

Your Guide to Sustainability Investing

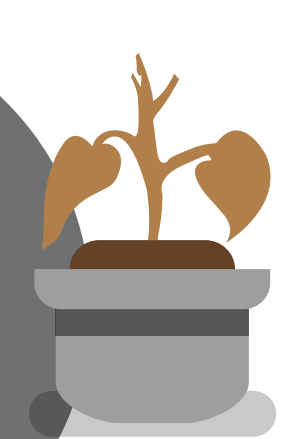
Environmental and social issues can affect a firm's valuation and financial performance – which is why as an investor, it's important for you to understand sustainability investing as it gains momentum globally.

Share prices of firms that endorse sustainability consistently outperform those that have not*.



Factors like environmental, human, sustainability governance and stakeholder relationship affect market value more than financial assets.

Firms emitting excessive toxic wastes or have poor labour practices risk sustainability-related losses.



Find out if a firm is sustainable with ESG!



Environmental

A firm's performance as a steward of the natural environment



Social

Its relationship with its employees, customers, suppliers and community



Governance

Leadership, executive pay, audits, internal controls and shareholder rights

A good ESG profile indicates sustainability; it also encourages sustainability disclosure.

Want to know more about a firm's sustainability practices? Here's what you can do:

- ✓ Request for a standalone sustainability report
- ✓ Look on the company's website
- ✓ Find it within the company's annual report or ask at AGMs



2 ways SGX provides insights on sustainability investing

Sustainability Indices

A suite of indices was launched in May 2016 to identify SGX-listed companies that meet minimum sustainability reporting requirements and are considered sustainability leaders with leading ESG practices.

Sustainability Reporting

In June 2016, we further introduced sustainability reporting on a "comply or explain" basis, and companies are required to publish a sustainability report at least once a year.

[Learn more by downloading our guide on reading sustainability reports](#) ▶

* Eccles, Ioannou & Serafeim / Harvard Business School (2012)

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