



NEXT GEN
INVESTORS ENDOWMENT

FUTURE TRENDS OF ESG

SPEAKER: TIFFANY LIU



KEY TRENDS

- From green to transition
- Stricter ESG reporting and disclosure
- Clearer definitions of sustainability
- ESG is just proper diligence for investors

FROM GREEN TO TRANSITION

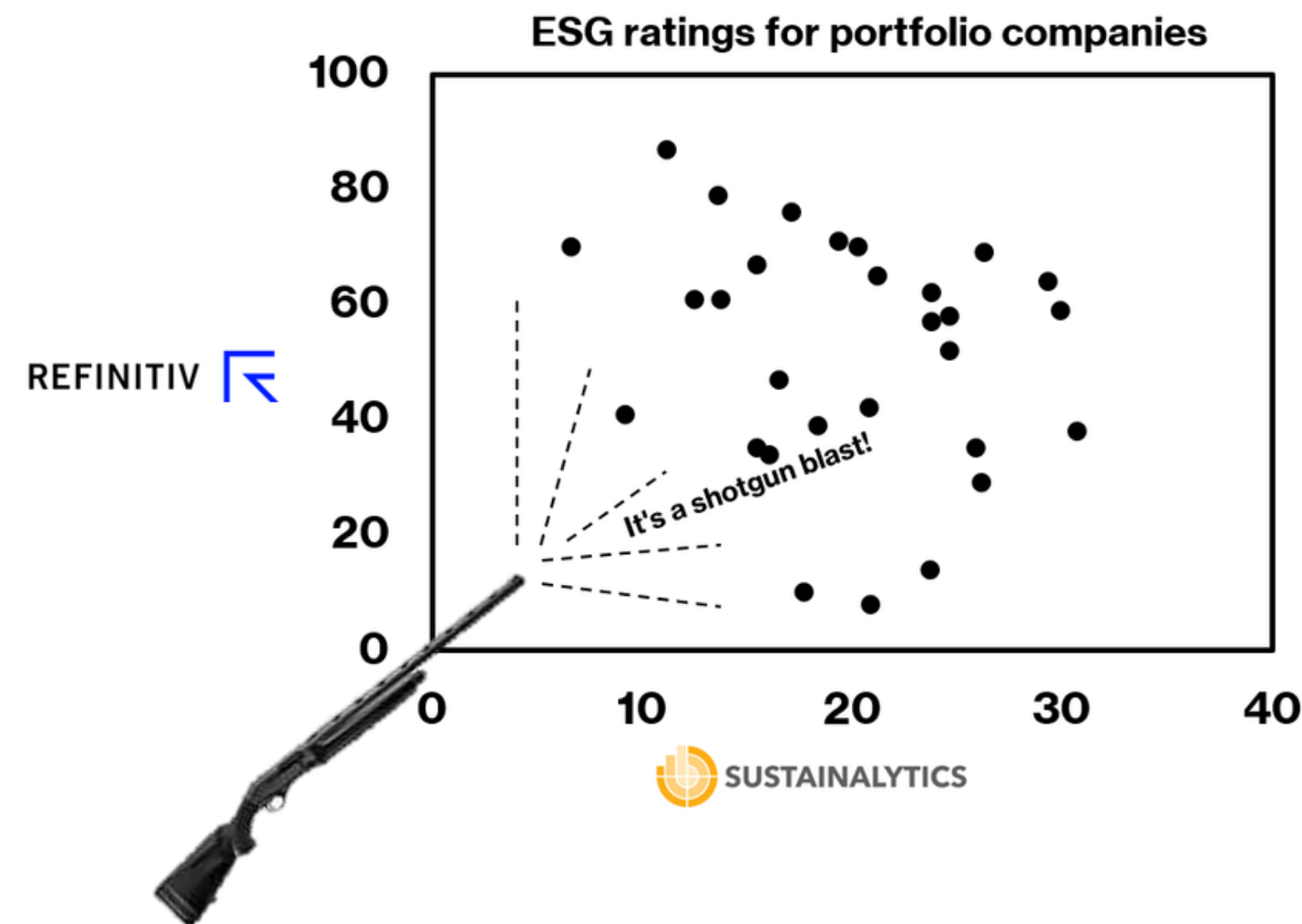
- Instead of only supporting the green, we are also supporting the brown (high-carbon companies) that is transitioning into green.
- This is actually a really important development as effective transition is about greening the entire economy not just growing the green economy.
- Investing in green technologies and renewable energy is important – but they make up less than 8% of the global economy.
- To get to net zero, we must progressively decarbonise all sectors of the economy.

STRICTER ESG REPORTING AND DISCLOSURE

- Singapore Exchange (SGX) Mainboard Rules mandated that a sustainability report must be issued no later than four months after the financial year end, or no later than five months, if the company has conducted external assurance. Such reporting is mandatory for listed companies in the financial, energy, agriculture, food and forest sectors from the 2023 financial year onwards, extending to listed companies in the transportation, materials and building sectors from the 2024 financial year.
- Singapore also plans to mandate climate reporting for all listed companies by financial year (FY) 2025 and large non-listed companies with SG\$1 billion revenue from FY 2027, in line with new standards launched by the International Sustainability Standards Board. This could establish Singapore as the first jurisdiction in Asia to make ISSB-aligned climate reporting compulsory for non-listed companies.
- Listed companies must also set and disclose their board diversity policy in annual reports, with gender specified as an aspect of diversity that should be encapsulated. The policy should cover skills, experience and any other relevant aspects of diversity that can serve the needs and plans of the organisation, and indicate targets for achieving such diversity, accompanying plans and timelines.
- The Monetary Authority of Singapore (MAS) published a circular in July 2022 on the Disclosure and Reporting Guidelines for Retail ESG Funds, which requires these funds to provide clear disclosures on their ESG investment objectives and approach, along with relevant criteria, metrics and regular updates on how these objectives are being met.

CLEARER DEFINITIONS OF SUSTAINABILITY

- Cross-border comparison is very difficult due to different definitions in different jurisdictions
- Data inconsistency is also a problem
- Due to the lack of data and ratings consistency, Fidelity has hired 180 analysts to tackle the challenges of identifying comparison baselines and evaluating portfolio companies' ESG performance.



ESG IS JUST PROPER DILIGENCE FOR INVESTORS

- The soft - Reputational risk
- The hard - Financial impact
- Materiality assessment
- Is there anything you can engage on?

[Home](#) > [Market News](#) > [Stocks News](#) > [Nykaa Shares Fall For Sixth Straight Day Amid Resignation Of Five T](#)

Nykaa shares fall for sixth straight day amid resignation of five top executives

The online retailer on Friday announced the resignation of five senior executives.

EXAMPLES OF ESG INVESTING OPPORTUNITIES IN THE PRIVATE MARKET

- Built environment optimization (39% of carbon emissions globally, materials and operating)
- Agriculture and food technology (~20% of carbon emissions globally)
- Carbon accounting software
- The list goes on... But at the end of the day, ESG needs to be bottom line additive.

Q&A

