123**	1,032
Credit facilities' fees	**856**	605	**443**	436
Amortisation of intangible asset	**678**	–	**–**	–
Miscellaneous	**6,263**	3,449	**5,758**	3,363
	28,025	21,163	**14,619**	12,545

26. Profit from operating segments

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Profit from operating segments is arrived after:				
Charging:				
Audit services by auditor of the Company	**628**	460	**241**	245
Other services by auditor of the Company	**59**	74	**35**	74
Technology equipment rental expenses	**2,914**	5,430	**1,355**	2,636
Rental of premises - operating lease	**20,755**	23,323	**15,599**	18,636
Provision for unutilised leave	**1,165**	287	**1,012**	215
Depreciation and amortisation	**57,273**	45,590	**23,740**	16,058
And crediting:				
Grants from government schemes and agencies	**119**	376	**119**	356
Collateral management revenue on collateral balances held in trust (net)	**39,923**	35,326	**–**	–

27. Other gains – net

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Other revenue including interest income (Note (a))	**5,714**	4,936	**2,749**	2,425
Net foreign exchange gain/(loss)	**1,721**	18	**(124)**	139
	7,435	4,954	**2,625**	2,564

(a) Other revenue including interest income

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Interest income:				
– Fixed deposits	**5,126**	4,110	**2,425**	1,998
– Current accounts	**170**	73	**6**	1
– Others	**21**	53	**4**	1
	5,317	4,236	**2,435**	2,000
Dividend income	**415**	425	**415**	425
Others	**(18)**	275	**(101)**	–
	5,714	4,936	**2,749**	2,425

28. Earnings per share

	The Group	
	2015 $'000	2014 $'000
Net profit attributable to the equity holders of the Company	**348,612**	320,438
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	**1,070,745**	1,069,746
Adjustments for ('000)		
– Shares granted under the Plan and the Scheme	**3,465**	4,113
Weighted average number of ordinary shares for diluted earnings per share ('000)	**1,074,210**	1,073,859
Earnings per share (in cents per share)		
– Basic	**32.6**	30.0
– Diluted	**32.5**	29.8

Basic earnings per share is calculated by dividing the net profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted for the effects of all dilutive potential ordinary shares. Shares granted under the Plan and the Scheme have potential dilutive effect on ordinary shares.

For the Plan and the Scheme, the adjustment made represents the number of shares expected to vest.

29. Dividends

	The Group and The Company	
	2015	2014
	$'000	$'000
Interim tax exempt dividends of 12.0 cents per share (2014: 12.0 cents)	**128,527**	128,381
Proposed final tax exempt dividends of 16.0 cents per share (2014: 16.0 cents)	**171,225**	171,184
	299,752	299,565

The directors have proposed a final tax exempt one-tier dividend for 2015 of 16.0 cents (2014: 16.0 cents) per share amounting to a total of $171,225,000 (2014: $171,184,000). The proposed dividend has been transferred from retained profits to a proposed dividends reserve.

30. Segment information

Management determines the operating segments based on the reports reviewed and used by the EMCO for performance assessment and resources allocation. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into three main business segments as follows:

(i) Securities market – providing listing, trading, clearing, depository, market data, member services, connectivity, collateral management and issuer services.

(ii) Derivatives market – providing trading, clearing, market data, member services, connectivity and collateral management.

(iii) Other operations – providing market data, connectivity and other services apart from those listed in (i) and (ii) above.

The Group operates primarily in Singapore.

The Group's interest income on the cash balances and income taxes are managed on a group basis.

Inter-segment results include transfers between business segments. Such transfers are accounted for at competitive market prices charged to external parties for similar services. Such transfers are eliminated on consolidation.

Management monitors the operating results of its business units separately for the purpose of making decisions on performance assessment and resource allocation. Segment performance is evaluated based on profit or loss from operating segment.

2015	Securities market $'000	Derivatives market $'000	Other operations $'000	The Group $'000
SEGMENT REVENUE				
Securities	**209,284**	**–**	**–**	**209,284**
Derivatives	**–**	**295,650**	**–**	**295,650**
Market data and Connectivity	**32,208**	**34,370**	**14,596**	**81,174**
Depository services	**104,177**	**–**	**–**	**104,177**
Issuer services	**87,570**	**–**	**–**	**87,570**
Others	**547**	**148**	**343**	**1,038**
External revenue	**433,786**	**330,168**	**14,939**	**778,893**
Inter-segment revenue	**305**	**524**	**68**	**897**
	434,091	**330,692**	**15,007**	**779,790**
Less: Consolidation elimination	**(305)**	**(524)**	**(68)**	**(897)**
Segment revenue	**433,786**	**330,168**	**14,939**	**778,893**
RESULTS				
Profit from operating segments	**235,371**	**152,170**	**14,670**	**402,211**
Other gains				
– Other revenue including interest income				**5,714**
– Net foreign exchange gain				**1,721**
Share of results of associated companies				**1,903**
Tax				**(62,937)**
Net profit after tax				**348,612**
SEGMENT ASSETS				
Segment assets	**733,184**	**556,869**	**4,753**	**1,294,806**
Unallocated assets				**506,806**
Consolidated total assets				**1,801,612**
SEGMENT LIABILITIES				
Segment liabilities	**503,189**	**224,527**	**260**	**727,976**
Unallocated liabilities				**97,240**
Consolidated total liabilities				**825,216**
OTHER INFORMATION				
Additions to property, plant and equipment and software	**41,673**	**34,685**	**–**	**76,358**
Depreciation and amortisation	**30,290**	**26,983**	**–**	**57,273**

30. Segment information (continued)

2014	Securities market $'000	Derivatives market $'000	Other operations $'000	The Group $'000
SEGMENT REVENUE				
Securities	226,861	–	–	226,861
Derivatives	–	208,698	–	208,698
Market data and Connectivity	32,391	31,422	12,785	76,598
Depository services	95,017	–	–	95,017
Issuer services	78,263	–	–	78,263
Others	942	22	459	1,423
External revenue	433,474	240,142	13,244	686,860
Inter-segment revenue	246	–	–	246
	433,720	240,142	13,244	687,106
Less: Consolidation elimination	(246)	–	–	(246)
Segment revenue	433,474	240,142	13,244	686,860
RESULTS				
Profit from operating segments	241,122	117,064	13,474	371,660
Other gains				
– Other revenue including interest income				4,936
– Net foreign exchange gain				18
Share of results of associated companies				2,423
Tax				(58,599)
Net profit after tax				320,438
SEGMENT ASSETS				
Segment assets	796,060	339,055	26,406	1,161,521
Unallocated assets				479,561
Consolidated total assets				1,641,082
SEGMENT LIABILITIES				
Segment liabilities	564,267	39,913	19,152	623,332
Unallocated liabilities				95,673
Consolidated total liabilities				719,005
OTHER INFORMATION				
Additions to property, plant and equipment and software	61,804	20,867	–	82,671
Depreciation and amortisation	25,675	19,915	–	45,590

Other information on segment assets and liabilities

Assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented as unallocated assets and liabilities. All assets and liabilities are allocated to the reportable segments except for the following:

	The Group	
	2015	2014
	$'000	$'000
Segment assets for reportable segments	**1,294,806**	1,161,521
Unallocated:		
Cash and cash equivalents	**436,437**	420,545
Available-for-sale financial asset	**50,956**	50,956
Investment in associated company	**9,426**	7,773
Club memberships	**287**	287
Goodwill	**9,614**	-
Derivative financial instruments	**86**	-
Total assets	**1,801,612**	1,641,082
Segment liabilities for reportable segments	**727,976**	623,332
Unallocated:		
Taxation	**76,802**	75,273
Deferred tax liabilities	**14,266**	14,782
Provisions	**6,172**	5,618
Total liabilities	**825,216**	719,005

31. Business combinations

In financial year 2013, the Group acquired 49% in EMC for $19,989,000 and had accounted for EMC as an associated company. On 1 October 2014, the Group acquired the remaining 51% equity interest in EMC for a consideration of $23,000,000. Consequently, EMC became a wholly owned subsidiary.

The principal activity of EMC is to operate the Singapore Electricity Spot Market. This acquisition strengthens the Group's ability to further develop energy related products.

31. Business combinations (continued)

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	$'000
(a) Purchase consideration	
Cash paid	23,000
Fair value of previously-held equity interest *	19,957
Consideration transferred for the business	**42,957**

* The Group has recognised the previously-held equity interest at its fair value of $19,957,000. The gain or loss as a result of re-measuring to fair value the previously-held equity interest is nil.

(b) Effect on cash flows of the Group	
Cash paid (as above)	23,000
Less: Cash and cash equivalents in subsidiary acquired	(4,450)
Cash outflow on acquisition	**18,550**

(c) Identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	4,450
Cash committed for NEMS	10,525
Trade and other receivables	194,402
Prepayments	2,020
Property, plant and equipment	3,834
Software	4,467
Intangible asset	27,140
Total assets	**246,838**
Trade and other payables	207,351
Taxation	133
Deferred tax liabilities	6,011
Total liabilities	**213,495**
Total identifiable net assets	33,343
Add: Goodwill	9,614
Consideration transferred for the business	**42,957**

(d) Acquisition-related costs

Acquisition-related costs of $60,000 are included in "Professional fees" in the consolidated income statement and in operating cash flows in the consolidated statement of cash flows.

(e) Acquired receivables

The fair value and gross contractual amount of trade and other receivables is $194,402,000.

(f) Goodwill

The goodwill of $9,614,000 is attributable to the synergies expected to arise from the acquisition.

(g) Revenue and profit contribution

The acquired business contributed operating revenue of $17,980,000 and net profit after tax of $2,496,000 to the Group from the period from 1 October 2014 to 30 June 2015.

Had EMC been consolidated from 1 July 2014, consolidated operating revenue and consolidated net profit after tax for the year ended 30 June 2015 would have been $785,157,000 and $348,770,000 respectively.

32. Securities and Derivatives Fidelity Funds

The Fidelity Funds are administered by Singapore Exchange Securities Trading Limited ("SGX-ST") and Singapore Exchange Derivatives Trading Limited ("SGX-DT"), as required by Section 176 of the Securities and Futures Act. The assets of the Funds are kept separate from all other assets, and are held in trust for the purposes set out in the Securities and Futures Act. The balances of the Fidelity funds are as follows:

	2015 **$'000**	2014 $'000
Securities Exchange Fidelity Fund	**35,325**	35,083
Derivatives Exchange Fidelity Fund	**24,011**	23,842
	59,336	58,925

The purposes of the fidelity funds pursuant to Section 186 of the Securities and Futures Act are as follows:

(a) to compensate any person (other than an accredited investor) who has suffered a pecuniary loss from any defalcation committed

  (i) in the course of, or in connection with, dealing in securities, or the trading of a futures contract;

  (ii) by a member of a securities exchange or a futures exchange or by any agent of such member; and

  (iii) in relation to any money or other property entrusted to or received:

    – by that member or any of its agents; or

    – by that member or any of its agents as trustee or on behalf of the trustees of that money or property.

(b) to pay the Official Assignee or a trustee in bankruptcy within the meaning of the Bankruptcy Act (Cap. 20) if the available assets of a bankrupt, who is a member of SGX-ST or SGX-DT, are insufficient to satisfy any debts arising from dealings in securities or trading in futures contracts which have been proved in the bankruptcy by creditors of the bankrupt member.

(c) to pay a liquidator of a member of SGX-ST or SGX-DT which is being wound up if the available assets of a member are insufficient to satisfy any debts arising from dealings in securities or trading in futures contracts which have been proved in the liquidation of the member.

Any reference to dealing in securities or trading of a futures contract refers to such dealing or trading through the exchange which establishes, keeps and administers the fidelity fund or through a trading linkage of the exchange with an overseas securities exchange or an overseas futures exchange.

No further provision has been made in the financial year ended 30 June 2015 for contribution to be paid to the securities and derivatives fidelity funds as the minimum sum of $20 million for each fund as currently required under the Securities and Futures Act has been met.

32. Securities and Derivatives Fidelity Funds

	2015 $'000	2014 $'000
The assets and liabilities of the Funds are as follows:		
Assets		
Fixed deposits with banks	**58,800**	58,753
Bank balance	**608**	222
Interest receivable	**27**	34
	59,435	59,009
Liabilities		
Other payables and accruals	**7**	7
Taxation	**87**	71
Deferred tax liabilities	**5**	6
	99	84
Net assets	**59,336**	58,925

The assets and liabilities of the Funds are not included in the consolidated statement of financial position of the Group as they are held in trust.

33. Singapore Exchange Derivatives Clearing Limited ("SGX-DC") Clearing Fund

The SGX-DC Clearing Fund structure specifies the apportionment and sequence of use of resources in the event of single and multiple defaults.

The SGX-DC rules enable resources to be mobilised should any derivatives clearing member be unable to meet its obligations. Under the SGX-DC Clearing Fund structure, the resources available would be utilised in the following priority:

(a) the defaulting derivatives clearing member's collateral deposited with or provided to SGX-DC;

(b) SGX-DC's contributions of an amount equivalent to 15% of its Clearing Fund size;

(c) security deposits of non-defaulting derivatives clearing members participating in the same Contract Class as the defaulted derivatives clearing member;

(d) further assessments on non-defaulting derivatives clearing members participating in the same Contract Class as the defaulted derivatives clearing member;

(e) SGX-DC's contributions of an amount equivalent to 10% of its Clearing Fund size;

(f) security deposits of other non-defaulting derivatives clearing members not participating in the same Contract Class as the defaulted derivatives clearing member;

(g) further assessments on other non-defaulting derivatives clearing members not participating in the same Contract Class as the defaulted derivatives clearing member; and

(h) any other contributions to the SGX-DC Clearing Fund.

The rules of SGX-DC provide for SGX-DC to continually draw down resources in the above sequence in the event of multiple defaults occurring within a period of 90 days. Upon utilisation of the SGX-DC Clearing Fund, SGX-DC will be obliged to contribute at least 25% of the SGX-DC Clearing Fund size in relation to paragraph 33(b) and 33(e) above.

The Group has committed cash amounting to $150,021,000 (2014: $150,021,000) (Note 3) to support the SGX-DC Clearing Fund in relation to the following:

(i) SGX-DC capital, $102,000,000 (2014: $102,000,000);

(ii) Derivatives clearing fund reserve, $34,021,000 (2014: $34,021,000) (Note 20); and

(iii) Other SGX-DC's contributions, $14,000,000 (2014: $14,000,000).

Except for the $150,021,000 (2014: $150,021,000) mentioned above, other resources available for the SGX-DC Clearing Fund are not included in the consolidated statement of financial position of the Group. These are third party obligations towards the SGX-DC Clearing Fund and where they are held by SGX-DC, these resources are held in trust (Note 34(a)(iii)).

34. Security, margin and other deposits

The Group, in its normal course of business, through subsidiaries operating as clearing houses, holds assets in trust or contingent assets such as irrevocable letters of credit, government securities or on-demand guarantees. None of these assets or contingent assets, together with the corresponding liabilities, are included in the consolidated statement of financial position of the Group.

(a) Singapore Exchange Derivatives Clearing Limited ("SGX-DC")

(i) Margin deposits

As the clearing house for futures and options traded on Singapore Exchange Derivatives Trading Limited ("SGX-DT"), Over-The-Counter ("OTC") commodities contracts and Over-The-Counter Financial ("OTCF") derivatives contracts, SGX-DC becomes the novated counterparty for these derivative instruments.

The rules of SGX-DC require its derivatives clearing members to provide collateral in the form acceptable to SGX-DC as margin deposits to guarantee the performance of the obligations associated with derivative instruments positions.

The total margins required by SGX-DC at 30 June 2015 were approximately $6,489,597,000 (2014: $4,706,108,000).

As at 30 June 2015, clearing members had lodged the following collateral with SGX-DC:

	2015 $'000	2014 $'000
Margin deposits		
Cash	**7,288,661**	5,231,288
Quoted government securities, at fair value	**1,034,307**	1,283,963

All cash deposits are placed in interest-bearing accounts with banks. Interest earned on the cash deposits is credited to the derivatives clearing members, with a portion retained by SGX-DC.

(ii) Performance deposits and deposits received for contract value

For commodities contracts which are physically-settled, the rules of SGX-DC and its contract specifications require its clearing members to provide collateral in the form acceptable to SGX-DC as performance deposits to secure the performance of a delivery contract. In its capacity as escrow agent to the physical delivery of the contract, SGX-DC also collects the contract value of the commodities to be delivered through the exchange.

As at 30 June 2015, the following were lodged with SGX-DC for performance deposits purposes:

	2015 $'000	2014 $'000
Performance deposits and deposits received for contract value		
Cash	**538**	57

34. Security, margin and other deposits

(a) Singapore Exchange Derivatives Clearing Limited ("SGX-DC") (continued)

(iii) Security and other deposits

The rules of SGX-DC require its clearing members to deposit security for their derivatives clearing obligations to SGX-DC:

(1) Clearing Members who clear exchange-traded derivatives and OTC commodities contracts are required to post the higher of $1,000,000 or 3.0% of the daily average of risk margin during the preceding three-month period, in cash, government securities or any forms of collateral acceptable to SGX-DC;

(2) Clearing Members who clear OTCF derivatives contracts are required to post the higher of US$5,000,000 or 6.0% of the daily average of risk margin during the preceding three-month period, in cash or government securities or any forms of collateral acceptable to SGX-DC;

(3) Clearing Members who clear exchange-traded derivatives, OTC commodities contracts and OTCF derivatives contracts will be required to post the aggregate of (1) and (2).

As at 30 June 2015, the following security and other deposits were lodged with SGX-DC for clearing fund purpose:

	2015 $'000	2014 $'000
Security and other deposits		
Cash	**461,729**	379,745
Quoted government securities, at fair value	**6,448**	6,481

(iv) Collateral for Mutual Offset Settlement Agreement

As at 30 June 2015, irrevocable letters of credit amounting to approximately $618,654,000 (2014: $574,318,000) were lodged by The Chicago Mercantile Exchange with SGX-DC. This is to fulfill collateral requirements under the Mutual Offset Settlement Agreement.

(b) The Central Depository (Pte) Limited ("CDP")

(i) Margin and other deposits

As the clearing house for securities and marginable futures contracts traded on Singapore Exchange Securities Trading Limited ("SGX-ST"), CDP becomes the novated counterparty for these instruments.

The rules of CDP require its clearing members to provide collateral in the form acceptable to CDP as margin deposits to guarantee the performance of the obligations associated with marginable futures contracts and securities traded on SGX-ST. The total collateral required by CDP at 30 June 2015 were approximately $35,566,000 (2014: $46,116,000).

In addition, the CDP Clearing Rules provides that CDP may request its clearing members to place additional collateral with CDP in respect of its securities clearing activities from time to time.

Forms of collateral acceptable by CDP as margins include cash, government securities, selected common stocks and other instruments as approved by CDP from time to time.

As at 30 June 2015, clearing members had lodged the following collateral with CDP:

	2015 $'000	2014 $'000
Margin deposits		
Cash	**120,535**	120,068
Other collateral		
Irrevocable letters of credit	**20,000**	20,000

All cash deposits in the financial year are placed in interest-bearing accounts with banks. Interest earned on the cash deposits is credited to the securities clearing members, with a portion retained by CDP.

35. Financial requirements

(a) SGX-DC

The rules of SGX-DC impose financial requirements on its clearing members. As at 30 June 2015, clearing members had lodged the following collateral with SGX-DC to support their financial requirements:

	2015 $'000	2014 $'000
Cash	**581,659**	1,011,288
Irrevocable letters of credit	**–**	30,950

(b) CDP

The rules of CDP impose financial requirements on its clearing members. As at 30 June 2015, clearing members had lodged the following collateral with CDP to support their financial requirements:

	2015 $'000	2014 $'000
Cash	**10,000**	10,000

None of these assets or contingent assets nor the corresponding liabilities are included in the consolidated statement of financial position of the Group.

36. Collaterals for Securities Borrowing and Lending

CDP offers Securities Borrowing and Lending ("SBL") services to its account holders and Depository Agents. SBL involves temporary transfer of securities from a lender to a borrower, via CDP, for a fee. The SBL Scheme requires the borrowers of securities to provide collateral in the form of cash and certain designated securities.

As at 30 June 2015, borrowers had lodged the following collateral with CDP for SBL purpose:

	2015 $'000	2014 $'000
Cash	**20,797**	28,147
Securities, at fair value	**18,790**	16,518

None of these assets or contingent assets nor the corresponding liabilities are included in the consolidated statement of financial position of the Group.

37. Contingent liabilities

At the balance sheet date, the Group and the Company's contingent liabilities are as follows:

	The Group		**The Company**	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Unsecured guarantees by SGX-DC to banks for standby letters of credit issued by the banks to Chicago Mercantile Exchange ("CME") for members' open positions on CME. These guarantees are supported by members' collateral balances (Note 34(a))	**476,094**	423,247	**–**	–
Cash set aside to support SGX-DC Capital for the SGX-DC Clearing Fund to be utilised in accordance with SGX-DC's Clearing Rules (Note 33)	**102,000**	102,000	**–**	–
Cash set aside for Derivatives clearing fund reserve to support SGX-DC Clearing Fund (Note 33)	**34,021**	34,021	**–**	–
Cash set aside to support SGX-DC Clearing Fund (Note 33)	**14,000**	14,000	**–**	–
	626,115	573,268	**–**	–

38. Commitments

(a) Operating lease commitments

The Group and Company lease its office premises, data centre and equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease payments payable under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Not later than one financial year	**21,017**	20,934	**18,604**	19,677
Later than one financial year but not later than five financial years	**53,704**	62,555	**53,197**	62,077
Later than five financial years	**–**	9,054	**–**	9,054
	74,721	92,543	**71,801**	90,808

(b) Capital commitments

Capital commitments contracted for at year end but not recognised in the financial statements are as follows:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Property, plant and equipment	**–**	2,188	**–**	2,188
Software	**14,873**	1,561	**256**	–
	14,873	3,749	**256**	2,188

39. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Directors' fees and key management's remuneration

Key management's remuneration included fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Group and the Company, and where the Group or the Company did not incur any costs, the value of the benefit is included. The directors' fees and key management's remuneration are as follows:

	The Group	
	2015 $'000	2014 $'000
Salaries and other short-term employee benefits	**13,759**	12,651
Employer's contribution to Central Provident Fund	**120**	85
Share-based payment to key management	**8,195**	5,302
	22,074	18,038

Included in the above is total remuneration to directors of the Company amounting to $10,000,000 (2014: $7,220,000).

During the financial year, 590,800 shares (2014: 516,400 shares) under SGX Performance Share Plan and 590,800 shares (2014: 516,400 shares) under SGX Deferred Long-Term Incentives Scheme were granted to key management of the Group. The shares were granted under the same terms and conditions as those offered to other employees of the Company.

40. Financial risk management

Financial risk management objectives and policies

The Group is exposed to market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk arising from its business activities. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors has overall responsibility for the oversight of financial risk management for the Group. The Risk Management Committee ("RMC") assists the Board in discharging its oversight responsibility. The RMC's primary function is to review, recommend to the Board for approval, and where authority is delegated by the Board, approve:

(a) the type and level of business risks (risk appetite) that the Group undertakes on an integrated basis to achieve its business strategy; and

(b) the frameworks and policies for managing risks that are consistent with its risk appetite.

Management is responsible for identifying, monitoring and managing the Group's financial risk exposures.

The main financial risks that the Group is exposed to and how they are managed are set out below.

Market risk – Currency risk

The Group managed its main currency exposure as follows:

(a) Revenue receivables from clearing of derivative products
Interest receivables from placements of margin deposits

The Group's revenue from the clearing of derivative products is mainly in SGD and USD. Interest receivables from placements of margin deposits with banks are mainly denominated in USD, JPY and Euro. For these receivables denominated in USD, JPY and Euro, the Group manages the currency exposure through currency forward contracts. Upon settlement of the currency forward contracts and payment obligations denominated in foreign currency, any excess foreign currencies are converted back to SGD in a timely manner to minimise currency exposure. As at 30 June 2015 and 30 June 2014, there are no significant currency risk exposures arising from receivables. These receivables are also exposed to credit risks.

(b) Investment in available-for-sale financial asset

The Company has invested in unlisted equity security in BSE. This investment is denominated in INR and forms part of the Group's long-term strategic investments in line with its strategy to position SGX as an Asian Gateway. Management monitors the Group's currency exposure by tracking the INR currency movement on a regular basis. As this investment is long-term in nature, the Group does not hedge the currency exposure of this investment. This investment is also exposed to price risk.

(c) Cash and cash equivalents

As at 30 June 2015 and 30 June 2014, the cash balances of the Group and the Company are mainly denominated in SGD and USD. USD cash balances placed in banks to meet the short-term USD payment obligations were not hedged. The cash balances are also exposed to credit risks.

40. Financial risk management (continued)

Market risk – Currency risk (continued)

The Group and Company's currency exposures are as follows:

	The Group At 30 June 2015					
	SGD [a] $'000	**USD $'000**	**INR $'000**	**HKD $'000**	**Others $'000**	**Total $'000**
Financial assets						
Cash and cash equivalents	**776,543**	**11,435**	**46**	**–**	**1,878**	**789,902**
Trade and other receivables						
– Daily settlement of accounts for due contracts and rights	**355,011**	**60,735**	**–**	**583**	**1**	**416,330**
– Receivables under NEMS	**134,122**	**–**	**–**	**–**	**–**	**134,122**
– Others	**72,029**	**10,815**	**58**	**123**	**3,634**	**86,659**
Securities clearing fund	**60,000**	**–**	**–**	**–**	**–**	**60,000**
Available-for-sale financial asset	**–**	**–**	**50,956**	**–**	**–**	**50,956**
Financial liabilities						
Trade and other payables						
– Daily settlement of accounts for due contracts and rights	**(355,011)**	**(60,735)**	**–**	**(583)**	**(1)**	**(416,330)**
– Payables under NEMS	**(141,402)**	**–**	**–**	**–**	**–**	**(141,402)**
– Others	**(129,431)**	**(32,001)**	**(29)**	**(6)**	**(934)**	**(162,401)**
Currency exposure	**771,861**	**(9,751)**	**51,031**	**117**	**4,578**	**817,836**
Currency forward contracts [b]	**–**	**37,382**	**–**	**–**	**6,649**	**44,031**

[a] The SGD balances have been included for completeness.

[b] Currency forward contracts entered by the Group are to hedge future revenue receivables arising from clearing of various derivative products denominated in USD, interest receivables denominated in USD, JPY and EUR, and capital expenditure denominated in USD.

	The Group At 30 June 2014					
	SGD [a] $'000	USD $'000	INR $'000	HKD $'000	Others $'000	Total $'000
Financial assets						
Cash and cash equivalents	745,472	10,044	13	–	1,335	756,864
Trade and other receivables						
– Daily settlement of accounts for due contracts and rights	413,038	73,472	–	323	–	486,833
– Others	66,382	4,724	16	49	3,626	74,797
Securities clearing fund	60,000	–	–	–	–	60,000
Available-for-sale financial asset	–	–	50,956	–	–	50,956
Financial liabilities						
Trade and other payables						
– Daily settlement of accounts for due contracts and rights	(413,038)	(73,472)	–	(323)	–	(486,833)
– Others	(115,861)	(17,631)	(10)	(1)	(468)	(133,971)
Currency exposure	755,993	(2,863)	50,975	48	4,493	808,646
Currency forward contracts [b]	–	40,739	–	–	–	40,739

[a] The SGD balances have been included for completeness.

[b] Currency forward contracts entered by the Group were to hedge future revenue receivables arising from clearing of various derivative products denominated in USD.

	The Company At 30 June 2015				
	SGD [a] $'000	**USD $'000**	**INR $'000**	**Others $'000**	**Total $'000**
Financial assets					
Cash and cash equivalents	**435,533**	**482**	**46**	**376**	**436,437**
Trade and other receivables	**5,532**	**37**	**58**	**67**	**5,694**
Available-for-sale financial asset	**–**	**–**	**50,956**	**–**	**50,956**
Financial liabilities					
Trade and other payables	**(418,512)**	**(531)**	**(29)**	**(43)**	**(419,115)**
Currency exposure	**22,553**	**(12)**	**51,031**	**400**	**73,972**
Currency forward contracts [b]	**–**	**1,614**	**–**	**–**	**1,614**

[a] The SGD balances have been included for completeness.
[b] Currency forward contracts entered by the Company are to hedge capital expenditure denominated in USD.

	The Company At 30 June 2014				
	SGD [a] $'000	USD $'000	INR $'000	Others $'000	Total $'000
Financial assets					
Cash and cash equivalents	419,594	909	13	29	420,545
Trade and other receivables	24,900	74	16	73	25,063
Available-for-sale financial asset	–	–	50,956	–	50,956
Financial liabilities					
Trade and other payables	(358,989)	(61)	(10)	(33)	(359,093)
Currency exposure	85,505	922	50,975	69	137,471

[a] The SGD balances have been included for completeness.

A currency risk sensitivity analysis is not provided as the Group and the Company are not expected to have significant currency exposures other than from available-for-sale financial asset.

The currency risk sensitivity analysis for available-for-sale financial asset is included within the price risk sensitivity analysis.

Market risk – Price risk

The Group manages the price risk of its investment in available-for-sale financial asset as follows:

The investment in BSE is an unlisted long-term strategic investment. The management of SGX regularly monitors the latest developments and business performance of BSE and assesses the financial performance of BSE on an on-going basis.

The impact on profit after tax and other comprehensive income would be as follows should the fair value of BSE change by 10% (2014: 10%) with all other variables being held constant:

	Increase/(decrease)			
	2015		2014	
	Profit after tax $'000	**Other comprehensive income $'000**	Profit after tax $'000	Other comprehensive income $'000
The Group and The Company				
Fair value of BSE				
– increased by	**–**	**5,096**	–	5,096
– decreased by	**(5,096)**	**–**	(5,096)	–

40. Financial risk management (continued)

Market risk – Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group and the Company are not subject to significant cash flow and fair value interest rate risks as the Group's and the Company's fixed deposit placements are mainly short-term in nature. Fixed deposits are placed with banks that offer the most competitive interest rates.

The tables below set out the Group's and the Company's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

The Group

	Variable rates		Fixed rates				
	Less than 6 months $'000	6 to 12 months $'000	Less than 6 months $'000	6 to 12 months $'000	Over 1 year $'000	Non-interest bearing $'000	Total $'000
At 30 June 2015							
Financial assets							
Cash and cash equivalents	**32,121**	**–**	**696,371**	**50,000**	**–**	**11,410**	**789,902**
Trade and other receivables	**–**	**–**	**8**	**3**	**–**	**637,100**	**637,111**
Securities clearing fund	**–**	**–**	**60,000**	**–**	**–**	**–**	**60,000**
Available-for-sale financial asset	**–**	**–**	**–**	**–**	**–**	**50,956**	**50,956**
Financial liabilities							
Trade and other payables	**–**	**–**	**–**	**–**	**–**	**(720,133)**	**(720,133)**
Net financial assets/(liabilities)	**32,121**	**–**	**756,379**	**50,003**	**–**	**(20,667)**	**817,836**
At 30 June 2014							
Financial assets							
Cash and cash equivalents	17,545	–	424,039	310,522	–	4,758	756,864
Trade and other receivables	–	–	12	5	2	561,611	561,630
Securities clearing fund	–	–	–	60,000	–	–	60,000
Available-for-sale financial asset	–	–	–	–	–	50,956	50,956
Financial liabilities							
Trade and other payables	–	–	–	–	–	(620,804)	(620,804)
Net financial assets/(liabilities)	17,545	–	424,051	370,527	2	(3,479)	808,646

The Company

	Variable rates		Fixed rates				
	Less than 6 months $'000	6 to 12 months $'000	Less than 6 months $'000	6 to 12 months $'000	Over 1 year $'000	Non-interest bearing $'000	Total $'000
At 30 June 2015							
Financial assets							
Cash and cash equivalents	**1,042**	**–**	**426,230**	**–**	**–**	**9,165**	**436,437**
Trade and other receivables	**–**	**–**	**4**	**1**	**–**	**5,689**	**5,694**
Available-for-sale financial asset	**–**	**–**	**–**	**–**	**–**	**50,956**	**50,956**
Financial liabilities							
Trade and other payables	**–**	**–**	**–**	**–**	**–**	**(419,115)**	**(419,115)**
Net financial assets/(liabilities)	**1,042**	**–**	**426,234**	**1**	**–**	**(353,305)**	**73,972**
At 30 June 2014							
Financial assets							
Cash and cash equivalents	1,748	–	307,780	108,500	–	2,517	420,545
Trade and other receivables	–	–	7	3	2	25,051	25,063
Available-for-sale financial asset	–	–	–	–	–	50,956	50,956
Financial liabilities							
Trade and other payables	–	–	–	–	–	(359,093)	(359,093)
Net financial assets/(liabilities)	1,748	–	307,787	108,503	2	(280,569)	137,471

As the Group and the Company are not exposed to significant interest rate risks, a sensitivity analysis is not provided.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are trade receivables and cash deposits.

The Group manages its main credit exposures as follows:

(a) Trade receivables (excluding balances arising from clearing and settlement of trades and NEMS)

Trade receivables of the Group and the Company comprise receivables from trading and clearing members, listed companies and other entities. Exposure from these trade receivables is continuously monitored and followed up by Finance and relevant business units.

Management believes that the credit risk with respect to trade receivables is limited. Impairment allowances are made for debts that are outstanding above 360 days and debtors that are under judicial management, scheme of arrangement or other financial difficulties. Management believes that there is no other additional credit risk beyond the amount of allowance for impairment made in these financial statements.

The Group, excluding the balances arising from clearing and settlement of trade, has no significant concentration of credit risk on its trade receivables.

The Company has 8 (2014: 8) debtors that represented 40% (2014: 44%) of the remaining trade receivables.

40. Financial risk management (continued)

Credit risk (continued)

(b) Cash deposits

Cash balances of the Group and the Company are mainly placed in fixed deposits with financial institutions of high credit quality. The Board has approved policies that limit the maximum credit exposure to each financial institution. Exposure and compliance with counterparty limits set by the RMC are monitored by the relevant business units and reported by the Risk Management unit to the RMC. The Group placed 78% (2014: 73%) of its cash and cash equivalents with 4 (2014: 4) banks. The Company placed 93% (2014: 87%) of its cash and cash equivalents with 4 (2014: 4) banks.

The maximum exposure to credit risk for trade receivables and cash deposits is the carrying amount of the financial assets presented on the statement of financial position as the Group and the Company do not hold any collateral against these financial assets.

As clearing houses, SGX-DC and CDP have general lien on all monies and other properties deposited by clearing members. The clearing house may combine any account of the clearing member with its liabilities to the clearing house. Such funds may be applied towards satisfaction of liabilities of the clearing member to the clearing house.

(c) Clearing and settlement

In the normal course of business as clearing houses, SGX-DC and CDP act as central counterparties ("CCP") for every transaction received by or matched through the Group's facilities. As CCP, each clearing house substitutes itself as the buyer to the selling clearing member, and seller to the buying clearing member, and assumes all rights and obligations to the counterparty. As a result, each clearing house faces considerable credit risk exposure should any of its clearing members be unable to meet its settlement obligations, resulting in a default on the clearing house. The Group has in place a sound and transparent risk management and regulatory framework governing the operations of securities and derivatives markets. On an on-going basis, the Group mitigates its counterparty risk through active monitoring and management of its exposure to clearing members by having in place a system of financial safeguards.

Credit risk management practices

The Group mitigates its exposures to risk by admitting clearing members which meet prescribed capital and financial requirements and have risk management systems to monitor their exposures. On an on-going basis, a clearing member must continue to comply with the financial requirements, and also set aside capital commensurate with its risk exposures. In addition, it must ensure that it has the necessary systems and procedures to preserve sound liquidity and financial position at all times.

Both SGX-DC and CDP have well-established risk management systems to monitor and measure the risk exposures of its members. In addition, SGX-DC and CDP require all derivative positions, securities contracts and marginable futures contracts to be sufficiently collateralised at all times and these collaterals protect SGX-DC and CDP against potential losses. SGX-DC also revalues and settles the daily mark-to-market variations with clearing members to prevent losses from accumulating. CDP requires all positions in securities contracts and Extended Settlement Contracts, being marginable futures contracts, to be sufficiently collateralised and these collaterals protect CDP against cumulative mark-to-market and potential losses. CDP also requires clearing members to monitor compliance with risk management measures such as monitoring for large exposures.

Financial safeguards

A clearing fund has been established for each of the securities and derivatives markets to be used in support of the clearing houses' roles as CCP. The Group and the relevant clearing members are required to contribute to the respective clearing funds.

Trade receivables arising from settlement of securities trades

Settlement for all securities transactions of securities clearing members are effected through the Group's subsidiary, CDP. Such settlements can be effected through designated settlement banks.

The "receivables from clearing members and settlement banks" included in trade receivables represent the aggregate of net settlement obligations of each of the clearing members and settlement banks to CDP for the last three trading days of the financial year. At 30 June 2015, there were 25 (2014: 26) securities clearing members and 6 (2014: 6) designated settlement banks. The Group may have concentration risk exposure to these securities clearing members and settlement banks with regards to their net settlement obligations to CDP. The settlement exposure of CDP to each securities clearing member or settlement bank fluctuates daily according to the net trading position (net buy or net sell) of each securities clearing member and the extent to which these settlement obligations are effected through the settlement banks.

(d) Receivables under NEMS

In relation to NEMS receivables in Note 5, EMC is required to ensure that market participants maintain certain levels of prudential security in discharging its obligations under the NEMS Market Rules. EMC is entitled to recover any default receivables from all market participants under the Market Rule and credit risk exposure to NEMS receivables is minimised.

Under the Market Rules, each market participant has to provide credit support which is not less than 30 times of individual estimated average daily exposure. The Market Rules specify the type of credit support to be provided and assigned to EMC. These include bankers' guarantees or irrevocable commercial letter of credit from reputable financial institutions, cash deposits and Singapore Government Treasury bills. The credit support received as at 30 June 2015 were in the form of bankers' guarantees and cash deposits and have an aggregate value of $328,953,000. There is no significant concentration of credit risk for receivables under NEMS.

(e) Financial assets that are neither past due nor impaired

All of the Group's cash deposits are not impaired as the deposits are placed with banks of high credit quality.

Trade receivables that are neither past due nor impaired comprise companies with good collection track record with the Group. As at 30 June 2015, 99.2% (2014: 98.1%) and 91.9% (2014: 92.1%) of the Group and the Company's trade receivables fall into this category.

(f) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Past due up to 90 days	**2,893**	7,054	**293**	246
Past due 91 days to 360 days	**228**	1,111	**61**	156
	3,121	8,165	**354**	402

40. Financial risk management (continued)

Credit risk (continued)

(f) Financial assets that are past due and/or impaired (continued)

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	The Group		The Company	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Gross amount	**1,654**	2,162	**5**	21
Less: Allowance for impairment	**(1,654)**	(2,162)	**(5)**	(21)
	–	–	**–**	–
Balance at beginning of financial year	**2,162**	2,097	**21**	–
Allowance made	**1,422**	1,281	**345**	35
Allowance utilised	**(879)**	(331)	**-**	-
Allowance written back	**(1,051)**	(885)	**(361)**	(14)
Balance at end of financial year	**1,654**	2,162	**5**	21

Liquidity risk

(a) Liabilities related risk

The Group has minimal liquidity risk as it maintains sufficient cash for daily operations through prudent liquidity risk management. The Group has no external borrowings.

The financial liabilities of the Group and Company are analysed into the relevant maturity buckets based on the remaining period from the balance sheet date to the contractual maturity dates. The amounts disclosed in the table below are contractual undiscounted cash flows.

The Group

	Up to 3 months $'000	> 3 months to 1 year	Above 1 year $'000	Total $'000
At 30 June 2015				
Financial liabilities				
Trade and other payables [c]	**718,298**	**28**	**1,807**	**720,133**

[c] Included the following:
- $416,330,000 payables to clearing members and settlement banks for daily settlement of accounts for due contracts and rights with a corresponding amount in trade receivables; and
- $141,402,000 payables under NEMS with corresponding amounts in cash and cash equivalents and trade receivables.

	Up to 3 months $'000	> 3 months to 1 year $'000	Above 1 year $'000	Total $'000
At 30 June 2014				
Financial liabilities				
Trade and other payables [d]	615,637	-	5,167	620,804

[d] Included $486,833,000 payables to clearing members and settlement banks for daily settlement of accounts for due contracts and rights with a corresponding amount in trade receivables.

The Company

	Up to 3 months $'000	> 3 months to 1 year $'000	Above 1 year	Total
At 30 June 2015				
Financial liabilities				
Trade and other payables	**419,115**	**–**	**–**	**419,115**
At 30 June 2014				
Financial liabilities				
Trade and other payables	359,093	–	–	359,093

As at 30 June 2015, the gross notional value of outstanding currency forward contracts held by the Group was $44,031,000 (2014: $40,739,000) and the gross notional value of outstanding currency forward contracts held by the Company was $1,614,000 (2014: Nil). The Group and the Company's outstanding currency forward contracts that would be settled on a gross basis are analysed into relevant maturity buckets based on the remaining contractual maturity dates as follows:

	At 30 June 2015			At 30 June 2014		
The Group	**Up to 3 months $'000**	**> 3 months to 1 year $'000**	**Total $'000**	Up to 3 months $'000	> 3 months to 1 year $'000	Total $'000
Currency forward contracts						
– gross outflows	**20,958**	**23,087**	**44,045**	19,616	21,107	40,723
– gross inflows	**21,085**	**23,187**	**44,272**	19,797	21,398	41,195

	At 30 June 2015			At 30 June 2014		
The Company	**Up to 3 months $'000**	**> 3 months to 1 year $'000**	**Total $'000**	Up to 3 months $'000	> 3 months to 1 year $'000	Total $'000
Currency forward contracts						
– gross outflows	**1,528**	**–**	**1,528**	–	–	–
– gross inflows	**1,614**	**–**	**1,614**	–	–	–

(b) Contingent liabilities related risk

At the balance sheet date, the following guarantees may impact the liquidity positions in the earliest period in which the guarantees are called upon:

	The Group		**The Company**	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Unsecured guarantees by SGX-DC to banks for standby letters of credit issued by the banks to Chicago Mercantile Exchange	**476,094**	423,247	**–**	–

The settlement obligation of the above contingent liabilities is not determinable as the obligation arises from the occurrence of future events that are not within the control of the Group and the Company.

(c) Clearing and settlement-related risk

The clearing houses of the Group, CDP and SGX-DC, act as the novated counterparty for transactions of approved securities and derivatives. The Group is exposed to liquidity risk should any clearing member default. The Group has secured sufficient committed bank credit facilities of $974,000,000 (2014: $502,000,000), comprising $200,000,000 (2014: $200,000,000) committed share financing and $774,000,000 (2014: $302,000,000) committed unsecured credit lines, for prudent risk management and maintaining adequate liquidity resources.

40. Financial risk management (continued)

Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
The Group				
At 30 June 2015				
Assets				
Available-for-sale financial asset	**–**	**–**	**50,956**	**50,956**
Derivative financial instruments	**–**	**311**	**–**	**311**
Liabilities				
Derivative financial instruments	**–**	**84**	**–**	**84**
At 30 June 2014				
Assets				
Available-for-sale financial asset	–	–	50,956	50,956
Derivative financial instruments	–	472	–	472
The Company				
At 30 June 2015				
Assets				
Available-for-sale financial asset	**–**	**–**	**50,956**	**50,956**
Derivative financial instruments	**–**	**86**	**–**	**86**
At 30 June 2014				
Assets				
Available-for-sale financial asset	–	–	50,956	50,956

There were no transfers between Level 1 and 2 during the year.

The fair values of currency forward contracts have been calculated using the rates quoted by the Group's bankers to terminate the contracts at the balance sheet date.

The fair value of available-for-sale financial asset is determined by using the valuation technique, discounted cash flow analysis, as the asset is not traded in an active market.

The available-for-sale financial asset has been classified under Level 3 in the fair value measurement hierarchy as the valuation technique includes market premium on the discount rate, which is an unobservable market data. The movement in fair value arising from reasonably possible changes to the market premium on the discount rate is assessed to be insignificant.

There were no movements in the profit or loss and other comprehensive income for Level 3 instruments for the financial year ended 30 June 2015 (2014: Nil).

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables are assumed to approximate their fair values.

Offsetting financial assets and financial liabilities

The Group reports financial assets and financial liabilities on a net basis on the statement of financial position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liabilities simultaneously.

The following table shows the effect of netting arrangements on financial assets and liabilities that are reported net on the statement of financial position.

(a) Financial assets subject to offsetting arrangements

As at 30 June 2015

	Gross amounts of recognised financial assets $'000	Less: Gross amounts of recognised financial liabilities set off in the statement of financial position $'000	Net amounts of financial assets presented in the statement of financial position [1] $'000
Receivables from clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	**5,309,323**	**(4,892,993)**	**416,330**

[1] The collaterals deposited by clearing members and settlement banks cannot be attributed directly to the individual transactions. For information on the collaterals, please refer to Note 34(b).

As at 30 June 2014

	Gross amounts of recognised financial assets $'000	Less: Gross amounts of recognised financial liabilities set off in the statement of financial position $'000	Net amounts of financial assets presented in the statement of financial position [1] $'000
Receivables from clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	**4,526,305**	**(4,039,472)**	**486,833**

[1] The collaterals deposited by clearing members and settlement banks cannot be attributed directly to the individual transactions. For information on the collaterals, please refer to Note 34(b).

(b) Financial liabilities subject to offsetting arrangements

As at 30 June 2015

	Gross amounts of recognised financial liabilities $'000	Less: Gross amounts of recognised financial assets set off in the statement of financial position $'000	Net amounts of financial liabilities presented in the statement of financial position [1] $'000
Payables to clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	**5,309,323**	**(4,892,993)**	**416,330**

[1] The collaterals deposited by clearing members and settlement banks cannot be attributed directly to the individual transactions. For information on the collaterals, please refer to Note 34(b).

40. Financial risk management (continued)

Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities subject to offsetting arrangements (continued)

As at 30 June 2014

	Gross amounts of recognised financial liabilities	Less: Gross amounts of recognised financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position [1]
	$'000	$'000	$'000
Payables to clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	4,526,305	(4,039,472)	486,833

[1] The collaterals deposited by clearing members and settlement banks cannot be attributed directly to the individual transactions. For information on the collaterals, please refer to Note 34(b).

41. Capital requirement and management

The Group's capital management objectives are to optimise returns to shareholders whilst supporting the growth requirements of the business and fulfilling its obligations to the relevant regulatory authorities and other stakeholders.

Effective 1 July 2008, the Group is required, under the Regulatory Capital Framework ("the Framework") formalised by the Monetary Authority of Singapore to maintain adequate financial resources to meet prudential requirements that commensurate with the operational risk, investment risk and the counterparty default risk arising from its central counterparty clearing and settlement activities. With respect to the counterparty default risk, each of the Group's clearing house subsidiaries is required to contribute capital to maintain a clearing fund that is sufficient to cover simultaneous default of the member that is responsible for largest credit exposure, its affiliates and the two financially weakest members under simulated extreme but plausible market conditions. The Group has been in compliance with the Framework since 1 July 2008.

Given the dynamic nature of the Group's business and the framework, the Group regularly reviews and monitors its capital position to ensure that the business activities and growth are prudently funded. In addition, the Group will seek opportunities to optimise shareholders' returns by creating a more efficient capital structure to reduce the overall cost of capital. In line with its dividend policy, SGX maintains a base dividend commitment to its shareholders.

42. New accounting standards and FRS interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 July 2015 or later periods and which the Group has not early adopted:

FRS	Title	Effective date (annual periods beginning on or after)
Amendments to FRS 27	Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 16 and FRS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 111	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 110 and FRS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 1	Disclosure Initiative	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28	Investment Entities: Applying the Consolidation Exception	1 January 2016
Improvements to FRS 34	Interim Financial Reporting	1 January 2016
Amendments to FRS 115	Revenue from Contracts with Customers	1 January 2017
FRS 109	Financial Instruments	1 January 2018

The Group is presently assessing the impact of adopting these new accounting standards, amendments and interpretations. The Group has not considered the impact of accounting standards issued after the balance sheet date.

43. Authorisation of financial statements

These financial statements have been authorised for issue by the Board of Directors on 29 July 2015.

Statistics of Shareholdings

as at 3 August 2015

Share Capital	:	S$ 410,553,725.94
Number of Issued and Paid-up Shares	:	1,071,642,400
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

Distribution Of Shareholdings

Size of shareholdings	No. of shareholders	%	No. of shares (excluding treasury shares)	%[1]
1 – 99	91	0.25	3,007	0.00
100 – 1,000	11,111	30.12	10,882,858	1.02
1,001 – 10,000	21,844	59.22	86,706,885	8.10
10,001 – 1,000,000	3,812	10.34	154,072,782	14.40
1,000,001 and above	27	0.07	818,489,791	76.48
Total	**36,885**	**100.00**	**1,070,155,323**	**100.00**

Based on information available to the Company as at **3 August 2015** approximately 99.92% of the issued ordinary shares of the Company are held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

Twenty Largest Shareholders

No.	Name	No. of shares	%[1]
1.	SEL HOLDINGS PTE LTD[2]	249,991,184	23.36
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	198,566,050	18.55
3.	DBS NOMINEES (PRIVATE) LTD	105,461,500	9.85
4.	HSBC (SINGAPORE) NOMINEES PTE LTD	76,606,835	7.16
5.	DBSN SERVICES PTE. LTD.	60,964,672	5.70
6.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	39,701,553	3.71
7.	RAFFLES NOMINEES (PTE) LIMITED	20,317,174	1.90
8.	BNP PARIBAS SECURITIES SERVICES	12,348,188	1.15
9.	PHILLIP SECURITIES PTE LTD	9,004,112	0.84
10.	BANK OF SINGAPORE NOMINEES PTE. LTD.	8,693,453	0.81
11.	DB NOMINEES (SINGAPORE) PTE LTD	4,539,559	0.42
12.	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,311,300	0.31
13.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	3,215,131	0.30
14.	UOB KAY HIAN PRIVATE LIMITED	3,179,100	0.30
15.	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	3,159,670	0.30
16.	CDP NOMINEES PTE LTD	2,550,000	0.24
17.	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	2,330,627	0.22
18.	OCBC SECURITIES PRIVATE LIMITED	2,216,783	0.21
19.	WONG KONG CHOO	1,810,300	0.17
20.	LEONG KHUEN NYEAN	1,718,200	0.16
	Total	**809,685,391**	**75.66**

Treasury Shares

Number of ordinary shares held in treasury: **1,487,077**

Percentage of such holding against the total number of issued ordinary shares (excluding ordinary shares held in treasury): **0.14%**[1]

Substantial Shareholders

According to the Register of Substantial Shareholders maintained by the Company, the Company had no substantial as at **3 August 2015**.

[1] Percentage is calculated based on the total number of issued shares, excluding treasury shares of the Company.

[2] Pursuant to section 11(2)(b) of the Exchanges (Demutualisation & Merger) Act 1999 (the "Merger Act"), SEL Holdings Pte Ltd ("SEL"), being the special purpose company set up under the Merger Act to hold the SGX shares for the benefit of the Financial Sector Development Fund, shall not exercise or control the exercise of votes attached to the SGX shares. Owing to the restriction in the exercise of votes attached to the shares, SEL is not regarded as a substantial shareholder of SGX.

Notice of Annual General Meeting

Singapore Exchange Limited
Company Registration No. 199904940D
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting of Singapore Exchange Limited (the "Company") will be held at Level 3, Summit 1, Suntec International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 September 2015 at 10.00 a.m. to transact the following business:

(A) ORDINARY BUSINESS

1 To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 30 June 2015 and the Auditor's Report thereon. **Ordinary Resolution 1**

2 To declare a final tax exempt dividend amounting to 16 cents per share for the financial year ended 30 June 2015 ("Final Dividend"). **Ordinary Resolution 2**

(Same as for FY2014: 16 cents per share)

3 To re-elect the following directors who will be retiring by rotation under Article 99 of the Company's Articles of Association (the "Articles") and who, being eligible, offer themselves for re-election as directors of the Company:

- Mr Thaddeus Beczak; **Ordinary Resolution 3**
- Mr Kevin Kwok; **Ordinary Resolution 4**
- Mr Liew Mun Leong; and **Ordinary Resolution 5**
- Mr Ng Kok Song. **Ordinary Resolution 6**

4 To re-elect Mr Loh Boon Chye who will cease to hold office under Article 104 of the Articles and who, being eligible, offers himself for re-election as a director of the Company. **Ordinary Resolution 7**

5 To approve (i) the sum of $750,000 to be paid to the Chairman as director's fees, and (ii) the provision to him of a car with a driver, for the financial year ending 30 June 2016. **Ordinary Resolution 8**

(Same as for FY2015: $750,000 and a car with a driver)

6 To approve the sum of up to $1,600,000 to be paid to all directors (other than the Chief Executive Officer) as directors' fees for the financial year ending 30 June 2016. **Ordinary Resolution 9**

(FY2015: up to $1,500,000)

7 To re-appoint PricewaterhouseCoopers LLP as Auditor of the Company and to authorise the directors to fix their remuneration. **Ordinary Resolution 10**

(B) SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:

8 That authority be and is hereby given to the directors of the Company to: **Ordinary Resolution 11**

(a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and

Notice of Annual General Meeting

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

    (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

    (ii) any subsequent bonus issue or consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the Monetary Authority of Singapore) and the Articles for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

9 That: **Ordinary Resolution 12**

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("Shares") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the SGX-ST and/or any other securities exchange on which the Shares may for the time being be listed and quoted ("Other Exchange"); and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held;

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and

(iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of a Share over the five consecutive trading days on which the Shares are transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

"Maximum Percentage" means that number of issued Shares representing 10 per cent. of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

Notice of Annual General Meeting

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a market purchase of a Share, 105 per cent. of the Average Closing Price of the Shares; and

(ii) in the case of an off-market purchase of a Share, 110 per cent. of the Average Closing Price of the Shares; and

(d) the directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he/she may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

10 That: **Ordinary Resolution 13**

(a) a new performance share plan to be known as the "SGX Performance Share Plan 2015" (the "SGX PSP 2015"), the rules of which, for the purpose of identification, have been subscribed to by the Chairman of the Meeting, under which awards ("Awards") of fully paid-up Shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees of the Company and/or its subsidiaries, details of which are set out in the Letter to Shareholders dated 31 August 2015, be and is hereby approved; and

(b) the directors of the Company be and are hereby authorised:

(i) to establish and administer the SGX PSP 2015; and

(ii) to modify and/or alter the SGX PSP 2015 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the SGX PSP 2015, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the SGX PSP 2015.

(C) TO TRANSACT ANY OTHER BUSINESS AS MAY PROPERLY BE TRANSACTED AT AN ANNUAL GENERAL MEETING

By Order of the Board

Ding Hui Yun
Company Secretary
Singapore Exchange Limited
31 August 2015

Explanatory Notes

Ordinary Resolution 3 is to re-elect Mr Thaddeus Beczak who will be retiring by rotation under Article 99 of the Articles. Mr Beczak is considered an Independent Director. Key information on Mr Beczak is found on page 13 of the Annual Report. There are no material relationships (including immediate family relationships) between Mr Beczak and the other directors or the Company.

Ordinary Resolution 4 is to re-elect Mr Kevin Kwok who will be retiring by rotation under Article 99 of the Articles. Mr Kwok is considered an Independent Director. Key information on Mr Kwok is found on page 15 of the Annual Report. There are no material relationships (including immediate family relationships) between Mr Kwok and the other directors or the Company.

Ordinary Resolution 5 is to re-elect Mr Liew Mun Leong who will be retiring by rotation under Article 99 of the Articles. Mr Liew is considered an Independent Director. Key information on Mr Liew is found on page 16 of the Annual Report. There are no material relationships (including immediate family relationships) between Mr Liew and the other directors or the Company.

Ordinary Resolution 6 is to re-elect Mr Ng Kok Song who will be retiring by rotation under Article 99 of the Articles. Mr Ng is considered an Independent Director. Key information on Mr Ng is found on page 17 of the Annual Report. There are no material relationships (including immediate family relationships) between Mr Ng and the other directors or the Company.

Ordinary Resolution 7 is to re-elect Mr Loh Boon Chye who will be ceasing to hold office under Article 104 of the Articles. Mr Loh is the Chief Executive Officer. Key information on Mr Loh is found on page 13 of the Annual Report. Save as disclosed herein and in the Annual Report, there are no material relationships (including immediate family relationships) between Mr Loh and the other directors or the Company.

Ordinary Resolution 8 is to seek approval for (i) the payment of $750,000 to the Chairman as director's fees for undertaking duties and responsibilities as Chairman of the Board, and (ii) the provision to him of a car with a driver, for the financial year ending 30 June 2016 (which is the same as that approved for the preceding financial year). As in the preceding financial year, the sum of $750,000 does not include any director's fees payable for serving as chairman or member of any Board committee(s) or attendance fees for any Board committee meetings.

Ordinary Resolution 9 is to seek approval for the payment of up to $1,600,000 to all directors (other than the Chief Executive Officer) as directors' fees for the financial year ending 30 June 2016 (up to $1,500,000 for the preceding financial year). The exact amount of director's fees received by each director for the financial year ended 30 June 2015 is disclosed in full in the Annual Report.

The increase of $100,000 over the sum approved for the previous year is to cater for any unforeseen circumstances, for example, the appointment of additional directors or additional members to Board committee(s), or additional unscheduled Board and/or Board committee meetings.

Ordinary Resolution 11 is to empower the directors to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 50 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company (the "50% Limit"), with a sub-limit ("Sub-Limit") of 10 per cent. for issues other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Ordinary Resolution 11 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution 11 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

Although the Listing Manual of the SGX-ST enables the Company to seek a mandate to permit its directors to issue shares up to the 50% Limit if made on a pro rata basis to shareholders, and up to a Sub-Limit of 20 per cent. if made other than on a pro rata basis to shareholders, the Company is nonetheless only seeking a Sub-Limit of 10 per cent. The Company believes that the lower limit sought for the issue of shares made other than on a pro rata basis to shareholders is adequate for the time being and will review this limit annually.

Ordinary Resolution 12 is to renew the mandate to allow the Company to purchase or otherwise acquire Shares, on the terms and subject to the conditions set out in the Resolution.

Notice of Annual General Meeting

The Company intends to use its internal sources of funds to finance its purchase or acquisition of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of Shares purchased or acquired and the price at which such Shares are purchased or acquired.

Based on the existing issued Shares as at 3 August 2015 (the "Latest Practicable Date"), and assuming no further Shares are issued or repurchased, and no Shares are held by the Company as treasury shares, on or prior to the Annual General Meeting, the purchase by the Company of up to the maximum limit of 10 per cent. of its issued Shares will result in the purchase or acquisition of 107,164,240 Shares.

In the case of market purchases by the Company, assuming that the Maximum Price is $8.51 for one Share (being the price equivalent to 5 per cent. above the Average Closing Price of the Shares immediately preceding the Latest Practicable Date), having regard to the Company's share capital and cash and cash equivalents of approximately $428,568,000 and $436,437,000 respectively, the maximum number of Shares the Company is able to purchase or acquire out of capital to be held as treasury shares or to be cancelled for the duration of the proposed Share Purchase Mandate is 50,360,517 Shares representing 4.70 per cent. of the total number of issued Shares as at the Latest Practicable Date.

In the case of off-market purchases by the Company, assuming that the Maximum Price is $8.91 for one Share (being the price equivalent to 10 per cent. above the Average Closing Price of the Shares immediately preceding the Latest Practicable Date), having regard to the Company's share capital and cash and cash equivalents of approximately $428,568,000 and $436,437,000 respectively, the maximum number of Shares the Company is able to purchase or acquire out of capital to be held as treasury shares or to be cancelled for the duration of the proposed Share Purchase Mandate is 48,099,663 Shares representing 4.49 per cent. of the total number of issued Shares as at the Latest Practicable Date.

In the case of market purchases by the Company, assuming that the Maximum Price is $8.51 for one Share (being the price equivalent to 5 per cent. above the Average Closing Price of the Shares immediately preceding the Latest Practicable Date), having regard to the Company's retained profits and cash and cash equivalents of approximately $83,073,000 and $436,437,000 respectively, the maximum number of Shares the Company is able to purchase or acquire out of retained profits to be held as treasury shares or to be cancelled for the duration of the proposed Share Purchase Mandate is 9,761,810 Shares representing 0.91 per cent. of the total number of issued Shares as at the Latest Practicable Date.

In the case of off-market purchases by the Company, assuming that the Maximum Price is $8.91 for one Share (being the price equivalent to 10 per cent. above the Average Closing Price of the Shares immediately preceding the Latest Practicable Date), having regard to the Company's retained profits and cash and cash equivalents of approximately $83,073,000 and $436,437,000 respectively, the maximum number of Shares the Company is able to purchase or acquire out of retained profits to be held as treasury shares or to be cancelled for the duration of the proposed Share Purchase Mandate is 9,323,569 Shares representing 0.87 per cent. of the total number of issued Shares as at the Latest Practicable Date.

The financial effects of the purchase or acquisition of such Shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Company and the Group for the financial year ended 30 June 2015 based on the assumptions set out above are set out in paragraph 2.7 of the Letter to Shareholders dated 31 August 2015.

Ordinary Resolution 13 is to approve the new SGX PSP 2015 to replace the existing SGX Performance Share Plan (which will expire on 21 September 2015). Shareholders' approval is required for the new SGX PSP 2015 pursuant to rule 843(3)(a) of the Listing Manual of the SGX-ST. The aggregate number of new Shares which may be allotted and issued pursuant to the SGX PSP 2015 (and/or any share schemes then in force) cannot exceed 10 per cent. of the total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time. In order to minimise shareholders' concerns against dilution, the current intention is that Shares which are to be delivered upon the vesting of Awards will either be delivered by way of treasury shares or, where new Shares are to be issued, out of the non-pro rata sub-limit under any valid general share issue mandate which may be in place at the relevant time. Please refer to the Letter to Shareholders dated 31 August 2015 for more details.

Notes

(1) Each of the resolutions to be put to the vote of members at the Annual General Meeting (and at any adjournment thereof) will be voted on by way of a poll.

(2) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company. Completion and return of the proxy form by a member will not prevent him/her from attending and voting at the Annual General Meeting if he/she so wishes. In such an event, the appointment of the proxy(ies) for the Annual General Meeting will be deemed to be revoked.

(3) The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must, if sent personally or by post, be deposited at the office of Broadridge (Singapore) Private Limited at 8 Robinson Road #09-00, ASO Building, Singapore 048544 or, if submitted by electronic communication (where the member has signed up for the electronic service provided by the Company to its members to receive notices of meetings, annual reports and other shareholder communications electronically, for online proxy appointment and for the access and use of an SGX-designated website (collectively "Electronic Service") and where such service has been made a vailable), be received via the online proxy appointment process through the Electronic Service, in either case not less than 48 hours before the time appointed for holding the Annual General Meeting.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Books Closure Date And Payment Date For Final Dividend

Subject to the approval of the shareholders for the Final Dividend being obtained at the Annual General Meeting, the Register of Members and the Transfer Books of the Company will be closed from 5.00 p.m. on 2 October 2015 (Friday) up to (and including) 5 October 2015 (Monday) for the purpose of determining shareholders' entitlements to the proposed Final Dividend. The Register of Members and the Transfer Books will re-open on 6 October 2015 (Tuesday).

Duly completed transfers in respect of ordinary shares in the capital of the Company received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at Singapore Land Tower, 50 Raffles Place #32-01, Singapore 048623 up to 5.00 p.m. on 2 October 2015 (Friday) will be registered before entitlements to the proposed Final Dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 2 October 2015 (Friday) will rank for the proposed Final Dividend.

The Final Dividend, if approved by shareholders at the Annual General Meeting, will be paid on 9 October 2015 (Friday).

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