

SINGAPORE'S SUSTAINABILITY REPORTING ADVISORY COMMITTEE RECOMMENDS MANDATORY CLIMATE REPORTING FOR LISTED AND LARGE NON-LISTED COMPANIES

Appendix – Infographic

Proposed Roadmap to Advance Climate Reporting in Singapore



SRAC's¹ recommendations aim to uphold Singapore's attractiveness as a global business hub while contributing to our national agenda on sustainable development under the Singapore Green Plan 2030.

Benefits of Climate Reporting for Companies



- Manage climate risks
- Potential cost reduction
- Potential increase in revenue
- Employer of choice
- Access to capital & lower cost of capital

Companies required to report using local prescribed standards

- Listed issuers to report from FY2025, followed by non-listed companies with annual revenue of at least \$1 billion from FY2027.
- A review to be conducted in 2027, for non-listed companies with annual revenue of \$100 million to \$1 billion to report around FY2030.
- A non-listed subsidiary is exempted from reporting if its parent (local or foreign) reports prescribed CRD or equivalent and its activities are included.

Local prescribed reporting standards

- Focus on climate reporting for a start.
- Align with requirements of the ISSB standards, with additional reliefs on complex disclosures such as Greenhouse Gas (GHG) Scope 3 emissions.²
- Allow concurrent use of other standards or frameworks in the same report.

External assurance requirements

- Limited assurance on GHG Scope 1 and Scope 2 emissions² to be obtained, two years after climate reporting takes effect.
- ACRA-registered audit firms and SAC³-accredited Testing, Inspection and Certification firms can apply to be registered climate auditors.

Reporting and filing requirements

- Same statutory timelines for circulation, tabling at annual general meetings and filing as those for financial statements.
- Same legal requirements as those for financial reporting, except for internal controls (to be encouraged at this juncture).

¹With support from the Ministry of Finance, Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange Regulation (SGX RegCo) set up Sustainability Reporting Advisory Committee (SRAC). SRAC's roles include advising on a roadmap for wider implementation of sustainability reporting in Singapore.

²Greenhouse gases are categorised as follows:

- Scope 1 emissions are direct GHG emissions that occur from sources that are owned or controlled by an entity;
- Scope 2 emissions are indirect GHG emissions that occur from the generation of purchased electricity, heat or steam consumed by an entity; and
- Scope 3 emissions are indirect emissions outside of Scope 2 emissions that occur in the value chain of the reporting entity, including both upstream and downstream emissions.

³As the national accreditation body, Singapore Accreditation Council (SAC) maintains the integrity and impartiality of conformity assessment practices. SAC builds global trust in Singapore's products and services by strengthening Singapore's technical infrastructure for conformity assessments.