

## **RESPONSE TO CONSULTATION PAPER ON STARTING WITH A COMMON SET OF CORE ESG METRICS**

Singapore Exchange Regulation invites comments on this Consultation Paper. Please send your responses through any of the following means:

Email	listingrules@sgx.com
Mail	Singapore Exchange Regulation 11 North Buona Vista Drive #06-07, The Metropolis Tower 2 Singapore 138589 (Attention: Listing Policy & Product Admission)

Please include your full name and, where relevant, the organisation you are representing, as well as your email address or contact number so that we may contact you for clarification. Anonymous responses may be disregarded.

SGX may make public all or part of any written submission, and may disclose your identity. You may request confidential treatment for any part of the submission which is proprietary, confidential or commercially sensitive, by clearly marking such information. You may request not to be specifically identified.

Any policy or rule amendment may be subject to regulatory concurrence. For this purpose, you should note that notwithstanding any confidentiality request, we may share your response with the relevant regulator.

By sending a response, you are deemed to have consented to the collection, use and disclosure of personal data that is provided to us for the purpose of this Consultation Paper or other policy or rule proposals.

Please refer to the Consultation Paper for more details on the proposals.

## Respondent's Information

<b>Name(s)</b>	<p>For CFA Society Singapore:</p> <ol style="list-style-type: none"><li>1. Ajay Kumar Kakarania, CFA</li><li>2. Hardik Shah, CFA</li><li>3. Jeffrey Tan, CFA</li><li>4. Kanol Pal, CFA</li><li>5. Karen Lee, CFA</li><li>6. Srishti Gupta, CFA</li><li>7. Suryanarayanan Balasubramanian, CFA</li><li>8. Talha Ameer Khan, CFA</li><li>9. Vu Tien Vy, CFA</li><li>10. Other contributors who wish to remain anonymous</li></ol> <p>For CFA Institute:</p> <ol style="list-style-type: none"><li>1. Mary Leung, CFA</li></ol> <p>CFA Society Singapore held two virtual roundtable discussions on 15 and 17 September 2021 to gather insight and views from members as well as staff from CFA Institute. CFA Society Singapore also gathered views from its members via online surveys.</p>
<b>Organisation (if applicable)</b>	CFA Society Singapore and CFA Institute
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<b>Statement of Interest</b>	

## Disclosure of Identity

Please check the box if you do not wish to be specifically identified as a respondent:

I/We do not wish to be specifically identified as a respondent.

## Consultation Questions

### **Question 1: A Common Set of Core ESG Metrics**

- (a) Do you agree that it is useful to provide guidance for issuers to disclose a common and standardised set of environmental, social and governance (“ESG”) metrics?

Please select one option:

- Yes  
 No

Please give reasons for your view:

1) A common and standardised set of metrics is a starting point for assessment and comparison, more so when the metrics are aligned to metrics, taxonomies and standards employed in the ASEAN, EU, China and US.

Including comments to data also gives context and reasonable insight to data points.

As such, asset managers and investors will be able to make meaningful investment decisions.

2) Comparability of metrics across issuers (including projects) and a consistent taxonomy aligned with global standards may also increase the investor base and improve liquidity on SGX especially for smaller listed companies.

- (b) Do you agree with the list of ESG metrics listed in Part II of the Consultation Paper? Do you have any feedback or suggestions?

Please select one option:

- Yes  
 No

Please give reasons for your view:

1) The ESG metrics are aligned to global standards. For completeness, the list should cover major metrics in global standards such as the 17 SDGs. See response to Question 1(a) for explanation.

2) Additional metrics in Governance could include a) tenure of directors (longest, shortest, on average); b) number of directors with concurrent directorships (and on how many other boards); c) whether there is separation of chair and CEO.

3) Reported ESG data is historical data. There were suggestions to include targets to inform asset managers and investors.

## Question 2: ESG Data Portal

- (a) Do you agree that an ESG data portal with the functionalities described in paragraph 3 of Part I of the Consultation Paper is useful in enhancing alignment between issuers and investors over the use of ESG data? What are some other features you would like to see on the ESG data portal?

Please select one option:

- Yes  
 No

Please give reasons for your view:

We would be more confident in our opinion if we had more details (such as for whom is the portal for; workings of the portal; nature and type of data; quality of data, etc.) of the portal.

We are of the opinion that the portal should be designed for investors as the primary user group. There is tremendous value for such a database to be made available (for no-charge) to investors. And it is important to have: a) time series data (even if not right away); and b) other features and functionalities such as the ability to filter, sort (e.g. by size or by sector), and download functions.

For the data portal to be useful, attention should be paid to the quality of the data including incorporating comments as per response to Question 1(a).

Please also refer to CFA Society Singapore's response to Question #6 (assurance) of the 'Climate and Diversity: The Way' consultation paper dated 26 August 2021.

- (b) Do you agree that the ability to generate sustainability reports directly from the ESG data portal will be useful for issuers?

Please select one option:

- Yes  
 No

Please give reasons for your view:

The portal should help issuers in navigating numerous disclosures and generating annual sustainability reports. However, we are of the opinion that the portal should be designed for investors as the primary user group.

(c) Do you agree that issuers should be required to move towards digital sustainability reporting, including submitting ESG data in widely used digital formats via the data portal? What are the challenges in doing so?

Please select one option:

Yes

No

Please give reasons for your view: