

BUILDING ESG-READY CMAs

Insights from Singapore's Reporting Environment and SEBI's BRSR

Abstract

Over the years, ESG reporting has evolved from a story about how organizations are meeting their corporate social responsibilities to one steeped in data and strategic risk management. ESG reporting is serious business for organizations not only due to increased regulation but also as the non-financial risks of ESG are found to have direct impacts on the financial performance of organizations. This article discusses the ESG reporting landscape in Singapore as a model as they have been ahead of global averages and pioneered several innovative mechanisms for transparent and meaningful ESG reporting. With this forward-looking view as the backdrop, the article discusses the professional commitments and capabilities of CMAs that provide the right opportunities for them to move into ESG roles. Skills and capabilities that CMAs should develop are also highlighted. The future will be led by those who act today, and CMAs are well poised to do so.



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Introduction: The evolving phases of ESG reporting

Environmental Social Governance or ESG is understood as a set of standards developed to measure an organisation's impact on the environment and society (Krantz & Jonker, 2024). ESG was often used in close connection with other terms such as CSR i.e. Corporate Social Responsibility, but over the years, a clear distinction of these terms and a massive shift of the conversation towards ESG has resulted in a more robust framework where social and environmental

strategies of organizations have been embedded into their corporate strategies. This change has meant that stories of community engagement and philanthropy that dominated what CSR for organizations looked like are replaced by specific, measurable objectives that identify value-based initiatives that augment financial and strategic business decisions (4ocean Team, n.d.). With increased governance and regulation guiding ESG reporting, corporations are able to prove their sustainability initiatives, contributions and the resultant impacts. Transparency for stakeholders has greatly increased as they are able to judge organizations on how their non-financial risks are managed since non-financial risks have a direct impact on financial performance. This is because strong ESG metrics when done right, are often a measure of quality leadership that prioritizes organizational resilience, acute management of risks and long-term value adding plans for the organization (Marques Alves Aguiar, 2026). With regulatory and governance frameworks worldwide, moving towards mandatory reporting of sustainability goals and measures, related guidelines are already being vastly adopted and such reporting has become part of business as usual for most of the large countries around the world (McCalla-Leacy & Gnändiger, n.d.).

ESG Landscape in Singapore for Reporting, Regulation and Frameworks - A Useful Reference Model

Using Singapore as a useful reference model stems not only from the author's proximity and awareness of the environment in the city-state but also from published reports of studies and surveys by consultants that time and again identify Singapore as a mature environment and a pioneering force in the field of ESG regulation, governance and reporting. KPMG's 2024 survey of sustainable reporting observed how Singapore has often outdone global averages thereby setting new benchmarks globally and in the region. For instance, in Singapore all top 100 companies report on sustainability and they are among the 7 such countries in the world. The global average for such reporting is only 79 percent. In several of the key sustainability reporting indicators, such as accountability at board-level, ESG integration and climate risk recognition, Singapore's top 100 companies outdid global standards. Recognizing climate change as a financial risk is adopted only by 55 percent of the companies worldwide but in Singapore 76% of the companies do so. Very importantly a high 84% of the companies in Singapore are including information relating to Sustainability and ESG in their annual reports while the world average is only 62% (McCalla-Leacy & Gnändiger, n.d.)

Divergent ESG Journeys: India and Singapore Shaping Their Own Reporting Models

As major powers in their own sense in pushing the importance of ESG reporting in the region, both Singapore and India are charting out their own journeys based on the position of their capital markets and the traditions defining corporate governance in their spaces. The common language creating a foundation for guiding reporting in both countries is the IFRS Foundation's International Sustainability Standards Board (ISSB) – IFRS S1 and S2 for general sustainability as well as climate reporting are important. These international references for ESG reporting are based on Task Force on Climate-related Financial Disclosures (TCFD) for disclosing climate-related risks and opportunities (Global Excellence Digest Editorial Team, 2026).

ESG regulations in Singapore are driven primarily by the mandates and guidelines provided by the Monetary Authority of Singapore (MAS) and

Singapore Exchange (SGX). While listed companies have to mandatorily publish annual ESG reports, these authorities established strategic journey maps for all relevant organizations to enable them smoothly transition to adopting mandatory climate reporting by 2025. Specifically, they prioritized disclosure for high impact sectors such as energy and finance and customised reporting on specific ESG risks for the finance sector, consequently building transparency and value. Building a suite of resources for Micro, Small and Medium Enterprises (MSMEs) to develop ESG strategies and benefit from them is a distinctive contribution by MAS. Besides, simplification of reporting by SGX on their ESG portal, positioning corporate disclosures to match the twenty-seven core global ESG metrics, makes for universal understanding and tracking of progress (SMU Academy, 2025). The use of internationally recognised frameworks and standards of ESG reporting add to Singapore's relevance as a regional/global leader in this space. Some prominent ones guiding ESG reporting include the Global Reporting Initiative (GRI) developed by Global Sustainability Standards Board (GSSB) that focuses on the most relevant ESG impacts providing meaningful comparison and transparency. The Sustainability Accounting Standards Board (SASB) framework is great for aligning information reported with stakeholders for financial significance. The Adoption of Task Force on Climate-related Financial Disclosures (TCFD) for disclosing climate-related risks and opportunities is especially useful for both management and investor decision making (SMU Academy, 2025). Singapore has directly aligned with the ISSB IFRS S1 and S2 reporting standards and has sped ahead in determining ESG reporting requirements in the region. Since 2022, companies listed on the Singapore Exchange have had to provide climaterelated information based on international TCFD guidelines. Starting in financial year 2025, every SGXlisted company must also report their direct greenhouse gas emissions (Scope 1) and the emissions from the electricity they use (Scope 2). Companies in the Straits Times Index will be the first in Singapore to follow the full set of new global sustainability reporting rules. Starting from financial year 2026, they will also be reporting their indirect emissions, known as Scope 3 (Global Excellence Digest Editorial Team, 2026). Besides, Singapore is also looking at recommendations from the Sustainability Reporting Advisory Committee

(SRAC) to extend ESG reporting aligned with ISSB to even large non-listed companies thereby focusing on truly positioning Singapore as a green-finance hub over mere compliance (Global Excellence Digest Editorial Team, 2026).

The Business Responsibility and Sustainability Report (BRSR) issued by the Securities and Exchange Board of India (SEBI) is driving ESG reporting in India. India has been distinctive in not adopting the ISSB standards as it is but rather using it as a basis and building a domestic framework for ESG reporting. SEBI's BRSR has been mandatory for the top 1000 listed companies since the financial year 2022-23. (Global Excellence Digest Editorial Team, 2026). In keeping with demonstrating India's implementation of the United Nations Guiding Principles on Business and Human Rights, the Ministry of Corporate Affairs issued the National Guidelines on Responsible Business Conduct and the ESG reporting is centred around these 9 principles. These 9 principles include guidelines for ethical operational conduct and governance, sustainable goods and services, employee wellbeing, stakeholder interests and concerns, human rights across operations, environmental protection and preservation, transparent policy administration, social inclusion and equitable development and delivering fair value to consumers. The coverage of the reporting thus, is comprehensive. The inclusion of social metrics over and above environmental ones is significant under BRSR. SEBI is also expanding the scope of reporting asking top 250 listed companies to share ESG information about their important suppliers and customers starting FY202425, and from FY202627 extending it to the top 1,000 companies (Global Excellence Digest Editorial Team, 2026).

Contribution of CMAs to the future of ESG reporting

As more countries and companies mature in their understanding, adoption and strengthening of ESG information reporting, it is evident that establishment of specialized roles and responsibilities is a vital need. New roles and responsibilities relating to reporting as well as independent assurance are likely to arise. Reporting involves accountability of the organization to share its ESG story truthfully through collection of data, interpretation and presentation, and creates

transparency in conduct and governance. At the same time, independent assurance builds credibility to the ESG story published by the organization as it can involve verification and validation of the data sources, controls, interpretations and disclosures. In both these kinds of roles, CMAs, through their education and code of conduct, are a natural fit. The ABCDs of how CMAs seem poised to take charge of roles in this space is described below:

- ⊙ **Accountability:** The need for marked accountability for providing a holistic view of the sustainability contributions of organizations in the fields of environmental protection, social relationships with stakeholders and the community and effective internal controls and practices, promises an ideal setting for CMAs to lead and use their prowess. Through the strict professional code of conduct that CMAs adhere to in taking ownership among others, this role is one that CMAs can easily slip into.
- ⊙ **Business Goals:** Assessing business goals and priorities to guide the correctness and the reporting of critical and relevant ESG aspects is essential for producing meaningful disclosures that highlight valueadding insights for decisionmaking by both management and investors. CMAs working at the C-suite level or in close proximity to top management are well positioned to be able to understand and work with strategic goals and objectives.
- ⊙ **Compliance:** Besides, as organizations are reporting, the need for obtaining assurance of these disclosures and compliance to regulation is crucial. As CMAs are well versed in sound audit principles and processes, they can, through participation in the reporting or through independent verification, establish the reliability of ESG reports and their alignment with international standards, ensuring regulatory compliance as well.
- ⊙ **Data collection and analysis:** Data consistency, correctness, timeliness and accuracy are the foundations of dependable reporting as important financial and business decisions by investors and management are based on ESG reports. With a CMA's mastery in financial planning, performance analysis, variance reporting, and corporate risk management collecting and presenting

reliable data is built into their professional DNA making them appropriate candidates for this role.

Skills, capabilities and competencies for CMAs to focus on

Upskilling or cross skilling and continuous learning are essential in the fast paced, volatile business environments we are working in. It is no different for CMAs. While a host of new opportunities present themselves, contenders with the right mindset as well as the best combinations of skills and competencies often stand out. These skills can include technical skills, leadership skills, interpersonal skills as well as mental abilities. A quick look at the ABCDs of skills and competencies is produced below:

- ◉ **Adaptability:** With the ever evolving and changing landscape of ESG governance, adaptability and agility to transition quickly to the current frameworks and latest compliance requirements is essential. This includes resilience even in the face of frequent changes. The ability to identify positive opportunities for betterment and growth with each challenging shift will stand CMAs in good stead as leaders of the future.
- ◉ **Building the growth mindset:** Mental abilities such as developing the right mindset are essential competencies for future proofing. CMAs must be open to moving from traditional costing and accounting roles to strategic, advisory roles that ESG reporting or verification requires. This will involve innovating with insights beyond mere compliance in strategic areas such as risk mitigation and waste reduction to lead the organization in delivering sustainable value.
- ◉ **Continuous learning:** Growing technical knowledge and obtaining deep understanding of new frameworks and regulations are essential for supporting growth and reducing redundancy. Being open to feedback for improvement goes hand in hand with continuous learning.
- ◉ **Driven:** Being proactive and driven, in collaborating with cross functional stakeholders (both internal and external to the organization), to discover and share new information and metrics are essential

qualities for CMAs in the future. Developing interpersonal skills such as managing conflicts, communicating effectively, influencing to bring positive change, and taking initiatives to drive transformations will distinguish successful future CMAs.

Conclusion

The Asia Pacific region and the world are increasingly setting higher standards for conformance to ESG promises. Sustainability is now a core business essential. In the light of being a trade and financial centre, Singapore is representing inspirational thought leadership in the region, building collaboration, establishing pioneering green agreements as well as cross border mechanisms for building sustainability (MTI, 2025). India and Japan are also mapping their paths to more responsible ESG reporting and assurance. This futuristic outlook on the increasing importance of sustainability of businesses, gives CMAs the chance to shape early pathways for their future in ESG reporting as well as independent assurance, building the skills and capabilities needed to contribute meaningful value to this evolving area of work. **MA**

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