BLACK SUN GLOBAL | STI 30

Reporting and Communications Research

Unlocking *value* through *trust*

Black Sun Global Stakeholder Engagement

A Positive Change Company

SIAS

Singapore's equity market is under growing scrutiny, and investors are looking harder than ever at how companies tell their story. Corporate reports are no longer just compliance documents; they are one of the few moments each year when boards, management and investors can be on the same page about value, risk and long-term direction. *Unlocking Value Through Trust* is about using that moment well.

Against the backdrop of the MAS-backed Equity Market Development Programme (EQDP) and the Value Unlock initiative, this research assesses 30 of Singapore's largest listed companies in the STI30 across more than 60 detailed questions, generating more than 1,800 data points on the quality of trust-building and value-unlocking communications. The result is a clear, comparable view of where reporting currently stands and where gaps in narrative, guidance and transparency may still be holding companies back with investors.

SIAS

Founded in 1999, SIAS was established to give retail investors a stronger voice and to promote greater transparency, accountability, and investor protection in Singapore's capital markets.

Today, SIAS is one of Singapore's largest organised investor groups. We actively promote Investor Education, Corporate Governance and Transparency, and advocate for Investor Rights in Singapore. Through our programmes, dialogues, and outreach initiatives, we help investors make informed decisions while promoting good corporate governance and sustainable value creation. With a strong network of investors, listed companies, regulators, and industry partners, SIAS serves as a trusted bridge between companies and the investing public.

We are Black Sun Global

We're part of the Positive Change Group

We are a global stakeholder engagement agency, working with many of the world's largest and most respected companies to deliver corporate reporting, sustainability communications and digital experiences that make an impact and drive value. With local knowledge and global scale, we bring international experience and seamless delivery wherever our clients are.

Positive Change Group

Connected Expertise • One Vision • Creating Positive Change

People-Made
Employer Brand & Culture

Black Sun Global
Reporting & Digital Engagement

Stratton Craig
Storytelling & Communications

We bring connected expertise, scalable delivery, and an AI-first mindset

Aligning culture and reputation to help businesses lead with clarity and deliver real, measurable impact.

Our three practice areas

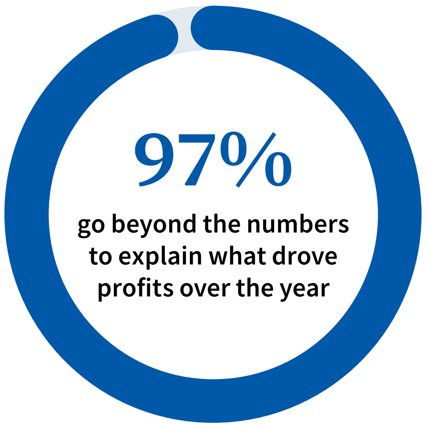
- Social Impact, ESG & Sustainability
- Employee Experience & Culture
- Reporting & Financial Communications

Purposeful

Do purpose, values and culture actually impact strategic and operational delivery?

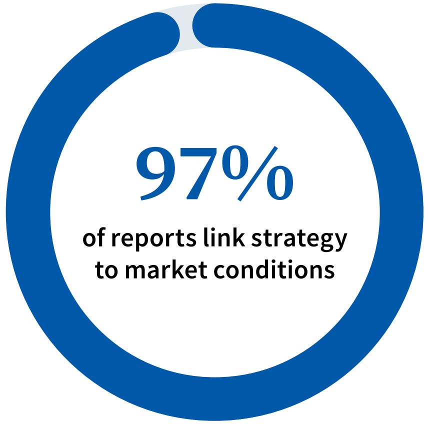
Value-focused & material

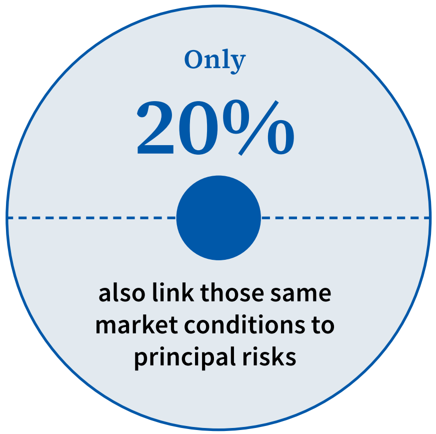
Is it clear how companies are creating shareholder and stakeholder value?



Strategically aligned

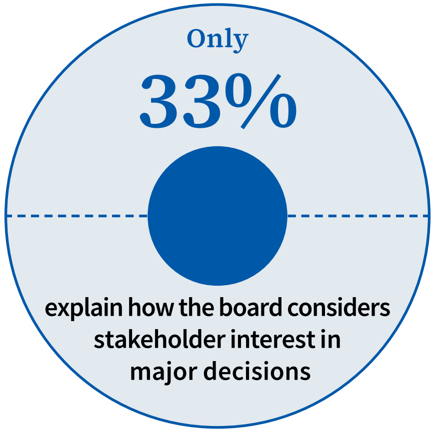
Are strategy, performance and measurement clearly delivered as a unifying thread across reporting?





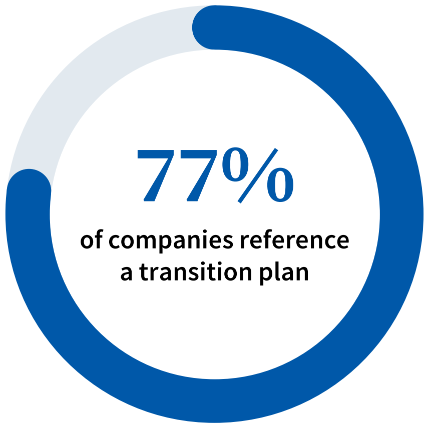
Stakeholder-driven

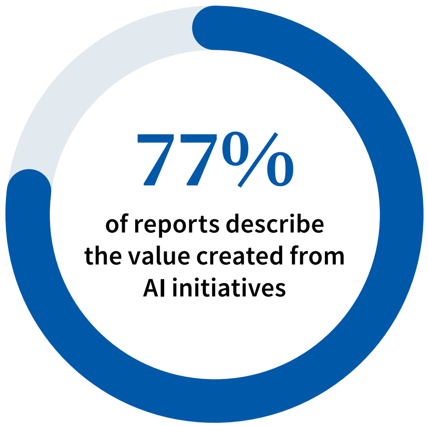
Do companies truly consider stakeholders in the critical decisions that drive the business?



Future-oriented

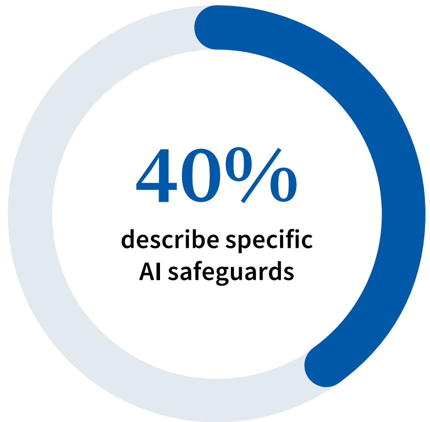
Is reporting simply looking backwards or outlining the necessary ambitions and plans for the future?

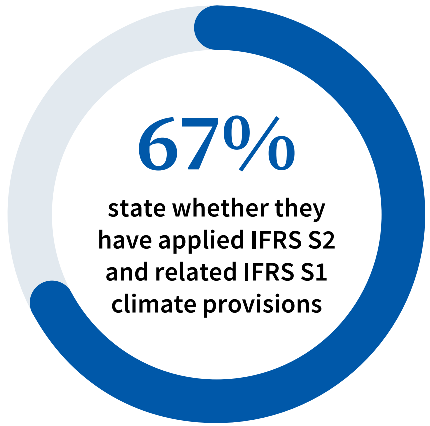




Balanced, transparent, credible

Are companies being transparent about the challenges faced and the actions taken to drive change?





INTRODUCTION

Trust as the Foundation of Value Creation

Trust is the foundation of healthy capital markets. For investors, trust is built when companies communicate clearly, act with accountability and provide the information needed to make informed decisions. For companies, trust creates the confidence that supports long-term relationships with shareholders and the wider investing community.

Since its founding in 1999, SIAS has championed investor rights, investor education, corporate governance and transparency in Singapore's capital markets. Our mission has always been to help investors understand the companies they invest in, especially the risks involved, while encouraging companies to engage shareholders openly, constructively and responsibly.

This report, ***Unlocking Value Through Trust***, is a timely contribution to our mission. At a moment when Singapore's equity market is attracting renewed attention, including through the MAS-backed Equity Market Development Programme (EQDP), the quality of corporate reporting and investor communication matters more than ever. The EQDP recognises that stronger engagement, clearer strategic communication and more responsible forward-looking disclosure can support investor confidence and help companies better articulate their long-term value.

The findings in this research show that many companies are making progress, however, important gaps remain. Investors need more than compliance. They need balanced, meaningful and accessible disclosure that connects the numbers to the narrative, explains how boards are exercising oversight, and provides credible forward guidance where appropriate. Where companies are encouraged to move beyond a narrow compliance mindset, clearer disclosure can help reduce uncertainty and support more informed investment decisions.

Whilst the current report only assess STI30 companies, SIAS hopes to see more of such on Next50 and mid and small caps. SIAS is pleased to support this work because strong communication is not merely a reporting exercise. It is a discipline that strengthens accountability, improves market understanding and helps companies build more enduring relationships with investors. Greater transparency and more open communication between listed companies and shareholders are essential to building trust, particularly when companies explain not only past performance, but also strategy, outlook, risks and the assumptions behind future plans.

As expectations continue to rise, we encourage all listed companies to view transparency not as a burden, but as an opportunity to distinguish themselves, strengthen shareholder relationships and unlock long-term value. I thank Black Sun Global and all contributors for advancing an important conversation on trust, value and investor engagement in Singapore's capital markets.

David Gerald
Founder, President and CEO
SIAS

INTRODUCTION

Unlocking Value Through Trust

Trust is the world's most valuable currency

Financial markets are often described as efficient, rational and driven by numbers. Yet decades of behavioural finance tell us something slightly different.

Even with the rise of ETFs, passive funds and AI, investment decisions are still predominantly made by people. People (with some help from machines) interpret information through the lens of confidence, credibility and trust. While valuation models may be built in spreadsheets, conviction is built in the mind.

That is why authentic, trusted communication matters.

Every investment decision, every lending decision and every long-term commitment between a company and its stakeholders begins with belief. Belief that leadership is capable, that strategy is coherent, and that capital will be allocated to deliver the greatest long-term return. And above all, belief that what a company communicates reflects the reality of its business.

Authentic, open and transparent communication is therefore far more than a governance exercise or a compliance obligation. It is one of the most powerful strategic tools available to management. It reduces uncertainty, improves understanding and strengthens confidence. Ultimately, it unlocks value that may not be apparent on spreadsheets or algorithms alone.

The organisations that consistently build trust are not necessarily those that communicate the most. They are those that communicate with clarity, acknowledge complexity honestly, explain difficult decisions openly and provide stakeholders with confidence about the direction of travel.

Trust is earned through consistent actions and consistent communications. Once established, however, it compounds. It strengthens reputation, deepens stakeholder relationships, attracts long-term investment and provides resilience when organisations inevitably face more challenging periods.

Markets reward performance. Investors reward confidence. Communications bridge the gap between the two.

That simple principle sits behind this year's research.

Communicating stability and a long-term vision amidst uncertainty and volatility

Singapore occupies a unique position within the global financial system.

It has rightly earned an international reputation for political stability, strong governance, regulatory excellence and long-term thinking. At a time when geopolitical uncertainty, economic fragmentation and shifting global capital flows continue to redefine investment priorities, these qualities have become even more valuable.

Introduction continued

"Markets reward performance. Investors reward confidence. Communications bridge the gap between the two."

As one of ASEAN's leading financial centres, Singapore has an important role to play in attracting international investment and showcasing the strength of its listed companies to the world. Competition for capital, however, has never been greater. Companies today are no longer competing solely against domestic peers – they compete for investment alongside every major listed (and private) company around the globe.

This is why the initiatives being led by the Monetary Authority of Singapore and Singapore Exchange are so important. Efforts to strengthen market liquidity, unlock shareholder value and encourage higher-quality investor communications recognise a simple but powerful reality: creating value is not solely about improving business performance. It is also about ensuring that value is clearly understood by the market.

As SGListCos Chairman, Jeffery Tan, wrote in a recent The Business Times article – Singapore companies must learn to master "a new currency of markets". Narrative, transparency and investor engagement influence how businesses are perceived, understood and ultimately valued. We wholeheartedly support this ambition. Better communications improve market efficiency, strengthen investor confidence and reinforce Singapore's position as a trusted and forward-looking destination for long-term global capital.

For Singapore to remain the flagbearer of ASEAN's capital markets, its companies must continue to tell stories that are every bit as compelling as the businesses themselves.

The strongest companies don't just report performance... they explain future value

The encouraging message from this year's research is that Singapore's largest listed companies are communicating well.

Across the STI30 we see thoughtful governance, increasingly mature sustainability reporting and stronger strategic narratives than in previous years. Companies are investing considerable effort into improving the quality of their corporate reporting and wider stakeholder communications, and the overall standard continues to rise.

Yet our research also identifies tangible gaps which present a real opportunity.

Many companies continue to communicate exceptionally well about what has happened, but are more cautious when explaining what comes next. Strategy, capital allocation, competitive advantage and long-term growth opportunities are often present throughout reports, yet they are not always brought together into a coherent investment narrative that enables investors to build conviction.

This matters because investors allocate capital to the future, not the past.

The organisations that stand out are those that confidently connect strategy to execution, governance to decision-making and capital allocation to long-term value creation. They help investors understand not only what the business is today, but what it has the potential to become.

That does not mean making bold predictions or overpromising. It means communicating with sufficient confidence and transparency that investors understand management's thinking, the choices being made and the opportunities being pursued.

Ultimately, companies should aspire not simply to describe performance, but to shape understanding of future value.

Every corporate communication is now interpreted through an AI lens

Artificial intelligence represents one of the most significant shifts corporate communications has experienced in decades.

Historically, companies needed to communicate effectively with people. Today they must communicate effectively with both people and machines.

Introduction continued

Corporate reports, investor presentations, earnings calls, AGM discussions, websites, media coverage and social channels no longer exist independently. Together they form a connected ecosystem from which AI increasingly gathers, interprets and summarises information before many stakeholders ever encounter the original source.

Those AI-generated interpretations are becoming an increasingly influential first impression.

This fundamentally changes the communications challenge.

Producing an excellent annual or sustainability report remains essential, but it is no longer sufficient in isolation. Organisations need consistency across every owned and earned channel so that strategy, governance, sustainability, performance and future ambition reinforce one another wherever stakeholders (or AI platforms) seek information.

Accessibility therefore takes on an entirely new meaning.

Content must be structured and communicated not only for human understanding, but also for machine interpretation. Organisations that establish a clear, consistent and authoritative narrative across reporting, investor relations, digital communications and corporate affairs will be significantly better positioned to ensure AI reflects the story they intend to tell.

In an AI-enabled world, reputation will increasingly be shaped not only by what companies say, but by the quality, consistency and accessibility of corporate communications.

Trust remains Singapore's greatest competitive advantage

There is every reason to be optimistic.

Against a backdrop of continuing geopolitical uncertainty and economic change, Singapore remains one of the world's most trusted financial centres. Its reputation for stability, governance and transparency provides a strong foundation for attracting international capital, while ASEAN's long-term growth story presents significant opportunities for the businesses that call Singapore home.

The opportunity now is to ensure that communications evolve as quickly as markets themselves.

The companies that create the greatest long-term value will be those that communicate with the same discipline they apply to strategy, governance and capital allocation. They will explain not only what they do, but why it matters, how they create value and where they are heading next.

There is no doubt that performance creates value… but trusted communications help the market recognise it.

At Black Sun Global, and the Positive Change Group, we are privileged to partner with organisations across Asia and around the world as they navigate changing stakeholder expectations, evolving regulation and rapidly advancing technology. We remain optimistic about the future of Singapore's capital markets and excited by the opportunity to help organisations build trust, strengthen engagement and unlock long-term value.

A final thanks...

Finally, I would like to thank the many people and partners that have supported and enabled this research, especially the brilliant team at SIAS and Black Sun's Research and Strategy team. We hope this research provides practical insights, constructive challenge and fresh thinking that helps Singapore's companies, big and small, continue to raise the standard of corporate reporting and stakeholder communications.

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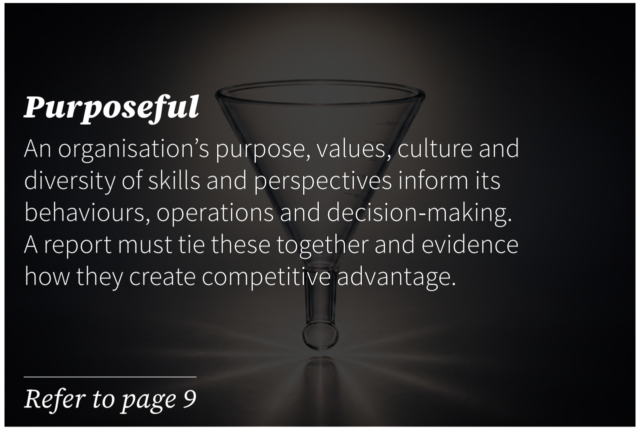
The building blocks of effective and audience-focused reporting

We continue to base our research around our established principles of trust. These six criteria are pivotal to effective reporting, evolving each year but providing a solid foundation for meeting audience needs and ***Unlocking Value Through Trust.***



Purposeful

An organisation's purpose, values, culture and diversity of skills and perspectives inform its behaviours, operations and decision-making. A report must tie these together and evidence how they create competitive advantage.

Refer to page 9

Value-focused & material

A report should be propelled by coverage of the most material topics and demonstration of the value created, transformed, consumed and delivered by a business. The corporate story should be built on the critical factors that investors and wider stakeholders value.

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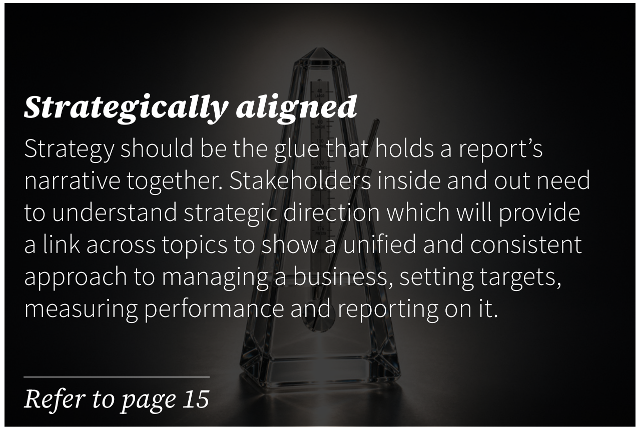

Strategically aligned

Strategy should be the glue that holds a report's narrative together. Stakeholders inside and out need to understand strategic direction which will provide a link across topics to show a unified and consistent approach to managing a business, setting targets, measuring performance and reporting on it.

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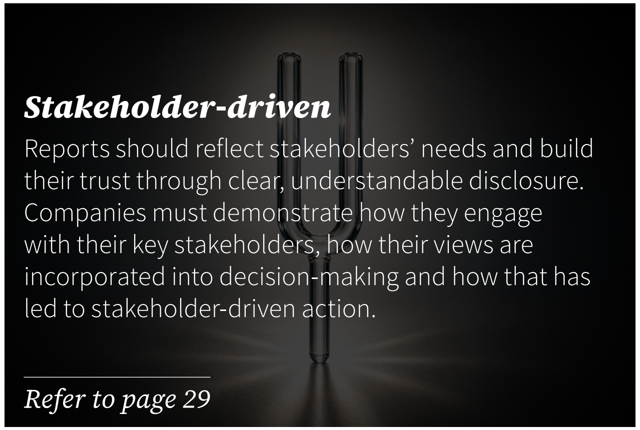

Stakeholder-driven

Reports should reflect stakeholders' needs and build their trust through clear, understandable disclosure. Companies must demonstrate how they engage with their key stakeholders, how their views are incorporated into decision-making and how that has led to stakeholder-driven action.

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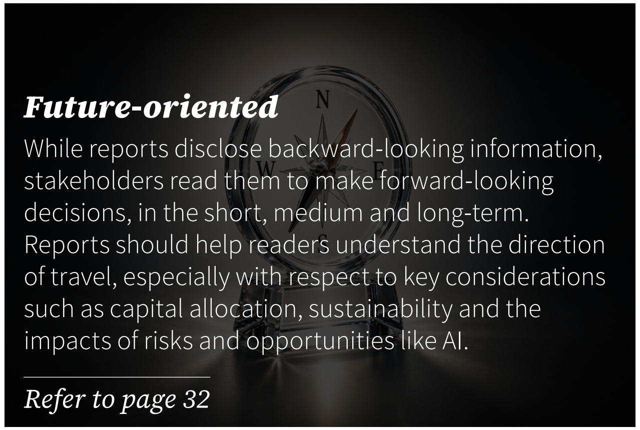

Future-oriented

While reports disclose backward-looking information, stakeholders read them to make forward-looking decisions, in the short, medium and long-term. Reports should help readers understand the direction of travel, especially with respect to key considerations such as capital allocation, sustainability and the impacts of risks and opportunities like AI.

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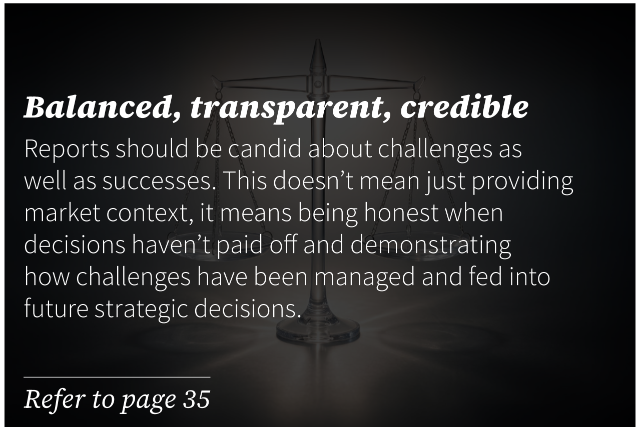

Balanced, transparent, credible

Reports should be candid about challenges as well as successes. This doesn't mean just providing market context, it means being honest when decisions haven't paid off and demonstrating how challenges have been managed and fed into future strategic decisions.

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Value built through belief

Whilst corporates having a higher purpose (beyond profit) has come under fire in recent years, the principle remains – those that have a north star about the value they bring to the world are more focused on the long term and take decisions that are more sustainable for stakeholders. Done right, purpose should be the common thread that links actions and plans to strategy, operations and governance to demonstrate an informed and connected approach.

Purposeful

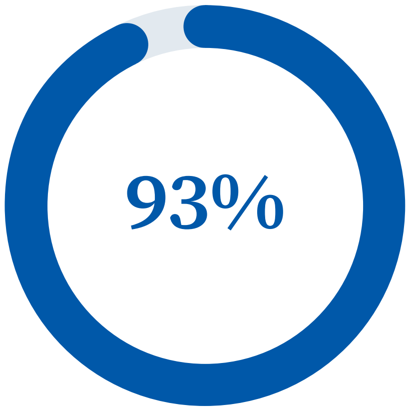
Purposeful

How a company delivers for stakeholders now matters as much as what it delivers.

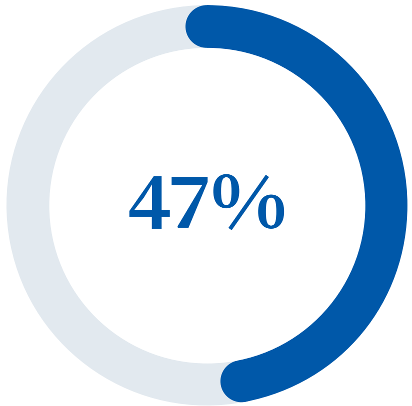
Your report should demonstrate that your purpose is setting the direction as much as your strategy. And that your culture is protected and promoted from the top. This should be made clear through evidence of board oversight, analysis and engagement, with culture measures and initiatives.

"Every investment decision, every lending decision and every long-term commitment between a company and its stakeholders begins with belief."

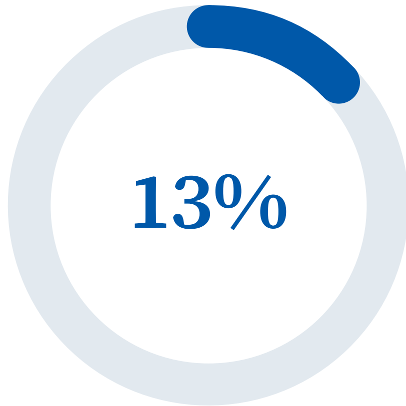
Key observations



state that the board sets the tone from the top on culture



disclose culture metrics the board uses to track whether culture is embedded



describe the role of middle management in promoting and embedding culture

Purposeful continued

Boards claim culture responsibility but are they really monitoring it?

Culture has become a board-level priority across Singapore's largest companies, with 93% stating that the board sets the tone from the top for ethics, values and desired organisational culture. However, meaningful evidence of how boards actually assess and monitor culture remains limited. Only 47% of companies quote specific culture-related metrics used by the board to track whether culture is embedded.

The result is a disconnect. Companies describe culture as a board responsibility, but investors cannot see the governance mechanisms that prove boards are actively monitoring and responding to culture risks. Without disclosure of what metrics the board reviews, how culture dashboards inform board discussions, or whether culture concerns triggered any board intervention, culture governance remains a claimed responsibility rather than a demonstrated practice.

The middle management is missing, and so is the tone from the middle

Culture governance in STI30 reports typically focuses on the board level: what the board does to set tone from the top and establish values. What's missing is the critical transmission layer in between. Only 13% of companies describe the role of middle management in promoting and embedding culture, despite middle managers being the primary mechanism through which board expectations translate into daily behaviours.

This blind spot reflects Singapore's top-down governance culture, which assumes that culture cascades automatically from the board to the organisation. In practice, middle managers are cultural interpreters – they model behaviours, coach teams, spot cultural drift, and reinforce values in everyday decisions. Their absence from culture disclosure suggests companies may be measuring culture outcomes without actively managing the transmission mechanisms that create those outcomes. For investors, this gap raises questions about whether stated values are genuinely embedded or remain aspirational.

Culture eats strategy for breakfast

In May 2025, MAS announced a review of the Code of Corporate Governance, with one sub-committee tasked to consider new provisions on corporate culture, board effectiveness, and risk management in emerging areas. This could elevate culture from general guidance to a formal comply-or-explain requirement for the first time.

Most STI30 companies still treat culture as a compliance topic, but a few are moving toward more substantive governance. DBS, for example, integrates values-based assessment into its remuneration framework and includes employee indicators in the balanced scorecard used to evaluate group performance.

Delivering on what matters most

The primary purpose of communications is to inform, explain and influence. When it comes to reporting, the critical theme to communicate is value. Whilst value means different things to different stakeholders, if what you are reporting is not material and not communicating value, it is just noise.

Value-focused & material

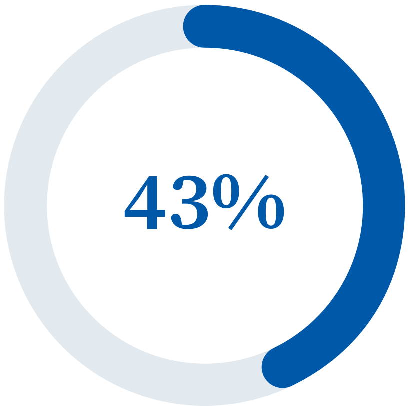
Value-focused & material

Reporting is most effective when it is clear, focused, and grounded in the information stakeholders need to understand.

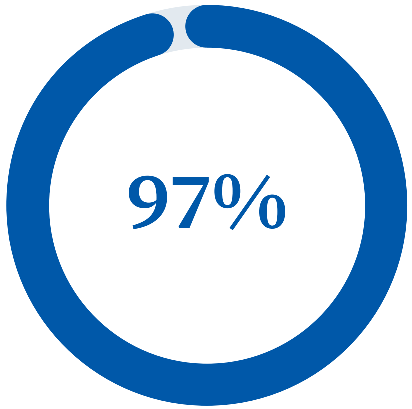
Materiality is not just about what topics to cover, it's about how deeply to cover them. Value-focused reporting prioritises information that genuinely helps investors assess material information. This means moving beyond generic disclosures to provide company-specific evidence of how value is created, preserved, and delivered.

"Creating value is not solely about improving business performance; it is also about ensuring that value is clearly understood by the market."

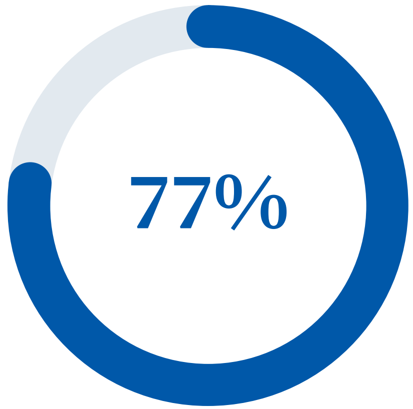
Key observations



of reports present a dedicated business model section



go beyond the numbers to explain what drove profits over the year



weave non-financial value into the business model narrative

Value-focused & material continued

Minding your own business

A clear, standalone business model is foundational to understanding how a company creates value, yet only 43% of STI30 companies provide one in their annual reports. The remainder scatter business model elements across strategy, operational review, and financial discussion sections, forcing investors to reconstruct the value creation story themselves.

This fragmentation matters because a cohesive business model connects inputs, activities, outputs and outcomes in a way that helps investors understand what is unique about the business. EY's Global Corporate Reporting Survey validates this, showing that more connected and higher-quality disclosures help providers of financial capital better understand how organisations create value over time.

Ultimately, those that don't own their business model and value creation narrative, leave their audiences to either make it up for themselves or assume that there is nothing special about the business.

Profitability drives disclosure?

All STI30 companies identify key profitability drivers, and all but one explain how revenue translates to profit, meeting the baseline expectation under SGX Listing Rule 1207(19), which requires companies to review their operating and financial performance. But compliance isn't the same as clarity.

The best disclosures are company specific. They uniquely explain which elements matter most in their business model and drive advantage, how operational decisions translate into margin movements, and what levers management can pull to improve returns. They connect last year's performance to next year's potential.

Weaker disclosures list profitability drivers without context. They reference cost efficiency and pricing discipline without specifying which costs are most material, which pricing decisions carry the greatest margin impact, or why those particular levers matter more than others in their business model. The result reads like a template that could describe any company in the sector.

The missing half of the value story

Most STI30 companies acknowledge non-financial value creation in their business models, but acknowledgment isn't integration. The missing half isn't about whether companies mention ESG outcomes; it's about the linkage. How does people development, environmental performance, and community engagement actually create and protect financial value?

A 2024 KPMG study found that 84% of Singapore companies integrate ESG information in their reporting, while our findings reveal 77% of STI30 companies weave non-financial value into their business model narrative. The gap is not dramatic, but it signals a pattern where ESG is often treated as a separate compliance topic rather than core to the business model. The difference matters. Reporting ESG data in standalone sections tells investors what a company does, while integrating it into the business model explains why it creates value and becomes a strategic differentiator. When ESG is embedded in the business model and narrative, it stops being a cost of business and becomes a value driver.

Do all REITS have the same business model?

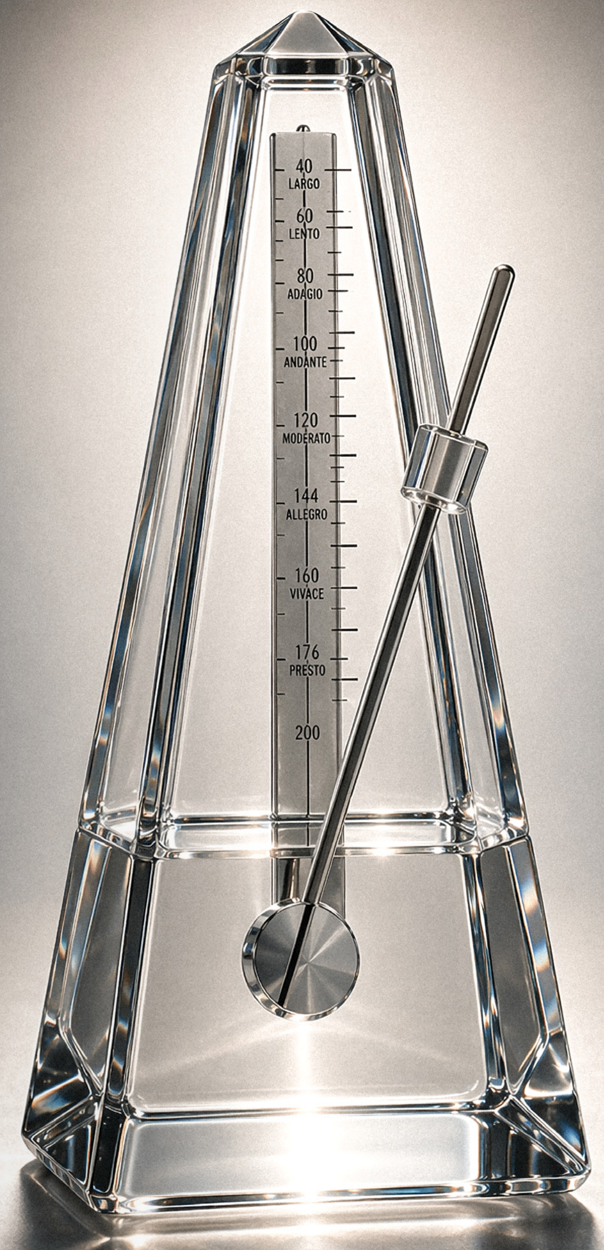
In our review, we found that REITS are less likely to provide standalone business model sections. Banks and conglomerates are more likely to present a dedicated model or framework, perhaps a sign of a multi-segment structure benefitting more from a consolidated visual.

But this raises a critical question. The absence of explicit business model disclosure suggests many REITs assume their structure is their business model. Yet investors choosing between REITS need to understand more than generic REIT mechanics, they need to know what makes this REIT's value creation logic different from its peers and why they should invest in one REIT over another.

A goal without a plan is just a wish

There is almost no doubt that all successful companies have, or had, a strategy. But when it comes to communications, if strategy is not stated, companies leave their audience to guess what it is (or whether it exists). This may seem fine in the 'good times' but when there are challenges, it looks like the company didn't know what it was doing. To quote Warren Buffet "Risk comes from not knowing what you're doing." Strategy is showing your working. It demonstrates that past success was planned and future success is dependable.

Strategically aligned



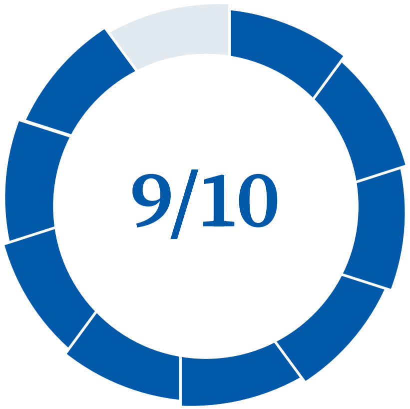
Strategically aligned

Demonstrating a strategic approach goes beyond your strategy section.

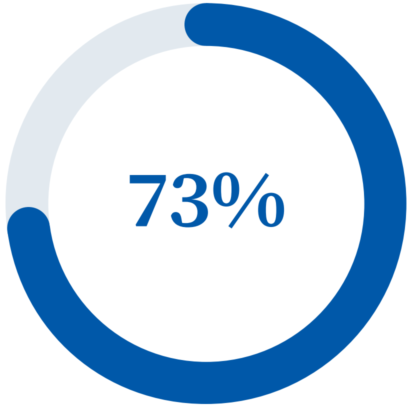
An aligned report connects every part of your business to your stated goals, in both directions. That means showing how market conditions are shaping plans, how remuneration is dependent on performance and how consideration of risk is fluid and ongoing.

"The companies that create the greatest long-term value will be those that communicate with the same discipline they apply to strategy, governance and capital allocation."

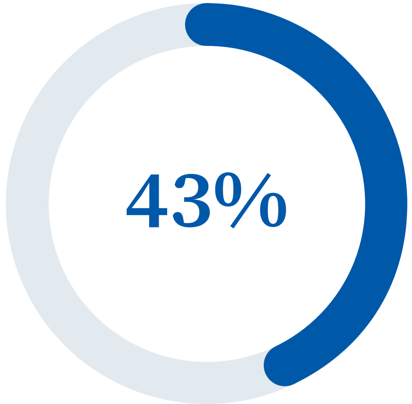
Key observations



provide a detailed CEO remuneration breakdown



now treat cybersecurity as a standalone principal risk



explicitly recognise an increase in AI-related risk severity

Strategically aligned continued

Market conditions are linked to strategy but rarely to risks

Most STI30 companies provide strong market context in their annual reports, describing how industry trends, competitive dynamics, and macroeconomic factors shape their strategic choices and capital allocation. 97% draw explicit connections between specific market conditions and their strategic priorities. This demonstrates that companies are translating market analysis into actionable strategic responses, not just describing the environment they operate in.

What's missing is the risk dimension. Only 1 in 5 companies draw explicit links between those same market conditions and their principal risk disclosures. A company may describe intense competitive pressures in its market review and position pricing power as a strategic priority, but fail to identify competitive risk or margin erosion as a principal risk requiring board oversight. This gap suggests market analysis may be informing strategy without fully informing risk governance. Strategically aligned reporting connects market conditions to both sides of the value equation, showing where management sees opportunity and where the board sees risk requiring mitigation.

Executive pay is transparent as director remuneration lags behind

STI30 companies have responded to investor and regulatory pressure for executive pay transparency. 90% provide detailed CEO remuneration breakdowns, splitting base salary, bonuses, long-term incentives, and other components in ways that allow shareholders to assess alignment between pay and performance. As a useful benchmark, UK-listed companies are known for more robust remuneration disclosure, and Glass Lewis' UK guidance expects even deeper context, including a ten-year CEO pay-versus-performance comparison and pay-ratio disclosure, suggesting there is still room to deepen Singapore practice.

Director remuneration disclosure is also strong, with 77% providing comparable detail on individual director remuneration. Nonetheless, this gap is notable given that directors govern on behalf of shareholders. Understanding how much each director is paid, and how that compensation relates to their responsibilities, time commitment, and committee roles, helps investors assess whether the board compensation structure supports independence and aligns with governance standards. The companies that fall short tend to disclose only aggregate director fees or broad bands rather than named individual amounts, creating a transparency asymmetry where executives are more visible than the directors who oversee them.

1 in 5

draw explicit links between market conditions and risk

Strategically aligned continued

Cybersecurity is on the risk radar while AI remains a blind spot

STI30 companies have made cybersecurity a governance priority. 90% provide cybersecurity risk updates in their annual reports, and 73% identify cybersecurity as a principal risk. This strong disclosure suggests boards are taking digital risk seriously.

Yet when it comes to artificial intelligence, a similar risk discipline is largely absent. AI features prominently in strategy sections, with companies describing AI-driven automation, operational efficiencies, and competitive advantages across sectors. But only 7% specifically identify AI as a principal risk, and only 37% list it as an emerging risk. If AI is material enough to feature in strategy narratives, the associated risks should be material enough to disclose. The gap suggests companies are selectively emphasising upside in strategy, while downplaying risk in governance sections. Understanding AI's role in value creation requires understanding both what could go right and what could go wrong.

Five steps to credible AI risk disclosure

MAS issued guidelines in November 2025 requiring financial institutions (FIs) to strengthen AI risk management. While targeted at FIs, the framework offers a blueprint for any company deploying AI strategically:

1. **Establish board accountability**
   Disclose which board committee owns AI oversight, how AI risk appetite is set, and how often the board receives AI risk reports.

2. **Build an AI inventory**
   Maintain a centralised register identifying all AI systems, their business purposes, risk classifications, and owners. Specify where AI is deployed: credit decisions, fraud detection, chatbots, predictive maintenance.

3. **Assess risk materiality**
   Classify AI systems by impact, complexity and reliance. Flag high-risk use cases affecting people or safety.

4. **Implement lifecycle controls**
   Disclose evidence of safeguards across data governance, fairness testing, explainability, human oversight, third-party AI risk, cybersecurity, and continuous monitoring. Investors want controls, not policy statements.

5. **Apply proportionate controls**
   Show how governance scales with risk materiality. Higher-impact AI systems require more rigorous oversight. Calibrated governance beats one-size-fits-all statements.

7%
identify AI as a principal risk

37%
identify AI as an emerging risk

Strengthening investor engagement

Investor engagement sets the tempo for value creation. When companies listen carefully and respond openly, they sharpen capital allocation, strengthen governance and close gaps in understanding that hold valuations back. Strengthening investor engagement is not about more meetings or glossy decks. It is about clearer intent, better feedback loops and showing how investor input genuinely shapes decisions over time.

Unlocking value

Unlocking value

Setting the context

Whilst investors (and increasingly their AI) will analyse your disclosures, why make them work harder than they need to? What is certain, is that investors will recognise the value they can see. For companies whose market valuations don't reflect their underlying fundamentals, let alone their future potential value, clear and compelling disclosure becomes a critical tool for closing the gap. This is particularly relevant as Singapore's equity market attracts renewed institutional and international attention, with professional investors seeking opportunities in undervalued stocks.

Inspired by MAS and SGX's Value Unlock programme, we assessed how well STI30 companies translate strategy into transparent, investor-ready narratives. In parallel, SGX RegCo's April 2026 consultation to raise baseline standards for dividend, remuneration and investor relations disclosures signals a higher bar for how issuers communicate their value creation story to investors.

While most companies meet regulatory requirements, significant gaps remain in clarity, accountability, and engagement. Companies that articulate their strategic positioning, operational performance, and capital allocation discipline with precision are better positioned to capture investor interest. The question is not just what you disclose, but whether your disclosure makes the investment case clear enough to close the valuation gap.

"Greater transparency and more open communication between listed companies and shareholders are essential to building trust."

David Gerald
Founder, President and CEO
SIAS

About the Value Unlock programme

The Value Unlock programme is a joint initiative by the Monetary Authority of Singapore (MAS) and Singapore Exchange (SGX) launched in 2024 to help listed companies strengthen investor engagement and sharpen their focus on shareholder value creation. With S$30 million in funding, the programme comprises three pillars: building capabilities in corporate strategy and investor relations, enhancing communication of strategic plans, and fostering peer learning communities.

Our assessment is inspired by the communication pillar of Value Unlock and examines how effectively STI30 companies communicate across four areas: investment case clarity, strategy execution and accountability, capital allocation discipline, and active investor engagement. The findings identify where companies excel and where significant disclosure gaps remain, with practical insights to help strengthen transparency and build investor trust.

OUR Q&A PANEL

Neale Few
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Black Sun Global

Ang Hao Yao
Vice President
SIAS

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Client Partner
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Fiona Foord
Head, Digital Delivery
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Q&A: How can companies unlock value?

What's the single biggest shift you'd like to see in how Singaporean companies approach investor communication?

Neale Few

Personally, I'd like companies to see the upside opportunity of more expressive, confident, forward-looking and strategic communications across the breadth of their channels. I think companies currently over-index the downside risk of communicating where there cannot be 100% certainty. So many companies have a great story to tell and a real opportunity for (share price) growth, both within Singapore and internationally but potentially excessive caution means that they don't communicate for fear of commercial sensitivity, 'giving too much away' or worries that they won't be able to pivot if market forces change.

When companies engage with investors, how can they demonstrate they're actually listening and translate that into better decision-making?

Ang Hao Yao

Engagement with investors is not just about speaking to shareholders. Companies demonstrate this by responding clearly to investor concerns, explaining how feedback shapes decisions on strategy, governance and capital allocation, and closing the loop with transparent follow-up. When boards and management treat investor input as part of the decision-making process, it builds trust, strengthens accountability and supports long-term value creation.

Q&A continued

Annual and sustainability reports keep getting longer. How can companies add substance without adding volume?

Yap Zi Wei

Annual and sustainability reports may be getting longer, but I don't think the answer is simply to strip them back. The real challenge is to add substance in a way that feels purposeful, with clearer narrative, stronger links across sections, and more disciplined choices about what genuinely needs to be in the report. A good approach is to help companies sharpen the story, remove repetition, and make sure each disclosure earns its place. Done well, the report becomes more useful to readers without losing depth, because the value comes from clarity and relevance, not just page count.

What conversations are companies not having with their investors that they should be?

Ashley Leong

The conversation most companies are not having with investors is about intent. Disclosure has become a compliance exercise for many, a box to check rather than a dialogue to build. But investors are sophisticated. They can sense when a narrative is managed rather than genuine, and that gap quietly erodes trust over time. Even among leading companies, there is room to move from reporting what happened to explaining why decisions were made, what was considered, and what remains uncertain. That shift, from disclosure to dialogue, is where trust is actually built.

As AI and digital tools reshape corporate reporting, how can companies use technology to make investor communications clearer, more accessible and more meaningful?

Fiona Foord

The real opportunity for AI and digital tools is not to help companies say more, but to help investors understand more. At its best, technology can make corporate reporting clearer, more accessible and more engaging, helping audiences find the information that matters and connect it to the wider business story. Smarter search, intuitive navigation, AI translation, interactive data and digital-first content can all support stronger investor engagement by making reporting easier to explore, compare and act on. The strongest communications will combine digital accessibility with clear, credible and well-structured disclosure, building trust through transparency. Used well, technology can turn reporting from a static document into a more meaningful dialogue between companies and their stakeholders.

Theme 1

Do companies have a clear investor-oriented equity story?

Why this matters

Institutional investors allocating capital need to understand not just what a company does, but why and how it will generate returns. In a market where Singapore equities are attracting renewed professional interest, the companies that articulate their strategic positioning, competitive advantages, and financial discipline most clearly are best positioned to capture attention. An equity story isn't marketing; it's the through-line that connects strategy to value creation. When half the market doesn't provide one, it's a self-inflicted disadvantage.

Key findings

Strategic priorities linked to financial levers are universal but uneven

All STI30 companies link their strategic priorities to financial performance. But the quality of explanation varies dramatically. The best reports show the direct link: how building a strong pipeline of future work creates predictable revenue, how tighter cost controls translate into better profit margins, or how selling non-core assets frees up cash for growth investments.

Weaker reports stay vague. They might say "we're improving efficiency to boost profits" without saying which parts of the business, which specific costs they're cutting, or how much they expect to save. An investor needs to understand whether they can model the financial impact of a company's strategy or whether they must simply trust that an unarticulated plan will succeed.

Board's role in strategy needs to more specific

While 100% of STI30 companies state the board's responsibility for establishing strategy and overseeing long-term value creation, most treat it as a governance baseline. They describe what the board is responsible for without explaining how that responsibility is actually exercised. This tells investors nothing about the board's actual oversight process.

Stronger examples bring the board's work to life. They explain how often the board meets specifically to review strategy, what frameworks it uses to challenge management's assumptions, and how it weighs trade-offs when approving major capital decisions. Around 67% of companies provide this level of detail, showing how risks, opportunities and strategic trade-offs shape priorities, not just how they're monitored. This is governance in action, not just governance in principle.

Investment case missing in half the market

Only 43% of STI30 companies have a clearly identified "Investment Case" or "Why Invest in Us" section. The other half aren't necessarily hiding their strengths, they're just not presenting them in one place.

Scale, competitive position, track record, strategic priorities, financial discipline all exist somewhere in the report, scattered across business reviews, strategy sections, and financial highlights. But when these elements aren't consolidated, investors must search through multiple sections to understand the core investment proposition. They end up constructing the equity story themselves, which may not align with how management wants the company positioned. Worse still, coupled with a lack of forward-looking communications, investors may miss the future potential.

Companies that provide a dedicated investment case pull together their competitive advantages, market position, growth drivers, and capital allocation approach in one focused section. This makes it straightforward for analysts and portfolio managers to understand the investment thesis quickly. When half the market doesn't do this, it's a missed opportunity to frame the conversation on your terms.

Practical guidance to unlock value

Level 1 Compliant
- State your strategic priorities clearly
- Mention what the board does in setting and overseeing strategy
- Bring your key strengths together somewhere in the report

Level 2 Connected
- Explain how your strategy drives financial outcomes
- Describe the board's role in reviewing and challenging key decisions

Level 3 Compelling
- Make it easy for investors to connect your strategy to outcomes
- Show your governance in action, not just in principle
- Pull your investment case together in one place

Theme 2

Do companies give investors meaningful insight into past performance and future outlook?

Why this matters

Investors allocate capital based on two things. First is confidence in management's track record. Second is clarity about future potential. Companies that explain what drove past results and provide credible guidance on where the business is heading give investors the information they need to build conviction. Those that only report what happened without explaining why, or worse, stay silent on forward expectations, leave investors guessing. In a market where Singapore equities are attracting renewed attention, transparency about both performance and outlook separates companies that build investor confidence from those that don't.

Key findings

Past performance shows strong accountability but uneven depth

87% of STI30 companies provide commentary on financial performance beyond basic numbers. They explain what drove revenue, margins, and cash flow rather than simply presenting year-on-year changes. This retrospective accountability builds credibility and meets the baseline expectation under SGX Listing Rule 1207(19), which requires a discussion and analysis of financial performance.

But depth varies. Leaders provide granular, entity-specific explanations that connect performance drivers to financial outcomes. They break down segment-level results, explain margin movements by business line, and tie cash flow changes to specific operational or capital decisions. Laggards offer high-level commentary that could apply to any company in their sector.

Future outlook reveals a gap in guidance

While companies are transparent about what happened, they are strikingly reluctant to communicate their position and perspective on what's coming next. Only 13% provide structured medium-term financial guidance across key metrics like revenue, margins, returns, or capital allocation. The rest offer either near-term guidance only (typically one year ahead) or isolated medium-term targets for specific items like ROE or capex, without a comprehensive outlook.

This creates an information asymmetry. In a market where competition for capital is global, investors assessing a company's three-to-five-year potential must either extrapolate from limited data or rely on sell-side analysts to fill the gap. Companies that do provide medium-term guidance stand out. They articulate assumptions, explain the drivers behind their targets, and give investors a framework to stress-test scenarios.

Why the gap? Several factors likely contribute. Companies may fear the liability of missing forward guidance, especially in volatile markets. They may worry about revealing competitive information. Or it may reflect cultural conservatism around making public commitments beyond the current fiscal year.

Whatever the reason, the outcome is similar. Institutional investors have less visibility into the medium-term prospects of SGX-listed companies compared to peers in markets where forward guidance is more common. This stands in contrast to the UK market, where Black Sun's latest 'Complete100' research found that 59% of FTSE100 companies provide medium-term guidance.

Looking back clearly but not always explaining why it matters

Almost all STI30 companies assess delivery against previously stated targets or commitments, with 97% providing retrospective performance updates. They report what they achieved, explain shortfalls, and link performance to next-phase priorities. This retrospective accountability builds credibility.

But only 80% clearly link their KPIs to strategy and explain why those measures matter for assessing performance. The best disclosures don't just present dashboards. They explain why revenue growth, margin expansion, or emission reduction targets are the right yardsticks for tracking strategic execution. Weaker reports list metrics without context, leaving investors to infer the connection between what's measured and what the strategy is trying to achieve.

STI30	FTSE100
13%	59%

companies providing medium-term financial guidance across key metrics

Practical guidance to unlock value

Level 1 Compliant

- State your key financial targets upfront
- Explain your year-on-year financial changes at a high level

Level 2 Connected

- Explain what drove your capital allocation and ownership decisions
- Report progress against specific commitments you made previously

Level 3 Compelling

- Provide clear, practical analysis of your key capital allocation and ownership decisions
- Link each metric to your strategy with clear rationale
- Hold yourself accountable with a scorecard showing delivery against last year's commitments and outcomes

Theme 3

Do companies demonstrate disciplined capital allocation and ownership decisions?

Why this matters

Capital allocation reveals management discipline and board oversight in action. Investors assess companies not just on what they earn, but on how strategically they deploy it. Companies that explain their capital allocation framework, show the trade-offs between reinvestment for growth, shareholder returns, and balance sheet strength, and provide rationale for major decisions like equity raises or divestments to give investors the evidence needed to assess value creation. Those that disclose capital decisions without explaining the why, or treat ownership changes as routine transactions without addressing shareholder implications, make it harder for investors to evaluate how decisions connect to strategy. In a market where Singapore equities are attracting renewed attention, transparency about capital allocation separates companies that build conviction from those that don't.

Key findings

Strong frameworks, with room to strengthen capital allocation transparency

Almost all STI30 companies articulate clear dividend policy frameworks, with 93% specifying payout ratios or conditions for payment. The same proportion describe how they identify and review underperforming assets, explaining challenges and actions taken such as divestments, restructuring, or operational improvements.

Capital allocation frameworks are also common, disclosed by 77% of companies, but there is room for improvement. The gap is often in integration: companies explain individual components – dividend policy, asset reviews, investment criteria – but stop short of presenting a unified framework that shows how they balance competing uses of capital across growth investment, dividends, buybacks, and balance sheet strength, with clear prioritisation criteria or quantitative thresholds. Last year, only 10% of companies presented their capital allocation framework in a visual format. This year, around 43% provide some form of visual framework, though many still rely on narrative for investors to piece the full picture together.

The best disclosures connect the dots. They present a capital allocation framework alongside recent application examples, showing how proceeds from divestments were split between debt repayment, shareholder returns, and reinvestment – and why those trade-offs made sense given strategic priorities and market conditions.

Generic engagement disclosures lack substance

All but one STI30 company describes some form of shareholder composition and engagement approach, meeting the baseline expectation under SGX Practice

2024	2025
10%	43%

of companies present their capital allocation framework in some form of visual format

Guidance 11.4 to disclose steps taken to solicit and understand shareholder views. But disclosures lean heavily towards generic statements listing IR activities such as earnings calls, roadshows, and AGMs without explaining frequency, format, outcomes, or investor feedback.

Companies report how many investor meetings they held or which conferences they attended, but rarely disclose what investors asked about, what concerns were raised, or how that feedback influenced strategy, capital allocation, or disclosure decisions. This reduces investor engagement sections to compliance checklists rather than meaningful transparency on how companies listen to and respond to their owners. Additionally, by not capturing and disclosing the key themes and topics of discussion, management and investor relations teams don't have a centralised place to cover frequently asked questions, or dispel common myths and misunderstanding amongst the current and potential investor base.

1 in 2

equity-raising companies gave no explanation of rationale, proceeds or shareholder impact

Equity fundraising often unexplained

Equity raising is one of the most consequential capital decisions a company can make. It reshapes the ownership structure, affects per-share metrics, and signals management's view on valuation and funding priorities. Yet transparency around these decisions remains uneven.

Of the 12 STI30 companies that raised equity during the year, half did not explain the rationale, use of proceeds, or implications for existing shareholders such as dilution, dividend impact, or leverage changes. Without this context, investors cannot assess whether the transaction creates or dilutes value.

Companies that did provided clear context on why equity was raised, how proceeds would be deployed, and what the impact on per-share metrics and returns would be, helping investors assess whether the transaction was value-accretive.

Practical guidance to unlock value

Level 1 Compliant

- State your dividend policy clearly
- Briefly describe how you review and act on underperforming assets

Level 2 Connected

- Explain your capital allocation framework
- Describe your engagement approach with specifics on format and frequency
- Provide clear rationale when you raise equity or execute buybacks

Level 3 Compelling

- Present a unified capital allocation framework with simple application examples
- Disclose specific investor feedback and how it influenced decisions
- Explain the rationale and shareholder implications of every material capital action, including equity raises and asset sales

Theme 4

Do companies have active, purposeful investor engagement?

Why this matters

Investor engagement is a two-way dialogue that helps boards and management understand how the market views their strategy, where disclosure gaps exist, and what concerns might be building. Recent research by Steward Leadership Institute (formerly known as Stewardship Asia Centre) found that while 87% of investors believe information disclosed by SGX-listed companies is useful in supporting investment decisions, only 18% find disclosures to be very transparent. This gap highlights the difference between providing information and building trust through genuine transparency.

Effective engagement creates a feedback loop that improves capital allocation, sharpens disclosure, and aligns company priorities with investor expectations. But engagement quality varies widely. Generic disclosures that list IR activities without explaining outcomes provide little insight into whether companies are genuinely responsive to their owners. And engagement approaches often skew heavily towards institutional investors, leaving retail shareholders underserved or invisible in company narratives. As many SGX listed businesses have comparatively high retail shareholder ownership versus other major markets, they are a critical audience that needs to be actively considered in engagement.

Key findings

Engagement activities described but impact often missing

Most STI30 companies go beyond simply listing IR activities to explain how investor feedback influenced strategy, disclosure, or governance decisions during the year. Around 97% provide at least some transparency on outcomes, suggesting that engagement is increasingly positioned as purposeful, with tangible examples such as enhanced climate disclosures in response to investor demand or adjustments to capital allocation frameworks based on shareholder feedback.

However, the depth of explanation varies. Some companies describe extensive engagement programs with impressive activity counts but stop short of explaining what feedback was received or how it shaped decisions. Only 27% of companies explicitly explain how investor or analyst feedback influenced disclosures, strategy, capital allocation or governance during the year in their report, while the strongest examples go further by closing the loop and showing specific changes that resulted from that input.

Retail investors largely invisible in engagement narratives

Retail investor engagement is still under-represented in STI30 disclosures. Only half of companies describe the role of retail investors in their shareholder base or explain retail-specific engagement initiatives such as simplified disclosures, webinars, or collaboration with shareholder advocacy groups like SIAS. The fact that the other half remain silent may reflect several factors: actual ownership composition skewed towards institutional investors, perceptions that retail engagement is costly or delivers low return on investment, or the reality that retail investors tend not to speak up, making it harder for companies to justify dedicated engagement efforts.

Practical guidance to unlock value

Level 1 Compliant

- List your main IR and shareholder engagement activities
- State that you engage with your key stakeholder groups
- Confirm that you hold an AGM and use it as a core engagement touchpoint

Level 2 Connected

- Describe specific engagement activities with their frequency and format
- Explain what feedback you received from investors
- Report your shareholder composition by investor type

Level 3 Compelling

- Show how investor feedback shaped your strategy, decisions and governance during the year
- Explain the role of retail investors in your ownership base
- Describe tailored engagement initiatives for institutional and retail shareholders, and the outcomes they delivered

The companies that do address retail engagement explain why it matters (retail shareholders bring stability, liquidity, and long-term ownership) and describe concrete actions such as hybrid AGMs, retail-focused briefings, or accessible online resources. This signals that retail engagement is not an afterthought but a deliberate part of their stakeholder strategy.

Engaged stakeholders create compound value

Not just engagement for engagement's sake. Businesses must demonstrate how listening leads to change, how responsiveness feeds resilience, and how stakeholders share in success. The most successful companies have engaged stakeholders… customers who want to come back, employees that deliver their best, partners that expand opportunities and investors that are committed. The value delivered to each stakeholder compounds the rest.

Stakeholder-driven

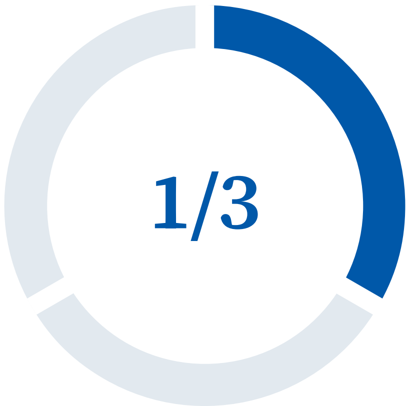
Stakeholder-driven

Trust can only be built by listening to stakeholders, learning from them, and acting with consideration for their interests.

As evidenced by the rise of double materiality, companies are expected to know the impact they have on the world. That means engaging with stakeholders to find out how they are affected and what's important to them. But more than that, it means embedding concern for their input in all key decisions.

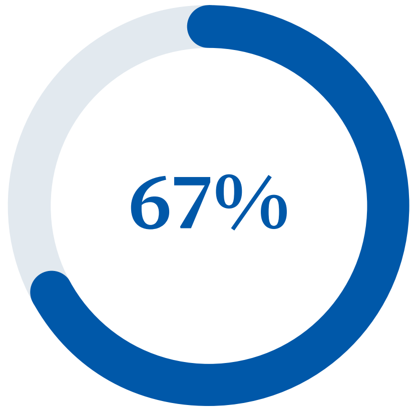
"The organisations that consistently build trust are not necessarily those that communicate the most. They are those that communicate with clarity, acknowledge complexity honestly, explain difficult decisions openly and provide stakeholders with confidence about the direction of travel."

Key observations



explain how the board considers stakeholder interests in decision-making

disclose specific stakeholder tensions, trade-offs or conflicts



describe DEI initiatives with explicit board oversight

Stakeholder-driven continued

Boards listen to stakeholders but rarely show it

Most annual reports include stakeholder language: “We listen to stakeholders,” “We balance diverse interests,” “We engage meaningfully.” But these statements are generic without explaining how the board actually considers stakeholder interests in decisions.

Our findings two years later show modest improvement. 33% now describe how the board considers stakeholder interests in decision-making. The gap, however, remains substantial. Describing processes is progress, but without concrete examples showing stakeholder input shaping outcomes, disclosure still skews towards principles rather than proof. IFRS S1’s emphasis on stakeholder impact disclosure reinforces what the 2024 research surfaced: investors want evidence that governance, strategy and decision-making is stakeholder-responsive, not just stakeholder-aware.

Acknowledgement of stakeholder dissent remains rare despite calls for more transparency

Whilst stakeholder value does compound, there are times when stakeholder interests don’t appear to align in the short term. Shareholders want cost discipline, employees want fair wages, communities want environmental protections, customers don’t always want to bear the cost. Managing these trade-offs is core to governance, yet most companies describe stakeholder relations as artificial harmonious, without showcasing the work that goes in to balancing stakeholder needs.

50% of reports disclose specific stakeholder tensions, trade-offs, or conflicts. IFRS S1 expects companies to disclose impacts on stakeholders, and that includes acknowledging when interests diverge and explaining how the board navigates competing priorities. The companies that disclose tensions demonstrate governance maturity and confidence in their actions. The ones that don’t either operate in a world where all stakeholders conveniently agree, or they’re not being transparent about how decisions actually get made.

Is DEI disclosure just a tick-the-box exercise?

STI30 companies have embraced board-level DEI oversight, but most stop at gender targets. Comprehensive diversity metrics like workforce representation across levels and inclusion survey scores are largely absent. The governance structure exists, but measurement is selective.

67% describe DEI initiatives with board oversight, but few disclose whether these initiatives are working beyond gender composition. Board diversity gets tracked because it’s visible and regulatory frameworks require it. Diversity metrics beyond the boardroom are harder to measure and easier to overlook. If diversity warrants board attention, it warrants full disclosure on progress across all dimensions, not just the easiest numbers to report or the metrics regulators ask for.

Stakeholder considerations are increasingly critical

In 2024, we partnered with the Singapore Institute of Directors (SID), SIAS and SGX to examine the quality of stakeholder engagement disclosure among listed companies. Just 10% disclosed case studies demonstrating how boards considered stakeholder perspectives in major decisions. The findings highlight growing expectations for organisations to move beyond stakeholder identification towards demonstrating how engagement meaningfully informs strategy, governance and long-term value creation. This echoes requirements in markets like the UK, where section 172 of the Companies Act explicitly requires directors to demonstrate regard to stakeholder interests when making decisions.

Time to look forward, not back

Reporting on what has happened is not where the distinguishable value lies. Quite simply, 'it's been done'. As the essential financial caveat states, "past performance is not indicative of future results". Investors allocate capital on potential future value, employees want to work for the company of tomorrow (not yesterday) and customers need to be with you in the future… not the past.

Future-oriented

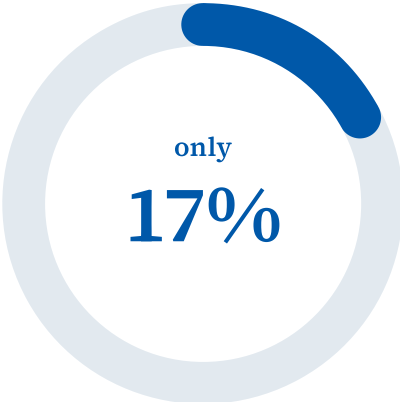
Future-oriented

A strategically driven report must also be future-oriented. Priority topics for stakeholders such as strategy, sustainability and risk all provide forward-looking information that enables informed decision-making.

The inclusion of clear strategic priorities, robust targets, action plans and risk management demonstrate an organisation that is ambitious, prepared and in control. In a complex world, that's more important than ever.

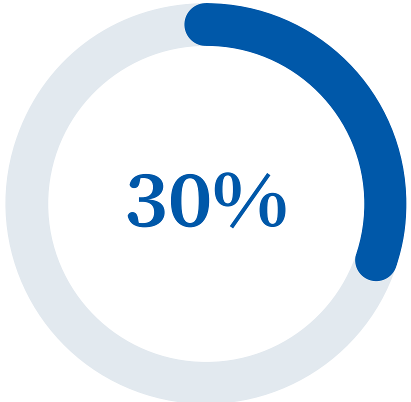
"Investors allocate capital to the future, not the past. The strongest companies don't just report performance – they explain future value."

Key observations



include sensitivity analysis showing how financial targets would change under different scenarios

present materiality results in a matrix rather than a list



set out an explicit value chain separate from the business model

Future-oriented continued

Transition targets need stress-testing, not just setting

Most STI30 companies now describe their climate ambitions in some form. Many set climate targets, and around 77% reference a transition plan and outline climate related opportunities over different time horizons, giving investors a sense of the direction of travel on emissions and transition pathways. These disclosures help show where companies want to get to on climate, but they say much less about how the journey might play out if conditions change.

A separate gap sits in the way companies talk about numbers. Only 17% of the STI30 provide any sensitivity analysis of financial outcomes, offering even a basic view of how revenue, profitability or other key metrics would move if underlying assumptions shifted. For investors trying to judge the resilience of a strategy, commitments without this kind of financial “what if” analysis leave important questions unanswered about how companies would respond if demand, pricing, costs or policy evolve differently from plan.

Materiality matrices reveal more than lists

Most companies identify material sustainability topics, but few show how topics relate to each other or to business model dependencies. 87% state they conducted a double materiality assessment, yet only 20% present results in a matrix. The rest use lists, which present topics without showing interconnections or sufficient hierarchy. A matrix shows how sustainability topics affect financial performance and stakeholders, where they overlap and how tensions and interdependencies between issues influence overall significance. It reveals prioritisation logic and the relationships between different material issues. IFRS S1 expects companies to explain the process for determining materiality, including how sustainability risks and opportunities connect to strategy. Matrices provide this context more effectively than lists, helping investors understand not just what’s material, but why and how topics interrelate.

Value chains are invisible until they aren’t

Understanding where value is created, and where risks concentrate, is critical for anticipating future supply chain disruptions, transition risks and emerging stakeholder expectations in areas such as Scope 3 emissions, and human rights risks, among others. Yet only 30% provide an explicit value chain diagram separate from the business model. Manufacturing and industrial companies are more likely to disclose value chains, likely because physical flows are easier to map than service value chains. Nevertheless, service -based and asset-light businesses face material value chain risks too, including data centres, outsourced labour and cloud infrastructure dependencies that will shape future performance and resilience. Without visualising the value chain, companies struggle to explain where transition risks, physical risks, or social impacts are likely to emerge over time.

Trust is earned through transparency

Audiences have increased expectations around transparency and new ways to uncover the truth in an absence of it. Social media, whistleblowing and stakeholder activism was the start of this but that has now been supercharged through AI, which increases information speed and allows them to pick apart reporting communications faster than ever. Credible reporting alongside balanced communications presents a transparent and honest story of the year, that shows the full picture and can stand up to scrutiny, whether that be from humans or machines.

Balanced, transparent, credible

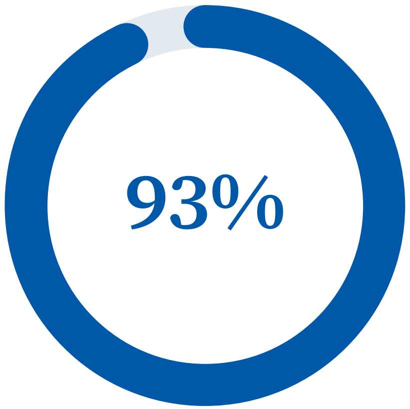
Balanced, transparent, credible

Credibility is critical in the fight for customers, talent and funding.

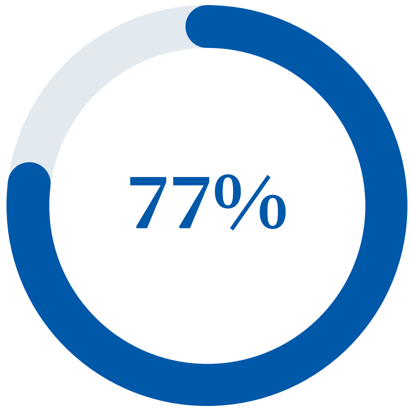
Your reporting reflects your business. And a reasoned, open and unbiased approach is central to ***Unlocking Value Through Trust***. Whether you're discussing impacts, progress or future prospects, the positive and the negative should be balanced to ensure they are material and useful for decision-making. An honest reflection of challenges with plans to mitigate in the future is far more effective than a greenwashed story that your audiences can see right through.

"There is no doubt that performance creates value, but trusted communications help the market recognise it."

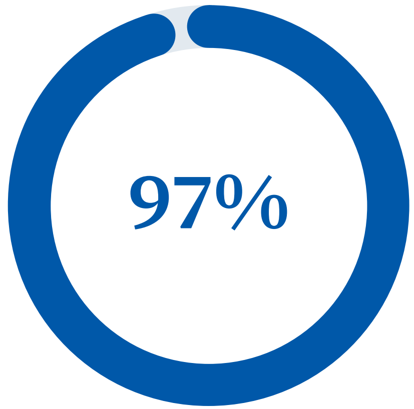
Key observations



acknowledge areas of underperformance, setbacks or challenges



use external assurance on climate disclosures



have some form of technology expertise or experience on the board

Balanced, transparent, credible continued

Companies are acknowledging setbacks

Most STI30 companies acknowledge underperformance, but acknowledgment alone isn't enough. 93% acknowledged areas of underperformance, setbacks or challenges in their annual reports, but the quality of disclosure varies widely. Some explain root causes and describe management response. Others use generic language like "challenging market conditions" or "external headwinds" without specifying what went wrong or what's being done about it.

Credibility comes from candour. Investors understand that not all targets will be met and not all strategies will work as planned. What they need is transparency about why performance fell short and how management is responding. Companies that explain setbacks in specific terms, such as operational inefficiencies, misjudged market assumptions, or execution gaps, and then describe corrective actions, demonstrate reflective and strategic expertise. Those that acknowledge setbacks without diagnosis leave investors guessing whether management really understands the problem in the first place.

External assurance, limited or reasonable?

Singapore doesn't mandate external assurance on climate disclosures until FY2029 for Scope 1 and 2 emissions. Until then, companies can choose whether to seek independent verification. 77% of STI30 companies currently use external assurance on climate disclosures, demonstrating voluntary commitment to credibility before regulatory requirements kick in.

But not all assurance is equal. Among the STI30 companies with external assurance, only two uses reasonable assurance. The rest opt for limited assurance, which confirms nothing material has been misstated but doesn't actively verify accuracy. Reasonable assurance involves more rigorous testing and provides positive confirmation the data is fairly stated. As climate disclosure becomes material to capital allocation, the choice between limited and reasonable assurance signals how seriously companies treat data credibility.

Technology expertise is common, technology governance isn't

Nearly all STI30 companies now have technology expertise represented on their boards, with 97% disclosing some form of technology-related experience. This reflects the strategic importance of digital transformation, AI, and cyber risk across sectors, but such expertise does not automatically translate into transparent disclosure of how it shapes board oversight.

Having a board member with tech credentials is one thing. Disclosing how the board governs technology risks, data dependencies, cyber resilience, and digital infrastructure is another. Investors want to understand whether boards are asking the right questions about technology strategy, not just whether someone in the room has a tech background. Without disclosure of how technology expertise informs board decision-making, the presence of tech-savvy directors remains a credential, not evidence of governance in action.

Addressing performance challenges with transparent discussion

There are many reasons a company's performance might not live up to expectations, from geopolitical turmoil and economic uncertainty to skills shortages and a rapidly shifting technology landscape. What matters for credibility is how transparently companies explain what went wrong and what they're doing about it.

Genting Singapore described 2025 as a "defining transition year" and acknowledged weaker revenue and profitability, explaining this reflected the impact of major renovation works and the gradual ramp-up of new operations. It identified a newly formed management team still building operational momentum as an internal execution factor.

ST Engineering acknowledged cost overruns and schedule delays on specific defence contracts, attributing these to underestimating technical complexity and facing supply chain disruptions. The company outlined corrective actions including stronger upfront risk assessment for projects and tighter oversight of vendor performance.

DBS disclosed a significant digital banking service disruption and explained root causes including system capacity constraints and inadequate stress-testing of upgraded infrastructure. The company described how the board reviewed the incident, committed to strengthening system resilience, and updated protocols for responding to future outages.

Background

Methodology

The research for this report focuses on the narrative elements of annual reports and assesses how effectively companies have communicated information about their business to their investors and wider stakeholders.

The criteria for our analysis are developed with reference to legislation, regulation, guidance and best practice standards. The assessment does not cover the financial statements or notes and we do not use the study to evaluate the accuracy of the information, compliance with industry regulations or financial performance.

We assessed each annual and sustainability report in the sample group against 63 indicators, giving us more than 1,800 data points to analyse. This year, we enhanced our process with Normain, an AI platform designed to extract insight from multiple documents. The output of Normain was checked and validated by our team of reporting experts.

Our sample consisted of all 30 Straits Times Index (STI) constituent companies as of 2 July 2026. Annual reports reviewed predominantly cover reporting periods ending between 31 December 2025 and 31 March 2026, except for one company's latest available report, which covers a 2024 reporting period at the time of publication.

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How our team can help

- *Strategic review and benchmarking of your reporting suite*
- *Regulatory and narrative communications development*
- *End-to-end financial and sustainability report delivery*
- *Materiality assessments and impact frameworks*
- *Activating stakeholder communications across digital channels*
- *Enhancing your AI authority and generative engine optimisation*

Get in touch and learn how we can work together

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