



Centre for Governance and Sustainability  
NUS Business School



Dear reader,

We are excited to share the CGS's July newsletter with the latest reports and commentaries by [CGS researchers](#), led by [Prof Lawrence Loh](#). As a centre that emphasises impact, we couldn't have done it without strong support and engagement from our [advisory board](#) and industry partners.

A hallmark project is the 'Sustainability Impact Awards 2023', where CGS was commissioned by The Business Times to create the assessment framework and criteria as well as conduct assessments for the award. Results have been finalised and the winners will be announced on 3 August 2023. This 'Sustainability Impact Awards' initiative endorses CGS's recognition in the sustainability arena

Another noteworthy initiative was the collaboration with the International ESG Association (IESGA) and Korea University, where we co-hosted the 2023 Global ESG Forum from 26 June to 29 June at NUS University Town. The guest of honour was Dr Amy Khor, Senior Minister of State for the Ministry of Sustainability and the Environment. The global forum attracted over 200 participants and speakers from around the world including representatives and scholars from major universities, corporate research institutes, global companies and embassies.

We hope you will gain as much insight as we have in producing the reports.

Warmest regards,  
Verity Thoi  
Business Development Lead  
CGS, NUS Business School

## Research Initiative and Publications 2023



Launched in Feb, the 'Sustainability Impact Awards' is distinctive from other awards in recognising organization and individual's sustainability impact that goes beyond reporting.

February 2023

[Sustainability Impact Awards 2023](#)



June 2023

[What Impact Means to Digital Economy Companies in S.E.Asia](#)



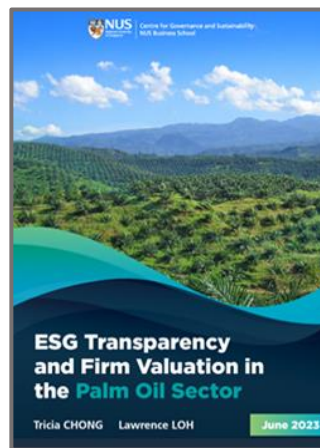
June 2023

[Sustainability Counts II – State of Sustainability Reporting in Asia Pacific](#)



June 2023

[The Path to Sustainable Banking in the Palm Oil Industry](#)



June 2023

[ESG Transparency and Firm Valuation in the Palm Oil Sector](#)

## Media Commentaries and Interview

1. The Business Times published a commentary by CGS on '[Building a Sustainable Digital Economy in S.E.Asia](#)' on 15 June 2023, following CGS and Tech for Good Institute's publication of the '[What Impact Means to Digital Economy Companies in S.E.Asia](#)'.



2. The Business Times published CGS's commentary on [Asia Pacific's Top Companies](#) on 7 June 2023 following its release of the latest '[Sustainability Counts II – State of Sustainability Reporting in Asia Pacific](#)' in Jun 2023.

# Asia-Pacific's top companies need to address crucial gaps in sustainability reporting

Only half have articulated net-zero targets, while two-thirds of board directors and management have yet to undergo some form of sustainability training, adds study

By Michelle Quah

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AS THE push towards net zero intensifies, top companies in Asia still aren't investing the efforts needed to attain such aims. Only half have articulated net zero targets, while two-thirds of board directors and management have yet to undergo some form of sustainability training.

These were among the key findings of a study released by PwC and NUS Business School on Tuesday (Jun 6), during ESGperity Week.

It analysed the sustainability reports of the top 50 listed companies by market capitalisation in 14 jurisdictions - Australia, China, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam.

"The study highlights both the progress and gaps in corporate sustainability reporting across the

Asia Pacific region," said Professor Lawrence Loh, director, Centre for Governance and Sustainability at NUS Business School. "It is crucial to remain vigilant about critical gaps such as net-zero targets, transparency in emissions reporting and sustainability training."

The report, Sustainability Counts II: Sustainability Reporting in Asia Pacific found that, while nine in 10 of the companies had environmental, social and governance (ESG) targets, only half of them (31 per cent) disclosed net-zero targets. And, even fewer (12 per cent) had net-zero targets based on the Science Based Targets initiative (SBTi) framework.

Less than one-fifth (16 per cent) reported having their targets verified by SBTi - which the report said is important for companies to demonstrate that they have in place a science-based pathway for their business to reach net zero.

There was an overall increase in companies' disclosure of identifi-

cal climate-related risks and/or opportunities in their sustainability reporting - from 77 per cent in 2021, to 88 per cent in 2022. This was attributed to the increased adoption of the Task Force on Climate-Related Financial Disclosures framework, where the disclosure of integrating climate-related risks into overall risk management is one of the reporting components.

Companies covered were also found to have increasingly readjusted their business strategies and models to mitigate current climate issues and evolving stakeholder and regulator expectations, compared with a year ago.

Four in five companies disclosed their Scope 1 and 2 greenhouse gas emissions - suggesting that measurement of Scope 1 and 2 emissions is reaching maturity, the report said. Scope 1 refers to direct emissions from company-owned and controlled resources, while Scope 2 covers indirect emissions

generated by purchased energy.

Most companies in the region - except Japan, however, need better completeness in their Scope 3 emissions measurement. Only 58 per cent of companies disclosed their Scope 3 emissions, which are indirect emissions from a company's value chain, and, of these, only 5 per cent said they carried out a comprehensive level of disclosure, which the report said is essential for a fuller picture of a company's carbon emissions and influencing change across its value chain.

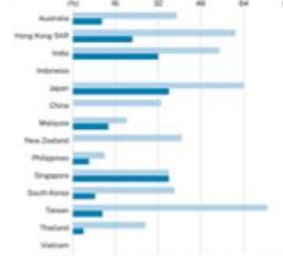
Sustainability upskilling for board and management remains low. Only about one-third (36 per cent) of companies said their board of directors or management has attended or received sustainability training in 2022. That is up from 24 per cent in 2021.

While some progress has been made, the report said, the low rate of training points to the need for sustainability upskilling at the leadership level, so that directors and management can effectively carry out their roles in overseeing their company's sustainability strategy.

Disclosure of net-zero targets

Based on and verified by SBTi

1 Net-zero targets based on SBTi 2 Net-zero targets verified by SBTi



Note: Based on 14 jurisdictions that disclosed net-zero targets. Net-zero targets verified by SBTi are companies which disclosed net-zero targets.

progress and governance.

External assurance of ESG disclosures has been gaining some popularity - with 49 per cent of companies opting for this, up from 37 per cent the year before.

Companies will, however, need to keep an eye on the evolving sustainability reporting landscape, including developing reporting standards and frameworks.

Fang Fu Lin, sustainability and

climate change leader, PwC, Singapore, said: "The challenges businesses face around the interoperability of key sustainability reporting standards, and across multiple jurisdictions, will require companies to develop a strategic road map and an operationalisation plan, while prioritising assurance in sustainability reporting to address rising expectations from investors and stakeholders."

3. Deep insights from CGS's Director, Lawrence Loh in an interview with ESG Clarity on ['Regulation, Greenwashing and Investor Perceptions.'](#)

'Asia is unique in being part of the problem but also the solution, according to Professor Lawrence Loh, director at the Centre for Governance and Sustainability at the National University of Singapore's Business School.'

## NUS Q&A: 'Net zero will not drop from the sky 27 years from now'



by Amala Balakrishner  
10 Jul 2023



## Global Conference

CGS signed a [memorandum of understanding](#) with the International ESG Association from Korea University on 12 July 2023.

IESGA and CGS organised the [2023 Global ESG Forum](#) from 26 June to 29 June at CREATE Tower, University Town. The global forum attracted over 200 participants and speakers from around the world including representatives and scholars from major universities, corporate research institutes, global companies and embassies.

