STEWARDSHIP RESEARCH SERIES **2025**

Stewarding Value

UNLOCKING MARKET POTENTIAL THROUGH ENGAGEMENT

SAC
Stewardship Asia Centre
by Temasek Trust

About Stewardship Asia Centre

Stewardship Asia Centre (SAC) is a non-profit organisation dedicated to enabling business growth and societal prosperity through education and advisory on Steward Leadership. We are part of the Temasek Trust ecosystem with a shared purpose of building a better future for every generation. Temasek Trust is the philanthropic arm of Singapore-based global investor Temasek Holdings.

CONTENTS

EXECUTIVE SUMMARY

Stewarding Value: Unlocking Market Potential Through Engagement

I. Engagement Can Drive Impact—But Must Be Built on Fundamentals

Investor–company engagement is widely recognised as essential, yet it alone rarely drives valuations. According to the *Stewarding Value* survey*, over 80% of corporates engage with significant investors quarterly, and nearly seven in ten investors focus on engagement during pre-investment due diligence or monitoring, valuation outcomes remain constrained by fundamentals such as entry price, market liquidity, and broader sentiment. Engagement builds trust, reduces perceived risk, and strengthens reputation, but companies must set realistic expectations—even strong engagement cannot replace structural market limitations.

II. Alignment of Motivations is Critical

Effective engagement requires converging investor and company objectives. Companies may engage to raise capital, enhance visibility, or comply with regulations, while investors may seek insights or push for strategic outcomes. Research reveals alignment gaps—for example, 25% of investors cite company strategy as a top concern, yet only 14% of corporates recognise this. Misaligned expectations can reduce dialogue to a box-ticking exercise, especially in firms where controlling shareholders may view investor input as marginal. Progressive companies tailor engagement by investor type, stake, and horizon, ensuring interactions are purposeful and strategic.

III. Simplicity and Execution Matter

Investors value clarity, honesty, and consistency over complex reporting. Nearly half of investors report a lack of timely information as a key challenge, despite most disclosures being deemed useful. Engagement that provides context around results, industry shifts, and forward-looking insights—through interactive quarterly calls, investor days, and clear presentations—builds understanding and trust. Interviewees suggested that in the longer term, digital tools such as investor apps, searchable dashboards, and virtual investor days can enhance accessibility.

IV. Trust is Built on Transparency

Transparency is the currency of engagement, with investors willing to accept short-term underperformance if companies communicate long-term strategy and risks transparently. Compliance alone is insufficient; meaningful engagement requires proactive disclosure, open discussion of challenges, and credible forward-looking plans. Nearly 70% of investors rate companies listed on the Singapore Exchange (SGX) as "somewhat transparent," highlighting room for improvement.

V. Long-Term Orientation Drives Value

Investors consistently prioritise forward-looking, long-term, strategy-oriented engagement. Over 60% seek better disclosure on long-term strategy and risks, with nearly half indicating initial price offerings (IPOs) would be more attractive if prospectuses included such insights. Access to senior decision-makers—CEOs, CFOs, and sometimes board members—is critical, as strategic-level dialogue signals accountability and competence. Companies that articulate measurable long-term goals and track progress over time build investor confidence and demonstrate credibility, supporting sustained valuation potential.

VI. Capacity Building Enhances Engagement Impact

High-impact engagement requires skilled management, investor relations, and board members. Companies must invest in training to communicate strategy, risks, and performance clearly, deliver structured presentations, and conduct interactive Q&A effectively. By building these capabilities, firms can execute engagement consistently, increase transparency, and foster trust, turning investor interactions into a strategic advantage rather than a compliance exercise.

*A structured survey, designed and rolled out to gather insights on key aspects of investor–corporate engagement, as a component of the research. Details can be found in section titled State of Engagement.

INTRODUCTION TO RESEARCH

Stewarding Value: Unlocking Market Potential Through Engagement

The *Stewarding Value*: *Unlocking Market Potential Through Engagement* research focuses on engagement between corporates and institutional investors, and its impact on influencing capital allocation and long-term company value. Engagement, defined [for the purpose of this research] as any communication between a company and its institutional investors, has long been a feature of public company practice. However, as institutional ownership continues to grow and investors' voices become more influential, the quality and effectiveness of these interactions have become increasingly scrutinised in the context of investment stewardship.

Stewardship Asia Centre (SAC), the secretariat for the Singapore Stewardship Principles for Responsible Investors (SSP), has been at the forefront of promoting investment stewardship in Singapore for nearly a decade. The Centre and the broader stewardship community have consistently championed the importance of high-quality engagement between companies and investors as a key determinant of market confidence and effective capital allocation. Through this lens, engagement is viewed not merely as a regulatory requirement but as a strategic tool that can foster trust, transparency, and alignment between investors and companies.

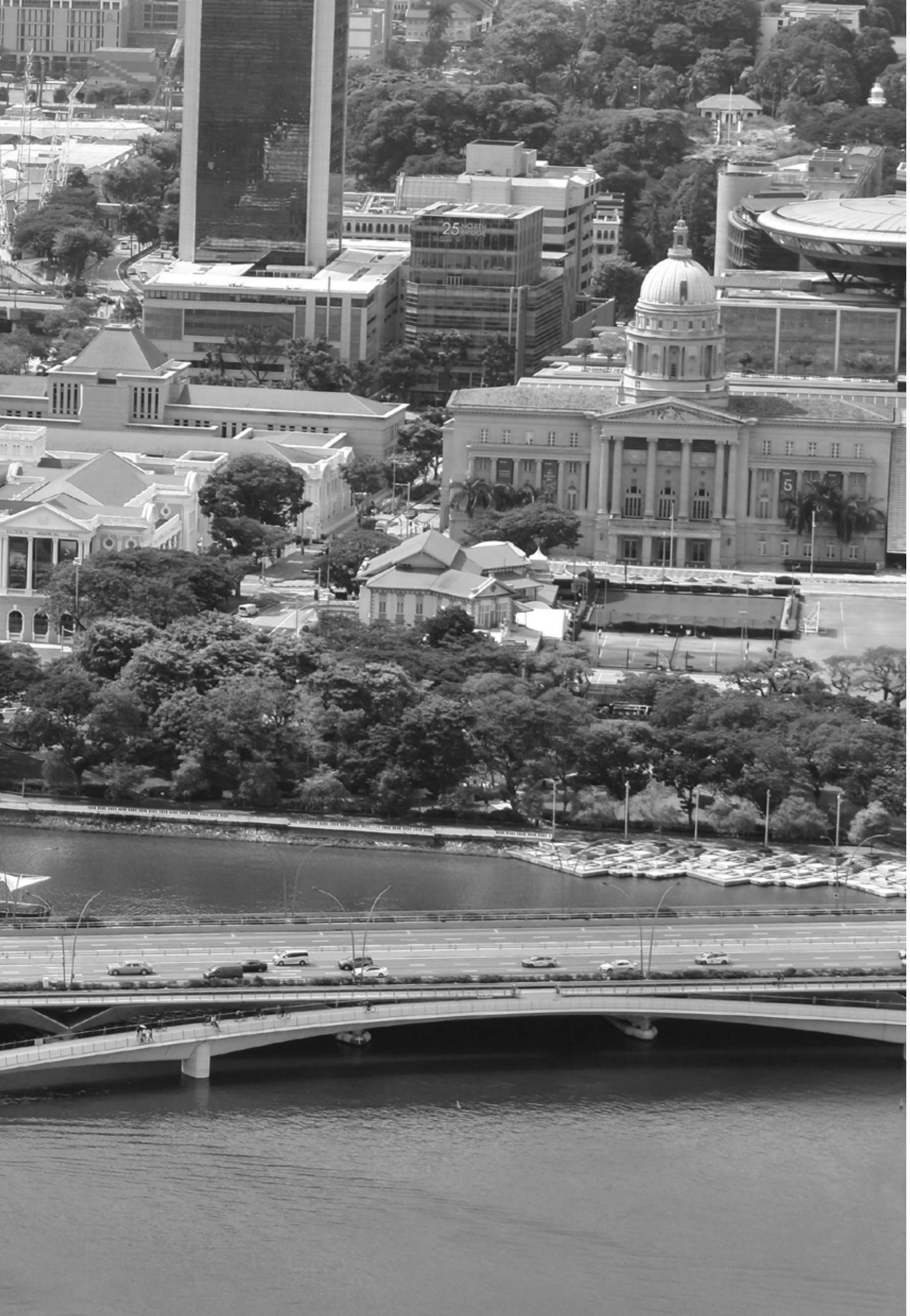
This research also aligns with the objectives of the Monetary Authority of Singapore's (MAS) Equity Market Review Group (RG), which seeks to strengthen the competitiveness of Singapore's equities market, facilitate market growth and foster investor confidence. Specifically, the RG has identified improving listed companies' shareholder engagement capabilities as a key lever to strengthen Singapore's capital markets, by reducing information asymmetry, raising investor interest and enhancing market discipline.

To ensure a comprehensive understanding, the research employs a multi-method approach. This includes a survey of institutional investors and corporate representatives, focus group discussions with investors and senior corporate leaders/board directors, and in-depth interviews with institutional investors and board directors. The study examines current engagement practices, evaluates the adequacy of existing disclosures, assesses the impact of engagement on valuations and investment decisions, and identifies areas for improvement.

The rationale for 'stewarding value' is underpinned by emerging insights from the research data, which show that effective engagement between investors and investees centres around five critical factors—engagement being Foundational, Aligned, Transparent, Simple, and Long-term. High-impact engagement also requires capacity building—equipping management, investor relations teams, and board members with the skills to communicate strategy and performance effectively, deliver structured updates, and conduct interactive discussions.

By exploring these dimensions through the qualitative and quantitative data collected, the *Stewarding Value*: *Unlocking Market Potential Through Engagement* study aims to provide actionable guidance on how SGX-listed companies can enhance the quality of their engagement with institutional investors, strengthen trust, and support sustainable valuations, offering insights for companies, investors, and regulators alike.

"Effective investor engagement means providing guidance, transparency, and accountability, as well as access to C-suite executives who can offer depth and context beyond the financial numbers."



5 KEY FINDINGS

1 **FOUNDATIONAL**
Effective Engagement is Like Good Hygiene

2 **ALIGNED**
Different Motivations Must Align for Engagement to Be Effective

3 **SIMPLE**
Effective Engagement is About Doing Simple Things Better

4 **TRANSPARENT**
Transparency is the Currency of Effective Engagement

5 **LONG-TERM**
Effective Engagement is Anchored in Long-term Orientation

Key Finding I.

Foundational

EFFECTIVE ENGAGEMENT IS LIKE GOOD HYGIENE

Engagement between investors and companies is widely seen as essential, yet it is rarely enough on its own to move valuations. Interviewees consistently stressed that engagement is a prerequisite, not a guarantee of investor interest or share price appreciation. As one investor puts it: “There are many factors that drive valuations, and engagement is just one of them. Post-engagement, you may end up with a less favourable view of the company; but one thing is for sure—you, as an investor, are in a better position to understand the company, its future trajectory, the industry it operates in, and what management is trying to do.”

The *Stewarding Value* survey findings confirm this nuanced picture. Data suggests that 80% of corporates engage at least once a quarter with significant investors, and about seven in ten investors concentrate engagement efforts during pre-investment due diligence or ongoing monitoring. While this indicates that engagement is frequent, it may not have a direct impact on valuation outcomes. As one investor explained: “There are many factors that drive valuation, and engagement is just one of them. Think of it as a regression equation with multiple variables—the coefficient for engagement is significant, but it is not dominant in that equation.”

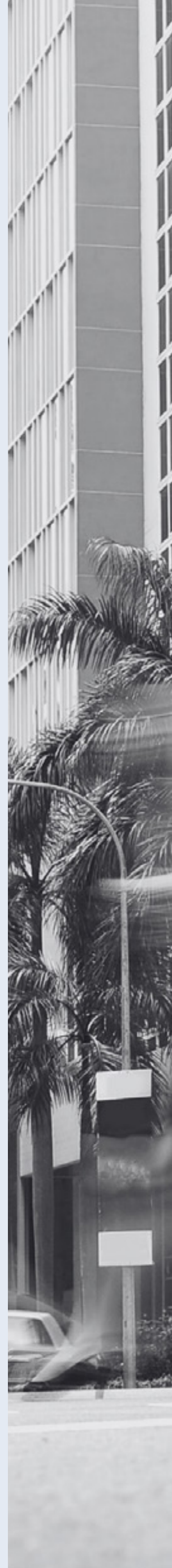
Engagement Matters, but Meaningful Outcome Requires More

Investors shared that engagement is necessary to even be considered seriously, but it does not automatically yield higher valuation or stronger interest. While nine in ten investors and investees agreed that the quality of engagement has a “moderate” to “very significant” impact on valuations and investment decisions, interviewees opined that engagement is not a dominant driver.

Investors also noted that even with excellent engagement, valuation outcomes may remain constrained by fundamentals such as entry price, broader market sentiment, or lack of liquidity. As one investor remarked: “Irrespective of the engagement, my interest in a company depends on how much I am paying and what sort of ROE we are looking at. If I bought shares at 15 times earnings, then the question is, how much more can the share price grow?”

> *“Just because you engage, don’t expect immediate reaction to the share price. It takes time as people need to see the business growth happening consistently over a period.”*

Investors cautioned that companies should treat engagement as a foundation for trust, not as a lever that immediately lifts share prices. Progressive firms set realistic internal expectations—engagement builds investor confidence, reduces perceived risk (hence lowering the cost of equity), and strengthens reputation—but any valuation impact requires consistency in delivery.



Another investor warned that unrealistic expectations from engagement initiatives may disillusion corporates, underlining the need to be 'real': "The mid-cap company does everything by the book, but the share price doesn't go up. So, after a while, the CEO decides to just privatise it because no one values his company as much as he does. It is a chicken-and-egg story—they are excited after listing, they engage, but nobody comes to the 'party.'"

> *"There is always a financial implication of engagement, both upside or downside, but there is no direct implication—that if you do A, then your financial performance will be reflected into B, and hence your share price or your debt price will be reflected in C."*

REFLECTIONS

- Are we clear-eyed about the external constraints (market size, liquidity, investor appetite) that affect our valuation, beyond engagement?
- Do we frame engagement as necessary for building trust, but not as a silver bullet for valuation uplift?

Valuations are Constrained by Liquidity and Market Size

While engagement clearly improves trust and understanding, several investors emphasised that valuations are heavily influenced by the broader market structure. As one explained: "The market here [in Singapore] is not a trading market. It is designed to be less volatile, more stable, which means valuations will always look different compared to the US or Hong Kong." Another investor added: "Singapore is not set up to be a speculative market. The structure itself—fewer retail investors, smaller analyst coverage—means liquidity and multiples are naturally lower."

These structural realities mean that even strong engagement practices cannot, on their own, bridge valuation gaps; they must be seen as one factor within a wider ecosystem.

Liquidity issues and regulatory limits also dampen interest from larger funds in small- and mid-cap stocks, contributing to the lack of analyst coverage. As one interviewee noted: "Smaller and mid-cap companies are often under-covered, limiting investor insight and engagement opportunities."

Key Finding II.

DIFFERENT MOTIVATIONS MUST ALIGN FOR ENGAGEMENT TO BE EFFECTIVE

Investor–company engagement is often spoken of as if it were a single, uniform process. In reality, as interviewees noted, engagement is shaped by divergent motivations. Companies engage with investors for varied reasons—some see it as a channel to raise capital, others as a way to enhance branding and visibility, and still others treat it as a compliance obligation with little strategic intent.

On the other side, investors themselves are far from homogenous. Some approach engagement primarily as an insights-driven exercise—seeking clarifications on strategy, risks, or market positioning. Others adopt an outcomes-driven lens—using dialogue to nudge companies towards improved governance, stronger ESG practices, or sharper execution. Without clarity and alignment, these interactions may not yield value. As one investor reflected: "Engagement can be insights driven or outcome driven. Insights driven is when you talk to a company for information, and outcome driven is where we have specific agenda and objectives that we want to really help the company improve on."

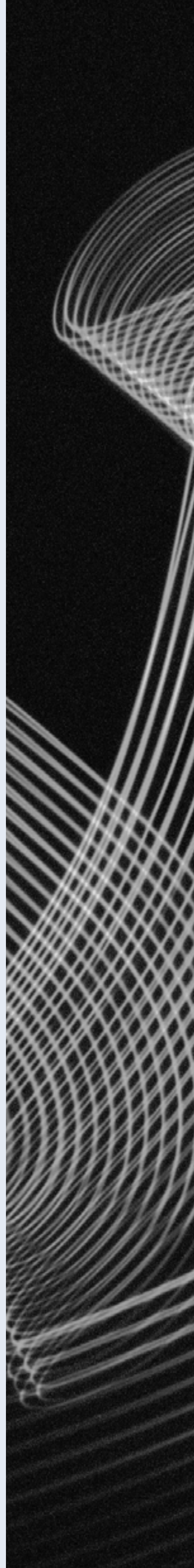
Survey results reinforce this potential misalignment in motivations and perceptions. While 25% of investors cite company strategy as their top query, only 14% of companies recognise this as a key concern. Similarly, 29% of investors view management vision and execution as very significant in shaping their investment view, but only 16% of corporates recognise this. Such gaps may undermine the quality of dialogue. Investors consistently stress that engagement must be intentional, aligned, and transparent.

"We need to have clear objectives so that we know what we're going in to engage with the company on. We're very clear and transparent on what those expectations are, so that we bring value to the discussions."

Interviewees cautioned that when objectives are left vague, dialogue can drift into box-ticking. By clarifying motivations at the outset, both parties set realistic expectations and avoid the frustration of mismatched agendas. For instance, companies could distribute a short brief outlining the topics they wish to cover ahead of an engagement, while investors could share thematic priorities (e.g., climate transition, governance reforms) before the meeting. This upfront alignment saves time and ensures conversations are purposeful.

Company Size and Ownership Structure Shape Incentives to Engage

The willingness—and even the perceived necessity—of companies to engage with investors is deeply influenced by their context, particularly size and ownership structure. Interviewees shared that in small, founder-led, or family-controlled firms, the controlling shareholder often sees little need to justify decisions externally. "For smaller companies that are on exchange, the chairman is the CEO, and the largest shareholder. They don't feel that they need to talk because they own 70%," observed a fund manager.



In such cases, engagement may be absent or can feel like a formality, especially when the majority owner perceives investor voices as marginal. One fund manager suggested reframing dialogue not as “pressure” but as a long-term partnership and risk reduction.

Interviewees also noted that some small companies view listing primarily as a branding exercise, only to be surprised by the “culture shock” of public market scrutiny: “Some small companies want to list because it's nice branding, visibility, but they go into a culture shock when they have to share their client names, the main sources of revenue. So, the question is—are they really ready to list and engage?” A useful practice, one interviewee suggested, is for companies preparing to list to conduct a “readiness audit” to identify gaps between their current disclosure culture and public market expectations. By contrast, large-cap companies in major indices (i.e., STI component stocks), followed by numerous analysts and institutional investors, tend to invest more systematically in investor relations, recognising the reputational and financial importance of ongoing dialogue.

Progressive Companies Tailor Engagement to Align Shared Strategic Priorities

Not all investors approach engagement with the same horizon or leverage. Active, long-term investors often seek deep, strategic dialogue, while passive investors or exchange-traded funds (ETFs) may focus on governance and voting as their main levers of influence. “I think the quality of dialogue depends on the size of your holding, and your position on that company as an investor. Are you a long-term investor or just more like a short-term kind of investor?” shared a fund manager. “Given the lack of option to exit from certain companies [since we are an ETF], the importance of having meaningful engagement, also using voting as a voice, is that much more important to us,” added another.

> *“The best engagement happens when the topic is very much contextualised and aligned to the company's plan to generate value.”*

Progressive companies therefore, do not treat engagement as a one-size-fits-all exercise. Instead, they tailor engagements based on the intent and context—guided by factors such as strategic alignment, materiality and long-term value creation.

REFLECTIONS

- Have we clearly defined and communicated our objectives for engagement—are we seeking to inform, to build trust, or to drive outcomes?
- Do we understand what different types of investors (active vs. passive, short- vs. long-term) expect from us, and are we tailoring our engagement approach accordingly?

Key Finding III.

EFFECTIVE ENGAGEMENT IS ABOUT DOING SIMPLE THINGS BETTER

Stewardship Asia Centre's (SAC) research suggests that investors are not asking for more complex activities; they are asking for clarity, honesty, and consistency. Survey data shows that over 87% of institutional investors find disclosures from SGX-listed companies 'useful' or 'very useful,' yet 46% still cite a lack of timely information as a fundamental challenge. This indicates that companies are meeting baseline requirements, but may be falling short in delivering relevant and timely insights, which investors value most.

As one investor put it: "Investors want clarity on the management game plan, so a good engagement would be where the CEO presents the whole year's business, gives an overview of what's happening in the company and the industry, provides a snapshot of where the company stands, and spends time answering questions." The implication is simple—engagement is happening, but companies may underperform on disciplined execution. One in two investors (50%) say they want more frequent updates, over three in five (62%) want better disclosure on strategy and risks, and over one in two (55%) want more direct access to senior management. So, institutional investors are not just looking for more compliance-level reporting, but also updates that help them truly understand a company's strategy, drivers, and risks better.

The Need for Timely and Interactive Updates Must be Emphasised

Investors cautioned that engagement should be timely and interactive, building understanding, not just activity. 42% of surveyed investors indicated that "Q&A at Quarterly Earnings Calls" (interactive and timely) was among the three most useful sources of information for making investment decisions, while only 22% voted for "Prepared Remarks at Quarterly Earnings Calls" (timely but not interactive). Similarly, while 21% voted for "Q&A at Broker-Sponsored Conferences" (interactive but less timely) as one of the top-three influencers in investment decisions, in a sharp contrast, only 8% identified the "Scripted Portion of Broker-Sponsored Conferences" (neither interactive nor timely) as one of the top three. Overall, 57% of surveyed investors value "Earnings Calls with Q&A" and 61% highlight "Proactive Management Outreach" as the most effective forms of engagement.

"I want to know how the company makes money, what its drivers are, what the risks are, what the future may hold, the sensitivities to that future, and what the strategy is for the future."

Investors therefore, seek context around results, insights into industry shifts, and clarity on how management sees the road ahead. Progressive companies adopt plain-language investor presentations that break down growth drivers, risk factors, and market dynamics clearly. They use quarterly business updates to articulate progress on portfolio strategies and market positioning.

By defining clear channels of communication—such as investor days, structured FAQs, and press releases on company websites—with open Q&A during quarterly business updates, companies can drive impactful messaging that resonates with investors and build trust across investor types without overloading investor relations and senior management.

Collaboration Technologies May Strengthen Engagement

Despite widespread digital adoption elsewhere, investor engagement remains surprisingly analogue. The survey shows 53% of investors rely primarily on company websites as their main source of information, but most sites offer little beyond static reports.

One investor even observed: “Companies will go a long way if they could just make information easy to understand and easy to find.” Putting all relevant information—financial performance, annual reports, announcements, press releases, transcripts of investor calls, and analyst research reports—on company websites in an easily navigable format goes a long way to educate busy investors and analysts covering hundreds of companies across the region. Some interviewees observed that virtual investor days, interactive dashboards, or searchable Q&A databases are simple, low-cost ways to make information more accessible and engaging.

REFLECTIONS

- Are we telling our story in a way that investors can easily grasp and help inform their decisions?
- Do we leverage timely updates, interactive formats, and technology platforms to ensure clarity and accessibility in engagement?

Technology can amplify communication, especially for investors who do not engage frequently in person. Considering that 62% of surveyed corporates highlighted managing differing investor expectations and correcting misconceptions as a key challenge, technology offers one of the simplest fixes. Some technology-savvy companies already offer investor apps and online disclosure hubs that make quarterly reports and presentations easily searchable, or host interactive virtual investor days with real-time Q&A and on-demand replay. These tools broaden engagement, providing efficient, transparent access to key information.

Clearly, There is Room for Improvement

Several interviewee investors noted that while there is a strong premium on simple, timely engagement, gaps persist—particularly beyond the top 30 SGX-listed companies. This underscores a business case for investing in the engagement capabilities of IR professionals, CEOs (particularly in mid- to small-cap companies), and even board directors. They must be equipped with the skills to communicate strategy, risks, and long-term trajectory clearly.

> *“All companies have a story, but sometimes they falter in getting that story out and presenting it in a way that resonates with investors.”*

One investor shared: “High-impact engagement relies on basic, well-executed practices; clear disclosures, regular updates, focused communication improve outcomes.” Training, therefore, should emphasise clarity, structured communications, and the ability to tell a compelling story.

Key Finding IV.

TRANSPARENCY IS THE CURRENCY OF EFFECTIVE ENGAGEMENT

Transparency is the currency of engagement. Investors emphasised that they are tolerant of negative developments when they are shared honestly and framed within a credible plan. More than nine in ten (95%) surveyed institutional investors say they can look past short-term underperformance if a compelling long-term strategy is communicated. Yet, investors noted that some companies simply fulfil mandatory requirements when what they really seek is transparent, two-way engagement.

As one complained: “Some companies just focus on disclosure; they don't like to talk to the investor. They say, 'Go to our report, page 52 or 185 and see what we wrote.’ They prefer written documentation rather than direct engagement, whether virtual or face-to-face. So, while they may be engaging a lot, checking all the activity boxes, there is very little value an investor gets.”

Being upfront—even about challenges—creates credibility. As one investor shared: “Helping your business partners understand your company is critical because you're inviting them to participate in your risk and your upside.”

Progressive companies proactively engage investors on thematic topics such as sustainability, governance, or strategic pivots. They openly discuss risks and mitigation strategies while framing them within a long-term plan.

Governance Does Not Equate to Transparency

According to the Tokyo Stock Exchange, 43% of companies on Prime Market were trading at Price-to-book (P/B) ratio of less than one in 2024.[1] This was partly attributed to longstanding cross-shareholdings

“Transparency is good because it creates trust, and trust over a long period develops a good, better, deeper relationship between investors and management.”

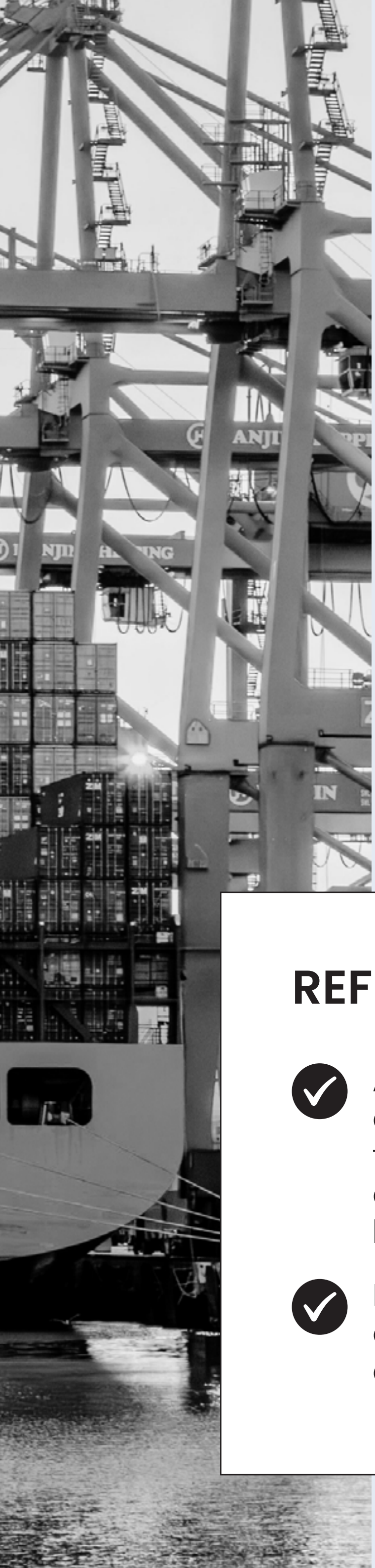
by financial institutions and corporates, creating cozy relationships and inefficient use of capital that did not maximise shareholder returns. Similarly, in Korea, where two-thirds of listed entities trade at P/B of less than one[2], the web of relationships among chaebol networks has raised questions about practices and corporate decisions that disadvantage minority shareholders. Hence, in a bid to improve stock valuations, the stock exchanges of both Japan and Korea have nudged their respective listed companies toward higher governance and accountability standards such as unwinding “strategic shareholdings” which may not contribute to shareholder value.

In Singapore, while 23% of STI companies trade at a P/B of less than one, this figure escalates to 59% for companies listed on the broader SGX Mainboard.[3] Unlike Korea and Japan, however, governance was not highlighted as an issue of concern, with only 8% of investors in the *Stewarding Value* survey citing it among their top concern.

1 Source: Tokyo Stock Exchange, May 21, 2024. https://www.jpx.co.jp/english/equities/follow-up/b5b4pj000004yqcc-att/dh3otn0000006vlf.pdf

2 Source: Reuters, Feb 26, 2024. https://www.reuters.com/markets/asia/south-korea-unveils-reform-measures-tackle-korea-discount-2024-02-26/

3 Source: Figure is derived from SGX and Business Times websites as of August 2025



Survey data shows that nearly 8 in 10 investors (77%) and corporates (82%) consider disclosures under SGX listing rules to be adequate. Only about 15% of investors and 16% of corporates found them too onerous, while just 8% of investors and 2% of corporates found them insufficient. More than 90% agreed that SGX IPO prospectuses are either more detailed or on par with other exchanges. Furthermore, over 87% of investors said disclosures by SGX-listed companies helped them make informed investment decisions. Interestingly, more than half of investors highlighted that the governance practice with the greatest impact on trust is having a fully independent board.

However, only 18% of investors rated SGX listed companies as "Very Transparent," while 69% rated them "Somewhat Transparent"—indicating room for improvement. Conversations with investors highlighted that transparency and trust are critical drivers of company valuation. A well-governed and transparent company is better positioned to manage risks, navigate uncertainties and optimise financial outcomes – factors that investors view are pivotal in their investment decisions. To earn investor trust, companies must increase their "transparency quotient" which in turn can support long-term valuations. As one investor recounted: "Three years ago when we started engaging with the company, they would always doubt our intent. But because we consistently engaged them in a positive manner, the company management now trusts us. They are quite transparent because they know we are not adversaries."

REFLECTIONS

- Are we moving beyond minimum disclosure to proactively share insights that demonstrate stewardship (e.g., capital allocation discipline, governance, long-term resilience)?
- Do our investors feel confident that our disclosures are timely, honest, and consistent across different forums?

Meaningful Insights Lie Beyond Minimum Disclosure

Even though nearly 87% of investors agreed that current disclosures aid decision-making, many cautioned that compliance alone is not enough. Investors want forward-looking insights, clarity on risks, and explanations of performance. One investor explained: "If as an analyst I have to create a 3-year view on a company and the company is not willing to give future projections, just pointing me to SGXNet, then I can be only as effective in taking a progressive view on the company."

Interviewees shared that progressive companies supplement mandatory disclosures with investor days, detailed strategy updates, and scenario analyses backed by well-thought-out assumptions on market trends and industry dynamics. By providing transparency that goes beyond the minimum, they differentiate themselves in a market where most peers stick to compliance. As one interviewee summed up: "We as investors value when we hear—'we wanted to do this, but we fell short,' or 'our earnings didn't grow as much as we expected,' rather than management not delivering the bad news or, worse still, coming up with some sort of excuses."

Key Finding V.

EFFECTIVE ENGAGEMENT IS ANCHORED IN LONG-TERM ORIENTATION

While investors acknowledge that corporate reports generally meet SGX baseline requirements, investors have repeatedly called for long-term, forward-looking, strategy-oriented engagement. Over six in ten surveyed investors want better disclosure on long-term strategy and risks, and more than nine in ten value a forward-looking long-term strategy.

Investors emphasised the importance of honest dialogue about opportunities and risks: "Actually, engagement really is targeted towards us having a thorough understanding of what the company does, how its business model works, how its 'moat' functions and what sort of strategies the company has for its future. We're looking for honest opinions about where the strategic opportunities are, where the trajectories are for the company."

Articulating Long-term Strategy is at the Heart of Effective Engagement

All SGX-listed companies report audited financials as mandated. However, investors noted that simply reporting quarterly, half-yearly, and annual results is insufficient. They want to understand the reasons behind shortfalls or overachievements, as well as the measures management took to overcome challenges or capture opportunities, so they can form a judgment about future prospects. One frustrated investor reflected: "Engagement can be investor- or company-initiated, but it comes down to whether it is sharing the strategy and plan or just a readout of quarterly and annual results. If it's a readout of quarterly and annual results, you can skip that and just read—it's of little value."

"If you help me understand your company's future strategy, there is a premium on that—it gives me confidence, which results in lower risk reflected in the projected cost of capital, and hence potentially higher valuation."

Survey findings confirm that there is a perception gap. The top concern highlighted by institutional investors is company strategy, whereas corporates perceive dividends as investors' top priority. Conversations with institutional investors highlighted their interest in Total Shareholder Returns; including both dividends and capital gains from share price appreciation, shaped largely by future prospects of the company. Hence, while 44% of investors said clear communication of long-term strategy would significantly impact their valuation or investment decision, only 28% of corporates recognised this. Investors consistently emphasised that beyond past performance, they want management's analysis of growth drivers, risk factors, market dynamics, and near-, mid-, and long-term goals—with strategies to achieve them.

More than 90% of investors surveyed agreed that a forward-looking, well-articulated strategy helps them understand and value a company. Nearly half (49%) said they would be more interested in SGX IPOs if prospectuses included more forward-looking disclosures.

"I do not know of a single company here [in Singapore] that gives forward-looking numbers or forward-looking guidance. So, the reason why the US market is so hot is because in every results call, they give guidance for the future."

Interestingly, while 62% of investors highlighted their desire for better disclosure on strategy and risks, 69% of corporates also acknowledge this as an area for improvement.
Why, then, are companies holding back? Independent board members suggested several reasons –fear of overcommitting and underdelivering (which could trigger stock volatility and regulatory queries); fear of revealing too much competitive information; lack of management confidence in articulating a compelling strategy; or lack of conviction that disclosure will lift valuations. As one board director explained: "The system, I think, has to be more tolerant of companies sharing some forward-looking projections and missing the mark. Right now, companies don't do that in the fear that they may get called up."

Progressive companies, by contrast, disclose long-term goals and targets, and measure performance consistently, enabling investors to track progress over time.
This builds trust in management's ability to plan and execute, reinforcing confidence in the company's long-term prospects.

It is Critical to Get the Right People to Engage on Strategic Initiatives

Access to decision-makers—especially on strategic initiatives—is one of the strongest signals of investee seriousness. Yet, more than 47% of investors cite limited access to management as a top engagement challenge, and more than 54% want more direct access to senior management. Too often, conversations remain siloed within Investor Relations (IR), which may not have the full strategic picture. As one investor explained: "Motivated engagement is when we have the right people on the other side of the table who can talk to us about risks and opportunities. Sometimes these are strategic-level answers that we are looking for, and so perhaps investor relations may not actually be the right counterpart for the dialogue; somebody from the board would be better suited."

Progressive companies therefore may rotate senior executives into investor briefings. CEOs, CFOs, and sometimes even board chairs interact directly with institutional investors to enable them to raise questions, understand investor priorities and gain insights on future prospects. Structured access signals accountability, strengthens investor-company relationships and builds investor confidence.

REFLECTIONS

- Are we articulating our long-term strategy—including risks, opportunities, and execution plans—beyond mandatory financial reporting?
- Do our investors have regular access to the right decision-makers who can credibly discuss the company's future direction, or is engagement overly reliant on Investor Relations?

"Meaningful engagement is about transparency—the amount, quality, and timeliness of disclosure that enables investors to understand what's happening in a company beyond the bare minimum financials."

STATE OF ENGAGEMENT

CURRENT ENGAGEMENT PRACTICES

COMMUNICATION QUALITY & ADEQUACY

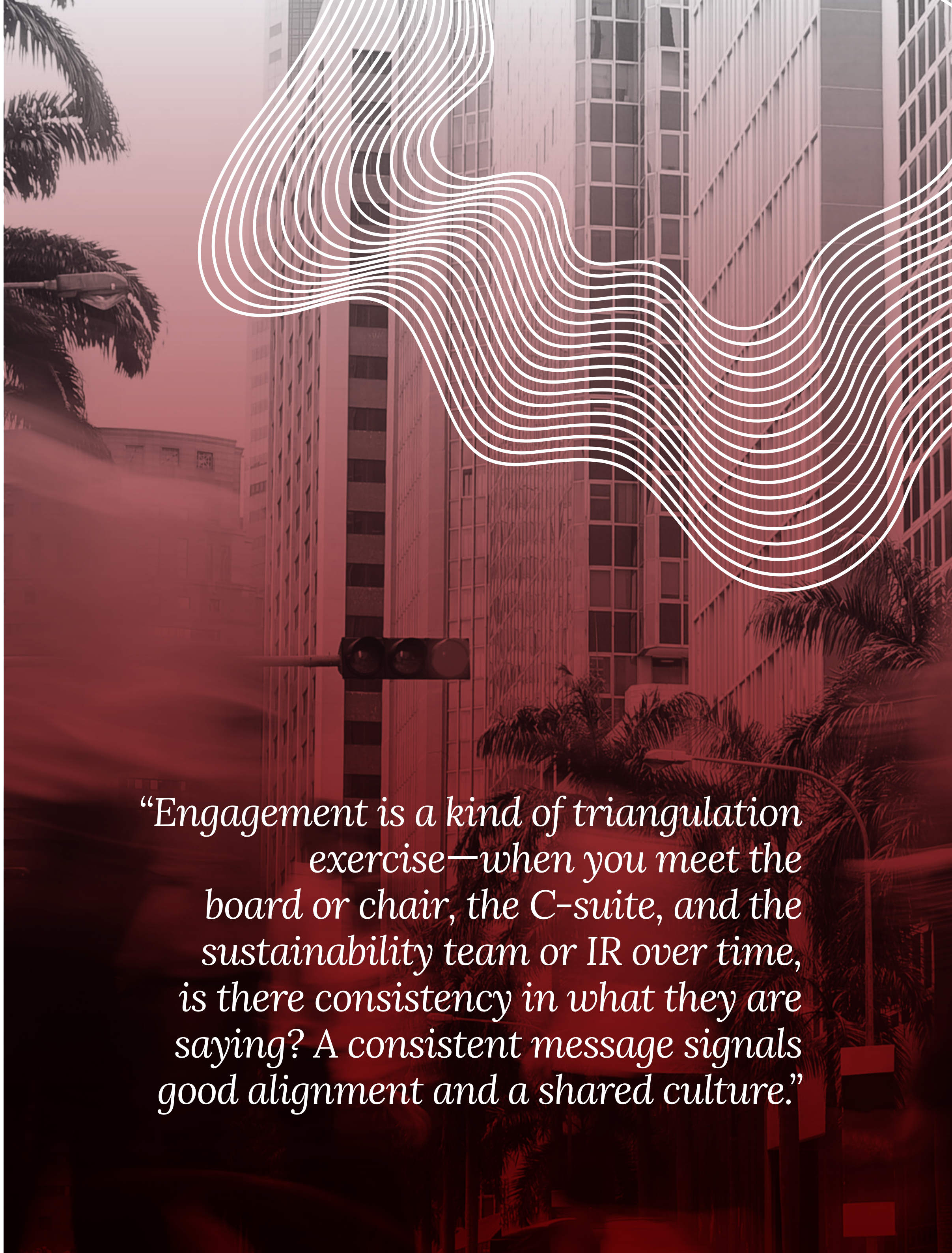
IMPACT ON VALUATIONS

PROGRESSIVE PRACTICES

CURRENT ENGAGEMENT PRACTICES

Key Points

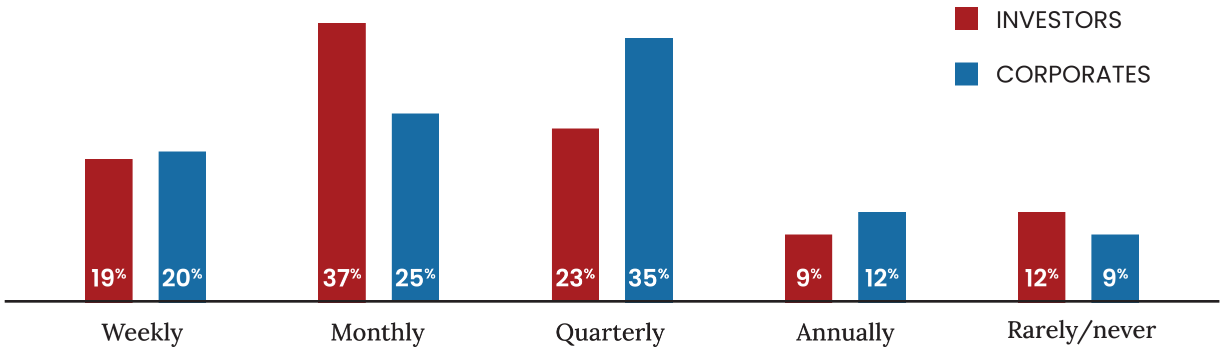
- Almost four in five companies engage with significant investors at least quarterly, relying mainly on AGMs and websites. Social media and SGXNet remain the least used.
- A quarter of investors view company strategy as their top concern, while corporates believe dividends matter most. ESG and management issues rank lowest for both sides.
- One in two investors cite limited access to management as the biggest barrier, followed by lack of timely information. Corporates, in turn, struggle most with managing differing investor expectations and addressing ESG governance questions.
- Both investors and corporates highlight the need for more structured, transparent, and responsive communication to enable meaningful dialogue.



Engagement Frequency

MOST COMPANIES ENGAGE WITH SIGNIFICANT INVESTORS AT LEAST QUARTERLY

Frequency of investor-investee engagement



Investors: How frequently do you engage in direct communication with SGX-listed investee companies?
Corporates: How frequently do you engage in direct communication with significant investors?
Investors (n=110); Corporates (n=110)

- ✓ Almost four in five companies engage with significant investors at least quarterly.
- ✓ About one in ten corporate respondents rarely or never engage due to multiple reasons.

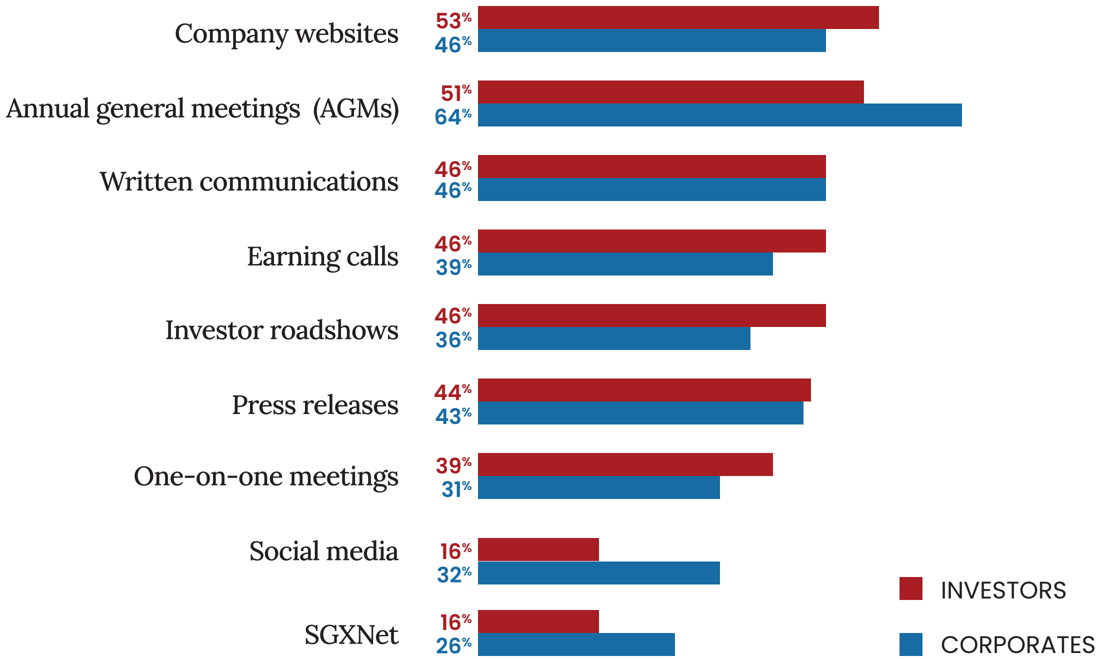
"The quarterly business update gives a sense of, are we going on the right path? Are we meeting our objectives? Are we ahead of the game? Are we behind the game?"

Channels of Engagement

TRADITIONAL METHODS SUCH AS AGMs AND COMPANY WEBSITES ARE THE DEFAULT CHOICES

- ✓ Investors primarily rely on company websites (53%), followed by AGMs (51%) and written communications (46%) for direct engagement with investee companies.
- ✓ Corporates, on the other hand, tend to use AGMs (64%) as their main channel to communicate with investors, followed by written communications and updates via company websites (both 46%).
- ✓ Social media and SGXNet are the least utilised mediums for investor engagement.
- ✓ Interviewee investors shared that they prefer face-to-face interactions and traditional communication methods such as written correspondence, over social media.

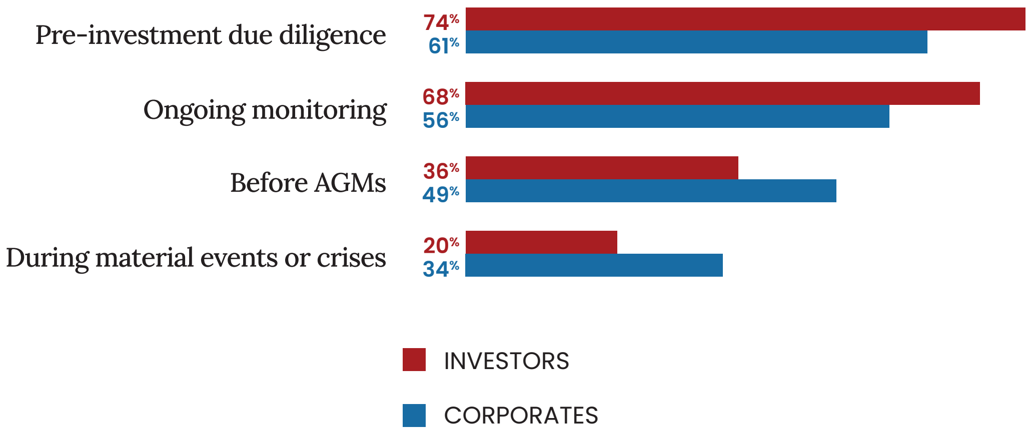
Channels of engagement with investors/investee companies



Investors: What channels do you primarily use to engage with investee companies? [Select all that apply]
Corporates: What channels do you primarily use to engage with investors? [Select all that apply]
Investors (n=110); Corporates (n=110)

INVESTORS PREFER PRE-INVESTMENT DUE DILIGENCE AND ONGOING MONITORING

Stage of investment cycle where investor-investee engagement takes place



Investors: At what stages of the investment lifecycle do you most commonly engage with investee companies? [Select up to 2 options]
Corporates: At what stages of the investment lifecycle do you most commonly engage with investors? [Select up to 2 options]
Investors (n=110); Corporates (n=110)

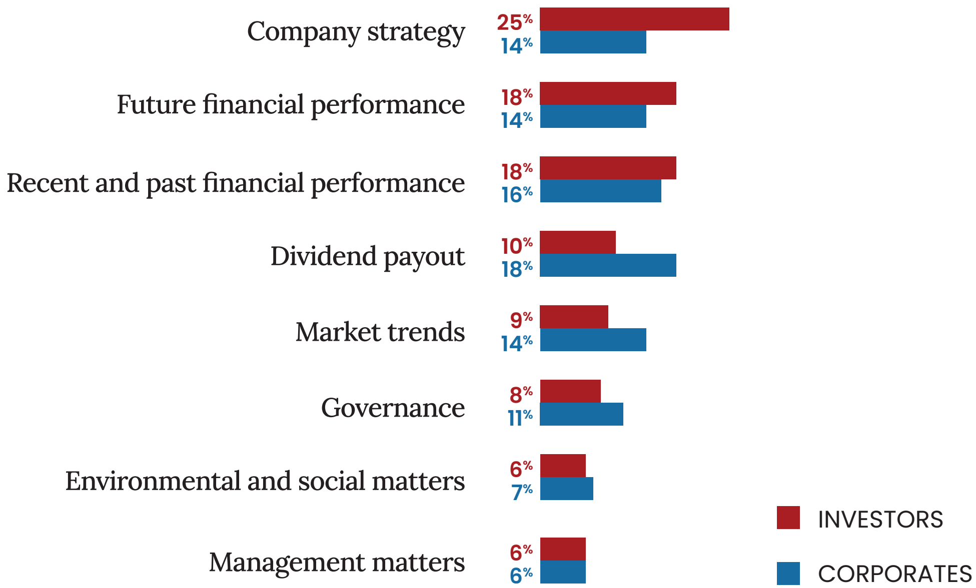
- ✓ Investors tend to place greater emphasis on ongoing monitoring and pre-investment due diligence for sustained dialogue and oversight, as these practices help them assess risks, ensure accountability, and make informed decisions before committing any capital.
- ✓ In contrast, corporates more often engage proactively before AGMs and during material events or crises, reflecting a tendency to focus on structured or high-impact moments.
- ✓ Overall, both groups show the lowest engagement levels during material events or crises, likely due to the rarity of such situations.

Critical Concerns

STRATEGY AND FINANCIAL PERFORMANCE TOP THE PRIORITY LIST

- ✓ A quarter of surveyed investors highlighted company strategy as their top concern when interacting with investee companies, followed by recent and future financial performance.
- ✓ Interestingly, corporates perceive dividend payout as the top concern for investors when they engage.
- ✓ ESG and management matters rank lowest on the list of concerns or priorities for both groups.

Most critical concern raised in investor-investee engagement



Investors: What are your top concerns/queries to investee companies?
Corporates: What are your top concerns/queries from investors?
(Please select and rank the top 5 in order of importance—where 1 represents the most critical concern and 5 represents the least critical among your top five options.)
Investors (n=110); Corporates (n=110)

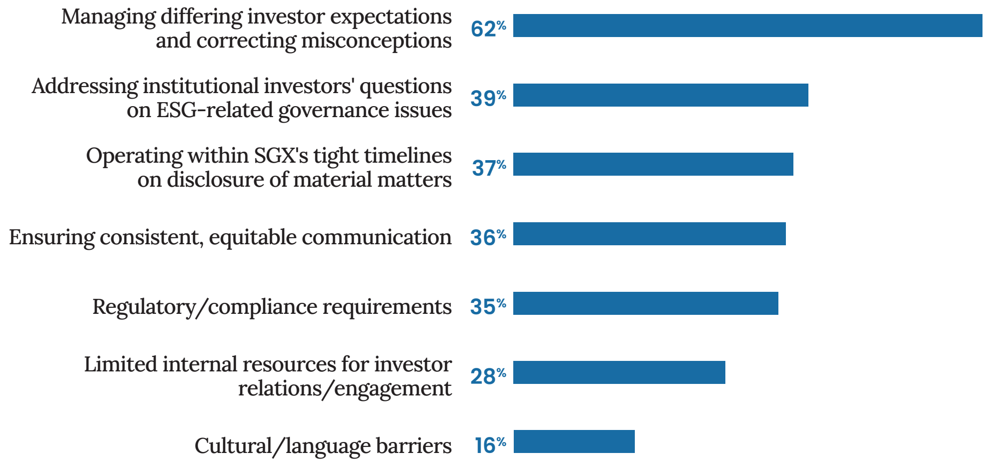
Key Engagement Challenges

LIMITED MANAGEMENT ACCESS AND MANAGING EXPECTATIONS EMERGE AS THE BIGGEST STALLS

Main challenges engaging with SGX-listed companies

What are the main challenges you face when engaging with SGX-listed companies? [Select up to 3 options]
Investors (n=110)

Main challenges engaging with investors



What are the main challenges you face in communicating with investors? [Select up to 3 options]
Corporates (n=110)

- ✓ One in two surveyed investors stated that the top barrier to effective engagement is limited access to management, a challenge also highlighted by most interviewees. The lack of timely information emerged as the next biggest challenge, underscoring the need for more efficient and transparent communication mechanisms.
- ✓ More than six in ten corporates reported being burdened by the task of managing differing investor expectations. About four in ten also struggled to address institutional investors' questions on ESG-related governance issues.
- ✓ The data highlights a critical need for more structured, transparent, and responsive communications, and calls for corporates to be equipped with the necessary knowledge and skills to navigate complex interactions effectively.

COMMUNICATION QUALITY & ADEQUACY

Key Points

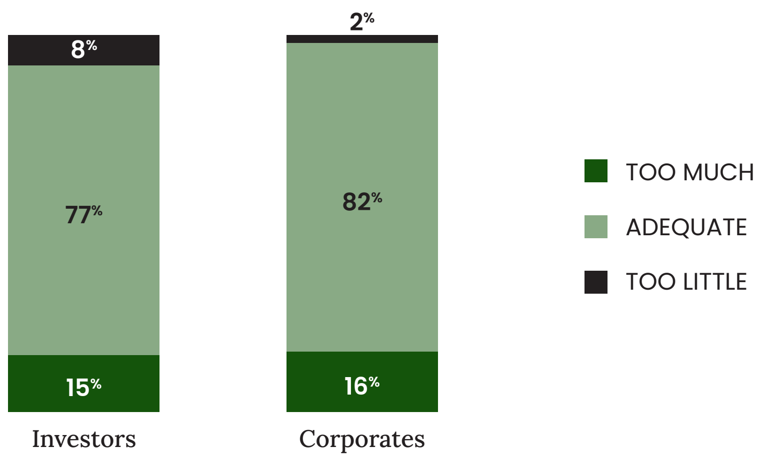
- Most investors and corporates affirm the disclosure adequacy of IPO prospectuses and sustainability reporting, reflecting trust in SGX's disclosure framework.
- Majority of respondents share that SGX sustainability disclosure requirements help differentiate companies in the capital markets.
- 87% of investors find information from SGX-listed companies useful, yet only 18% rate it as very transparent, indicating scope for improvement.

"Meaningful engagement is about transparency—the amount, quality, and timeliness of disclosure that enable investors to understand what's happening in a company beyond the bare minimum financials."

Disclosure Requirements

SGX DISCLOSURE REQUIREMENTS GENERALLY SEEN AS ADEQUATE

Comprehensiveness of disclosures required under SGX Listing Rules



The comprehensiveness of disclosures required under SGX Listing Rules
(e.g., Rule 702/703. 705/707,711A/711B) is...
Investors (n=110); Corporates (n=110)

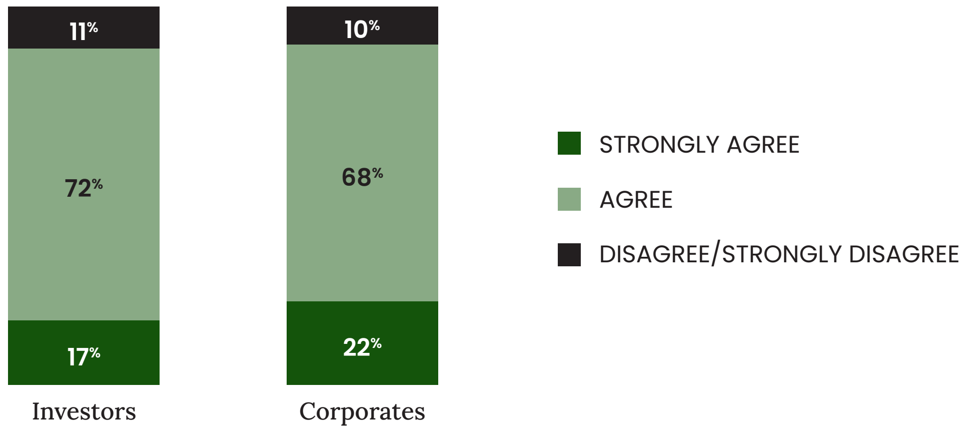
- ✓ Around eight in ten investors and corporates view the comprehensiveness of disclosures required under SGX Listing Rules as sufficiently adequate.
- ✓ A minority group—around 15% of investors and 16% of corporates—feel otherwise, believing that the volume of required disclosures is excessive. They cite reasons such as information overload and lengthy reports that hinder comprehension, timely response, and feedback.
- ✓ In contrast, 8% of investors believe that current disclosures are inadequate. Their concerns include boilerplate reporting, ambiguity or poorly defined terms, and a lack of meaningful information on business risks and key performance indicators—elements they consider essential for making informed investment decisions.

Sustainability Disclosures

RECOGNISED AS A STRATEGIC DIFFERENTIATOR

- ✓ When asked whether SGX sustainability disclosure requirements help differentiate companies in the capital markets, around nine in ten respondents affirm SGX's efforts to institute sustainability reporting for listed companies.
- ✓ Data reflects broad confidence in SGX's role in driving sustainability reporting, a sentiment also shared by the interviewees.

Sustainability disclosure as a differentiator in capital markets

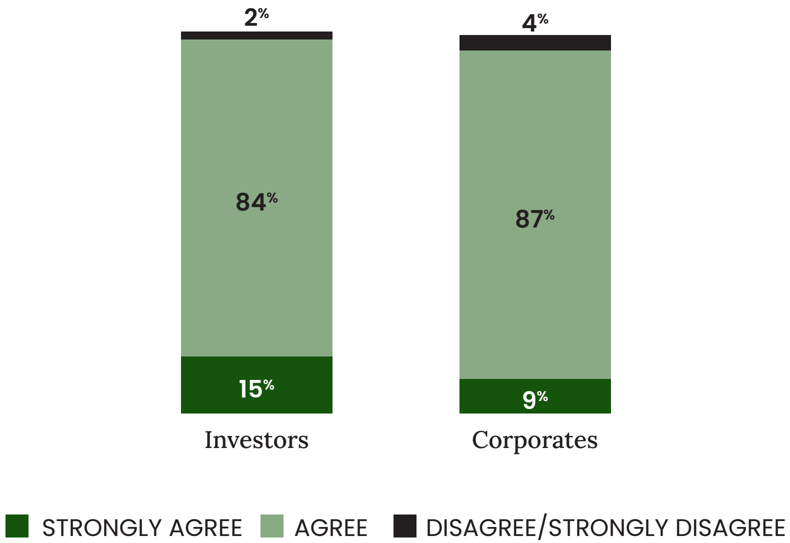


SGX's sustainability disclosure requirements help differentiate companies in the capital markets.
Investors (n=110); Corporates (n=110)

IPO
Prospectuses

STRONG STAMP OF CONFIDENCE IN SGX IPO PROSPECTUSES

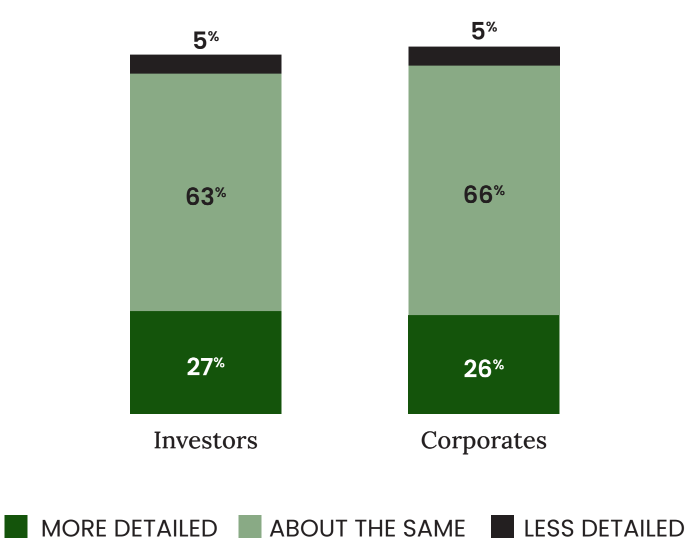
Adequacy of SGX IPO prospectus disclosures in assessing investment risks*



IPO prospectus disclosures under Securities and Futures Act Sections 240 and 243 provide adequate information to assess investment risks.
Investors (n=110); Corporates (n=110)

**Percentages may not sum to 100% because of rounding.*

Comparison of SGX prospectuses with other exchanges**



Compared to other exchanges (e.g., HKEX, ASX), SGX IPO prospectuses are...
Investors (n=110); Corporates (n=110)

***Totals do not add up to 100% as there were some participants who selected the "unsure" option.*

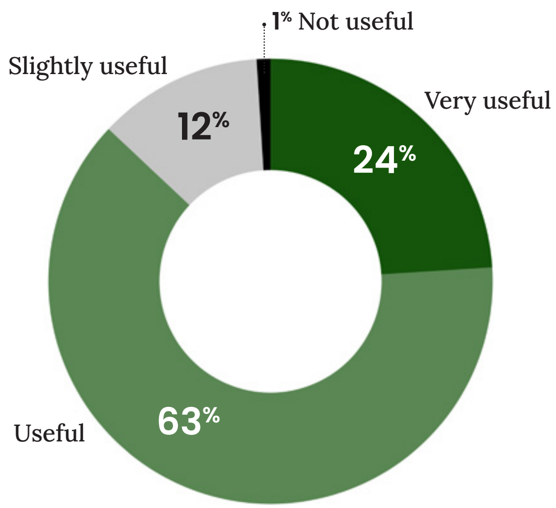
- ✓ More than nine in ten respondents agree that IPO prospectus disclosures are sufficient in highlighting the investment risks involved, thereby supporting investment decision-making.
- ✓ A similar proportion view SGX IPO prospectuses as well-structured and on par with those of other exchanges. More than a quarter of respondents note that SGX IPO prospectuses are more detailed, thereby endorsing Singapore's commitment to a disclosure-based regime that balances listing facilitation with transparency.

Usefulness & Transparency of Information

SOME ROOM TO RUN ON PERCEIVED TRANSPARENCY

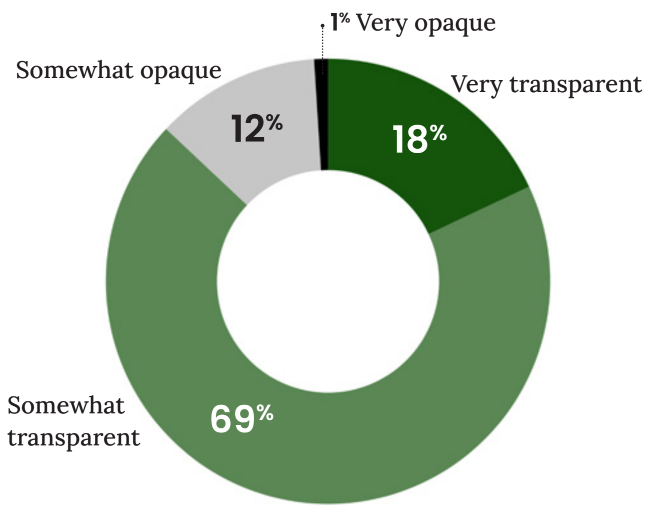
- ✓ Eighty-seven percent of investors believe that the information disclosed by SGX-listed companies is either 'useful' or 'very useful' in supporting investment decisions.
- ✓ However, only 18% of investors find disclosures to be 'very transparent,' with the majority selecting 'somewhat transparent,' indicating that there is still room for improvement in terms of transparency and trust.

Usefulness of information disclosed by SGX-listed companies*



How useful is the information disclosed by SGX-listed companies in helping make investment decisions? Investors (n=110)

Transparency of information disclosed by SGX-listed companies

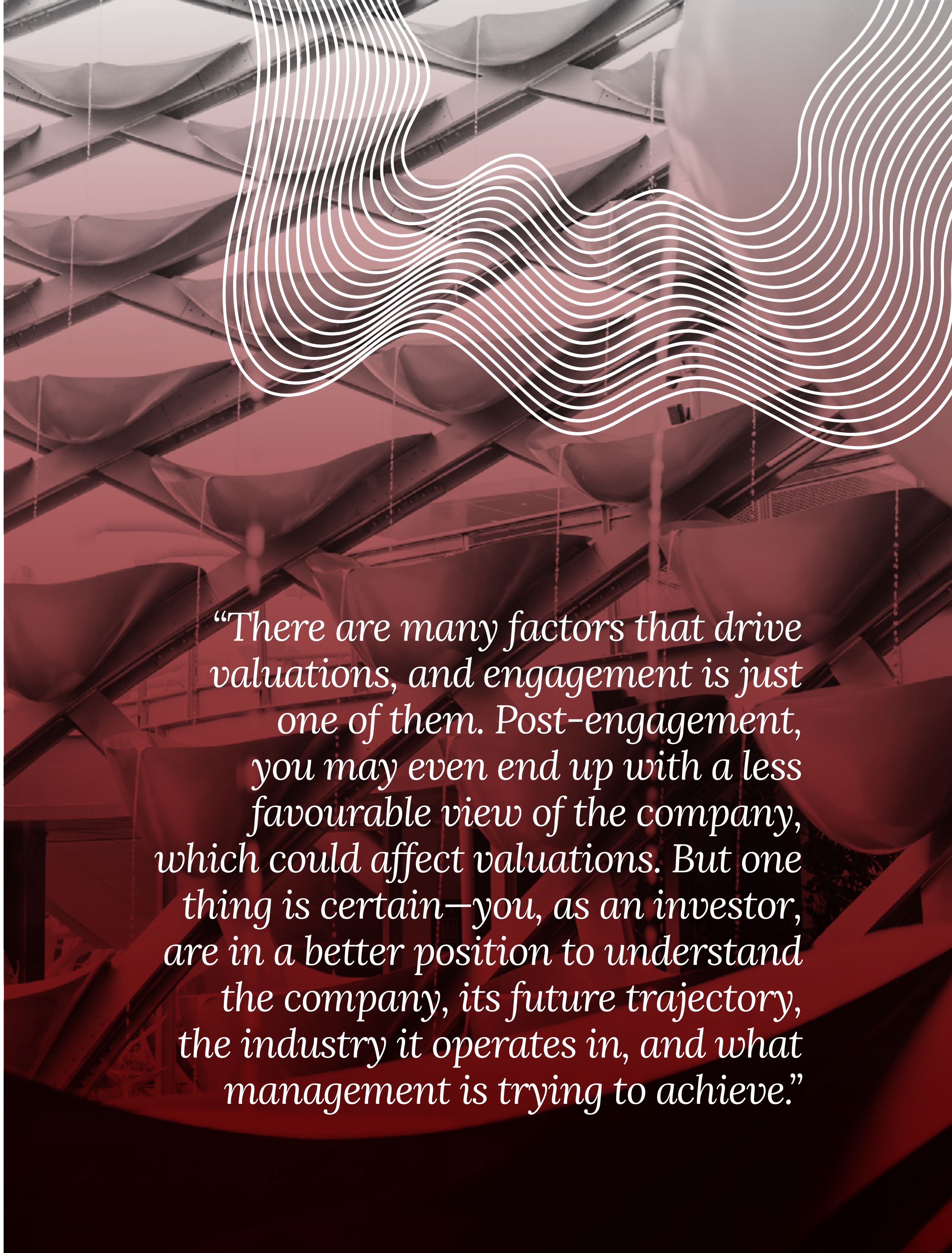


How transparent is the information disclosed by SGX-listed companies in helping make investment decisions? Investors (n=110)

IMPACT ON VALUATIONS

Key Points

- Investors and corporates agree that management depth, board talent, and governance practices are key to investment decisions and company valuations.
- Clear articulation of long-term strategy and growth plans significantly influences investor decision-making, though corporates often underestimate its impact.
- Investors rely most on quarterly earnings calls, one-on-one meetings, and company filings, favouring timely, interactive communication over generic or scripted content.
- Investors use multiple methods tailored to different industries and contexts, with no single metric dominating decision-making.



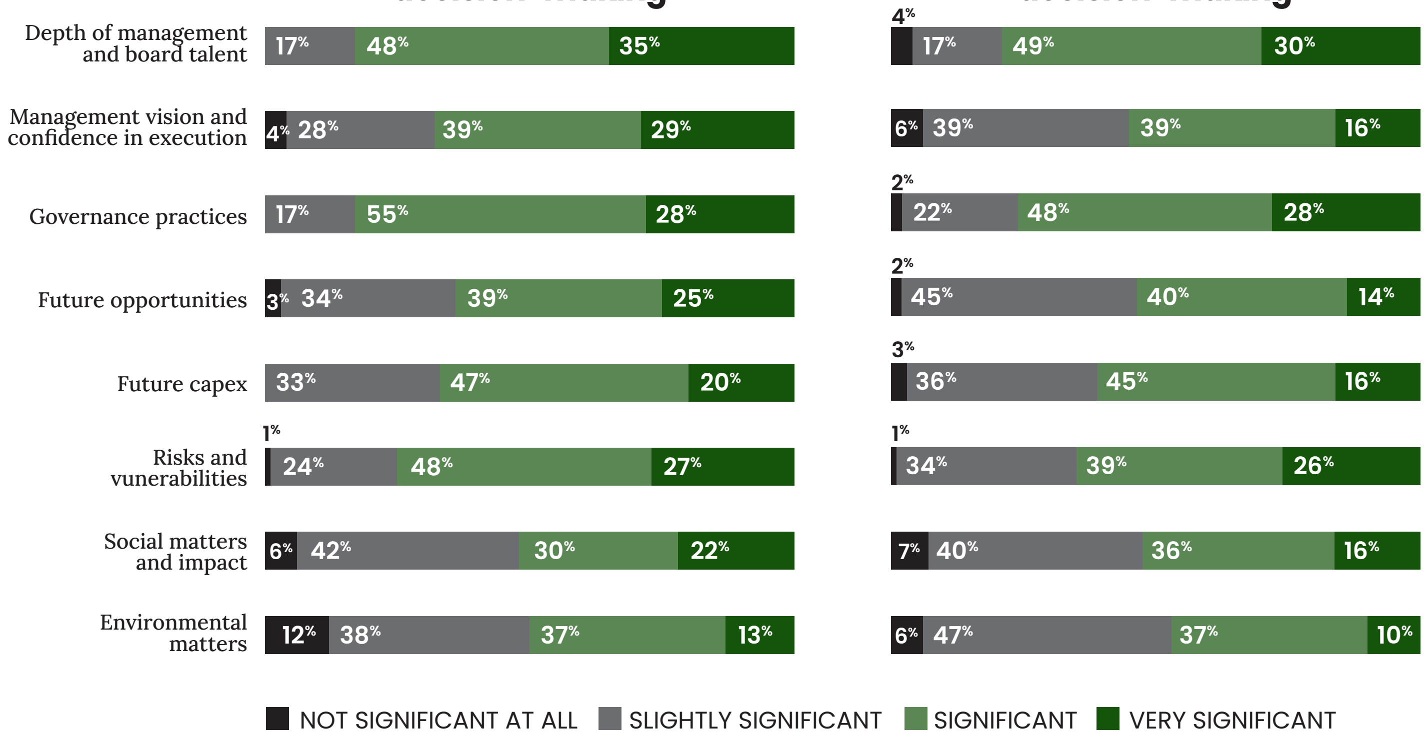
"There are many factors that drive valuations, and engagement is just one of them. Post-engagement, you may even end up with a less favourable view of the company, which could affect valuations. But one thing is certain—you, as an investor, are in a better position to understand the company, its future trajectory, the industry it operates in, and what management is trying to achieve."

Investment Decision Drivers

GOVERNANCE PRACTICES, DEPTH OF MANAGEMENT AND BOARD QUALITY TOP THE LIST

Factors investors consider significant in investment decision-making

Factors corporates consider significant in investment decision-making



Please rate the following items based on how significant (1 being not significant at all to 4 very significant) they are to you when making investment decisions.
Investors (n=110)

Please rate the following items based on how significant (1 being not significant at all to 4 very significant) they are to investors when making investment decisions.
Corporates (n=110)

- ✓ Both investors and corporates generally view the depth of management and board talent, along with governance practices, as highly significant factors in decision-making.
- ✓ In contrast, environmental and social matters are seen as the least influential, with over 40% of respondents rating them as 'not significant' or of 'low significance.'
- ✓ Notably, investors tend to assign greater importance to most factors than corporates do, which may suggest that corporates underestimate the weight investors place on certain decision drivers. This perception gap highlights the need for corporates to better understand and address the full spectrum of investor priorities to enhance alignment and engagement.

Go-to Sources of Information

DIRECT ENGAGEMENT, CLEAR DISCLOSURES OUTWEIGH SCRIPTED AND MEDIA SOURCES

- ✓ Quarterly earnings calls are the most relied-upon information source for investors, followed closely by one-on-one meetings with senior management and company filings.
- ✓ In contrast, investors place much less value on scripted presentations at broker-sponsored conferences, video materials, and media stories, which are among the least utilised resources.
- ✓ This difference highlights that investors prioritise direct, timely, and transparent communication from companies—especially through interactive formats—over more generic, selective, or controlled messaging.

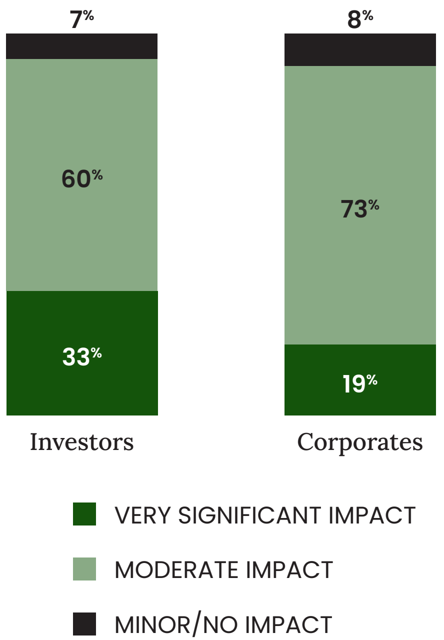
Information sources influencing investment decision-making

From the list, please select the top and bottom three sources of information that MOST and LEAST influence your investment decision-making. (select top 3 and bottom 3 options)
Investors (n=110)

Engagement & Communication

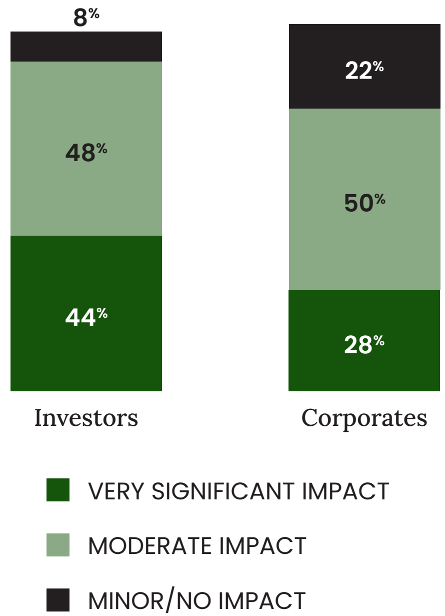
ENGAGEMENT QUALITY AND LONG-TERM STRATEGY COMMUNICATION ARE CRITICAL INVESTMENT DETERMINANTS

Impact of quality of engagement on investment decision/company's valuation



Investors: To what extent does the quality of engagement affect your valuation or investment decisions?
Corporates: To what extent does the quality of engagement affect your company's valuation or investors' investment decisions?
Investors (n=110); Corporates (n=110)

Impact of clear communication of long-term strategy on investment decision/company's valuation



Investors: To what extent does clear communication of long-term strategy influence your valuation or investment decisions?
Corporates: To what extent does clear communication of long-term strategy influence your company's valuation or investors' investment decisions?
Investors (n=110); Corporates (n=110)

- ✓ More than nine in ten respondents agree that the quality of engagement has a moderate or significant impact on investment decision-making and company valuations. A similar proportion of investors also believe that communicating long-term strategy is vital to both their investment decisions and a company's valuation.
- ✓ However, the data reveal that investors place greater weight on these factors than corporates perceive them to.
- ✓ Notably, 22% of corporates do not believe that communicating long-term strategy has any tangible effect on investment decisions, compared with only 8% of investors who share that view. This gap in perception may undermine the effectiveness of engagement and, ultimately, valuation outcomes.

Drivers of Investor Confidence

INVESTORS AND CORPORATES QUITE ALIGNED ON KEY DRIVERS

- ✓ Investors and corporates share a common understanding of the key drivers of valuation and performance. Clear articulation of growth strategy, transparency in forecasting and risk planning, and leadership effectiveness with proven execution track record consistently emerge as the most significant factors.
- ✓ However, the data reveal nuanced differences in emphasis between the two groups. Investors focus more on strategic clarity and leadership in their engagements, viewing these indicators as critical in valuing listed firms in Singapore. Corporates, meanwhile, place greater weight on operational transparency in forecasting and risk preparedness, reflecting their focus on demonstrating accountability and readiness to navigate uncertainty.
- ✓ Interestingly, governance and board oversight practices, along with progress on sustainability or ESG goals, rank lower in importance for both stakeholder groups, as compared to other factors.

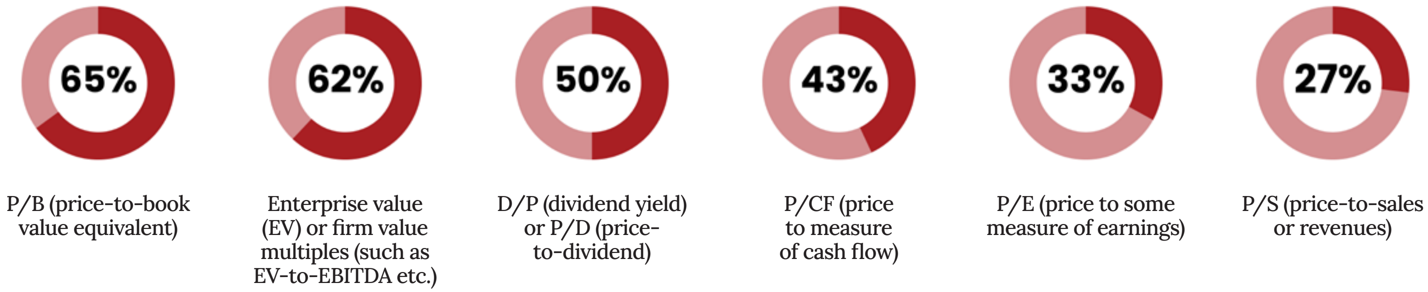
Drivers of investor confidence in SGX firms' valuation and performance

Investors: Which of the following, when clearly communicated, most strengthens your confidence in an SGX-listed company's valuation or long-term performance? [Select up to 3 options]
Corporates: Which of the following, when clearly communicated to investors, most strengthens confidence in your company's valuation or long-term performance? [Select up to 3 options]
Investors (n=110); Corporates (n=110)

Valuation Methods in Practice

MULTIPLE VALUATION APPROACHES USED BASED ON CONTEXT

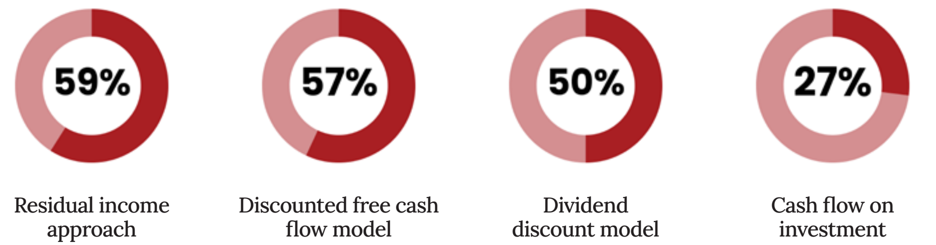
Market multiples approach used (investors)



When you use a market multiples approach, which of the following ratios do you use? [Select all that apply.]
Investors (n=110)

- ✓ The survey data and investor interviews do not reveal a clear trend toward any single valuation metric or method. Most investors use multiple approaches, aligning their valuation methods with different industries and contexts.

Discounted value model approach used (investors)



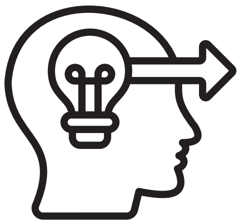
When you use a present discounted value model approach, which of the following ratios do you use? [Select all that apply.]
Investors (n=110)

"The focus should solely be on value creation; investors and investees should be thinking about how we can drive total shareholder returns."

PROGRESSIVE PRACTICES

Key Points

- Regular, interactive touchpoints such as earnings calls, one-on-one meetings, and management updates are seen as critical by investors to build confidence and maintain ongoing dialogue.
- Both investors and corporates emphasise the importance of transparent, concise information on company strategy, risks, and performance. Improved clarity in disclosures helps investors make informed decisions and enhances the credibility of corporate communications.
- Providing investors with greater access to leadership and sharing timely updates on performance or material events strengthens relationships and fosters trust.
- Both investors and corporates overwhelmingly agree on the importance of disclosing long-term and forward-looking strategic plans. Investors place slightly higher emphasis on these disclosures, while corporates often take a more cautious, risk-aware stance, balancing performance with regulatory expectations.



"The quality of interaction really depends on how much importance a company's management places on engagement. Good engagement happens when the management and board are open to meeting requests—not just through investor relations—and are willing to have meaningful discussions about the company's strategy, including the nitty-gritty details of its operations."

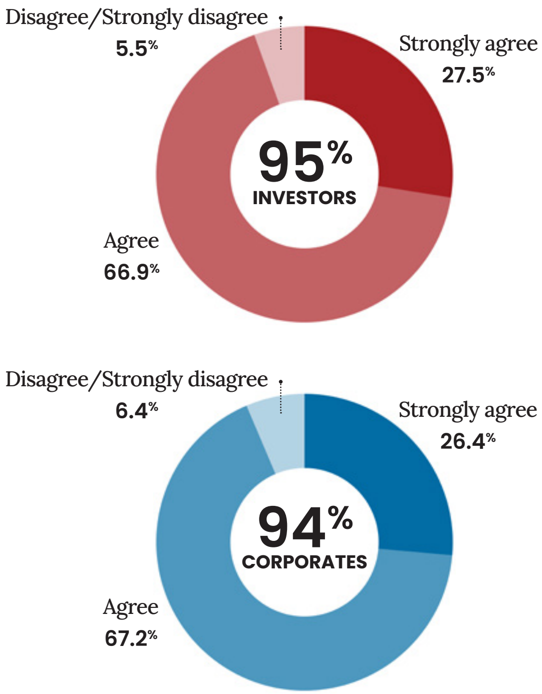
Effective Demonstrated Practices

INVESTORS AND CORPORATES ALIGN ON THE NEED FOR PROACTIVE MANAGEMENT OUTREACH

Most effective engagement practices by SGX-listed companies

Investors: What engagement practices by SGX-listed companies do you find most effective? [Select up to 3 options]
Corporates: What engagement practices do you find most effective? [Select up to 3 options]
Investors (n=110); Corporates (n=110)

Value of Discussion



...strongly agree or strongly agree that rather than the CFO going through the income statement, they would prefer a more **high-level discussion** of development during the previous quarter.

Statement: Rather than the CFO going through the income statement, we would prefer a more high-level discussion of developments during the previous quarter.
Investors (n=110); Corporates (n=110)

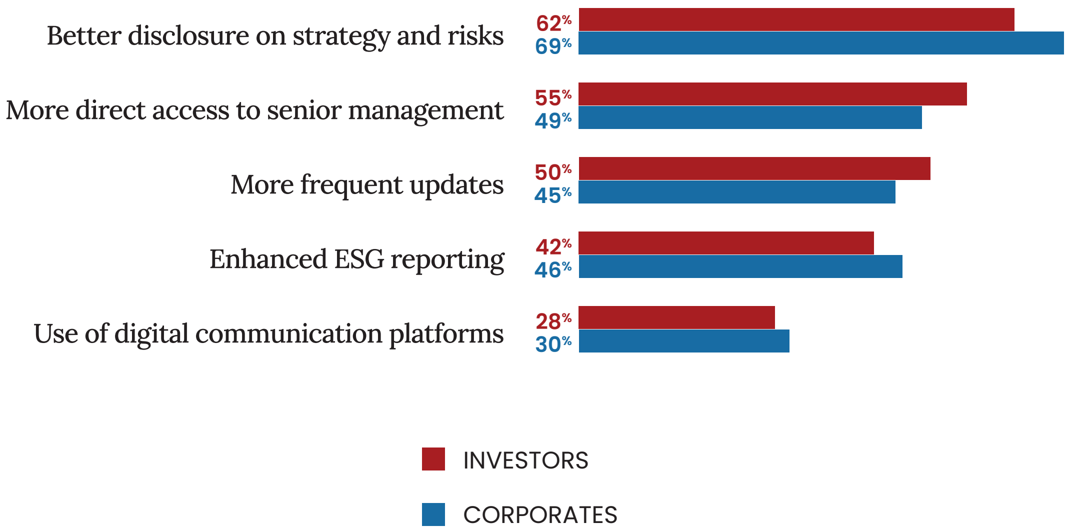
- ✓ Six in ten respondents recognise proactive outreach by management as a vital component of effective engagement.
- ✓ Investors (57%) place greater importance on regular earnings calls with Q&A than corporates (47%) do, suggesting that direct, interactive communication is a key driver of investor confidence. In contrast, corporates value clear and concise disclosures (68%) as the most effective engagement channel. This gap highlights slightly differing perceptions of what constitutes effective engagement.
- ✓ Interestingly, while several interviewees mentioned practices such as scheduling investor days and site visits, these are considered comparatively less impactful than other traditional approaches to engagement.

Improvement Areas

ENHANCING STRATEGY AND RISK DISCLOSURES IS THE MOST CRITICAL IMPROVEMENT AREA

- ✓ More than six in ten investors and corporates believe there is room for improvement in company disclosures on strategy and risks, highlighting a shared desire for greater transparency in these areas.
- ✓ Around half of the respondents also see value in increasing stakeholder access to senior management and providing more frequent updates, suggesting that direct engagement and timely communication are key to strengthening investor-investee relationships.
- ✓ Interestingly, less than three in ten respondents see the need to enhance digital communication platforms. This may indicate that companies are already leveraging digital tools for stakeholder engagement, or that respondents still view them as supplementary rather than essential—prioritising improvements in the quality of disclosures and interactions with company management over online communications.

Improvements to engagement practices

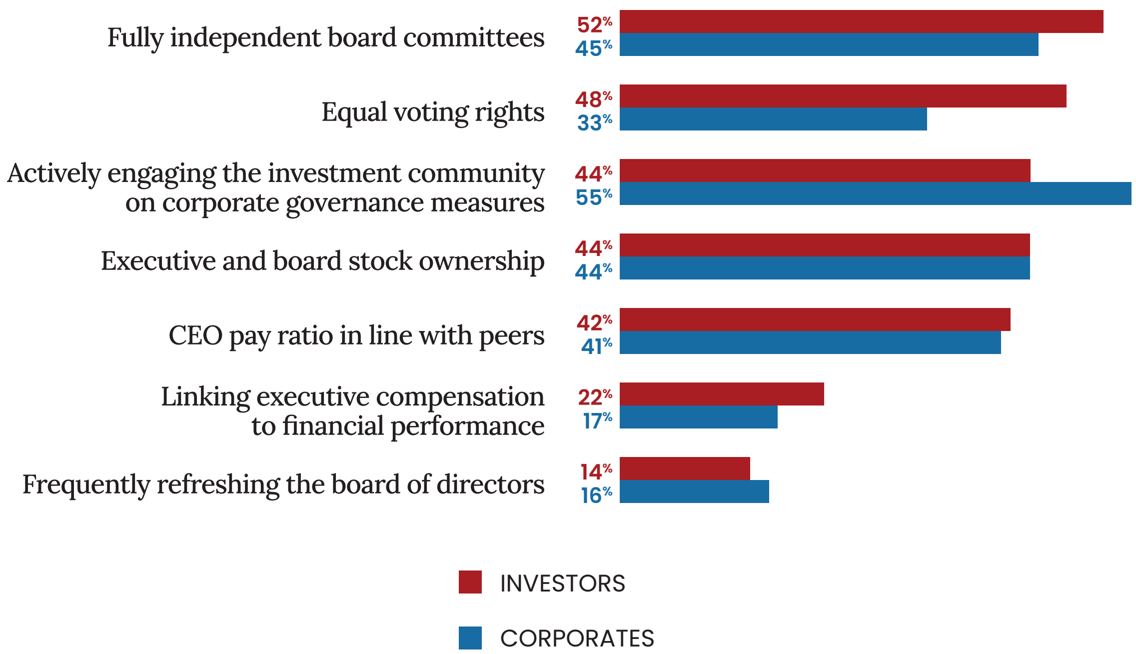


Investors: What improvements would you like to see in investee communication?
Corporates: What improvements can your organisation make in investor communication?
Investors (n=110); Corporates (n=110)

Role of Corporate Governance in Trust Building

ACTIVE ENGAGEMENT AND INDEPENDENT BOARDS STRUCTURES ARE KEY PILLARS

Impact of corporate governance practices on investor trust



Investors: How much does each of the following corporate governance practices positively impact your trust in a company that you are/may consider investing in or recommending? [Select up to 3 options]
Corporates: How much, according to you, does each of the following corporate governance practices positively impact investors' trust in your organisation? [Select up to 3 options]
Investors (n=110); Corporates (n=110)

- ✓ More than half of corporates view actively engaging the investment community on corporate governance measures as having a positive impact on building investor trust, highlighting a growing recognition of the importance of transparent and proactive communication.
- ✓ About half of investors regard fully independent board committees (52%) and equal voting rights (48%) as having a tangible impact on investor trust. The data show a notable divergence of views among corporates, with only 45% and 33%, respectively, sharing the same perception.
- ✓ Frequently refreshing the board and linking executive compensation to financial performance—while widely discussed and debated—appear to have a lower impact on trust compared with the other corporate governance factors.

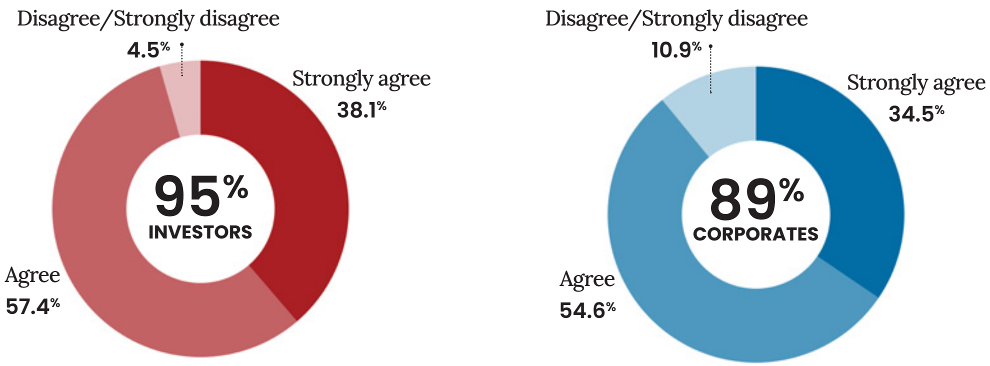
Long-Term View

INVESTORS VALUE WELL-ARTICULATED, LONG-TERM VIEW ON THE COMPANY

- ✓ A huge majority of investors and corporates indicate they would look past temporary underperformance if a company articulates a compelling long-term strategy that aligns with their investment objectives.
- ✓ However, investors show a slightly higher proportion of "strongly agree" responses compared to corporates. This may suggest a preference of a more cautious approach by corporates.

"Institutional investors are always looking for future projections. Most financial analysts, when constructing a financial model, need forward-looking information. If they cannot find future projections or purchase order details from the company, they will make their own assumptions—or worse, rely solely on the past quarter's performance."

Role of long-term strategy



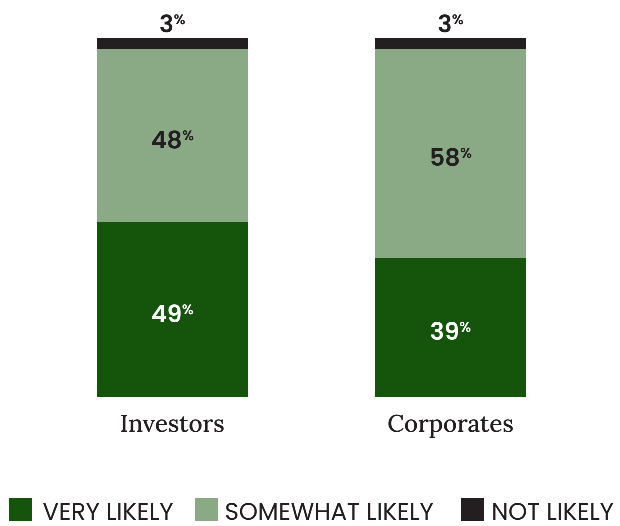
...strongly agree or agree that if they (investors) hear a **compelling long-term strategy** that meets their investment objectives, they (investors) are willing to look past one or two quarters of underperformance.

Statement: If I hear a compelling long-term strategy that meets my investment objectives, I am willing to look past one or two quarters of under-performance. Investors (n=110); Corporates (n=110)

Forward Looking Disclosures

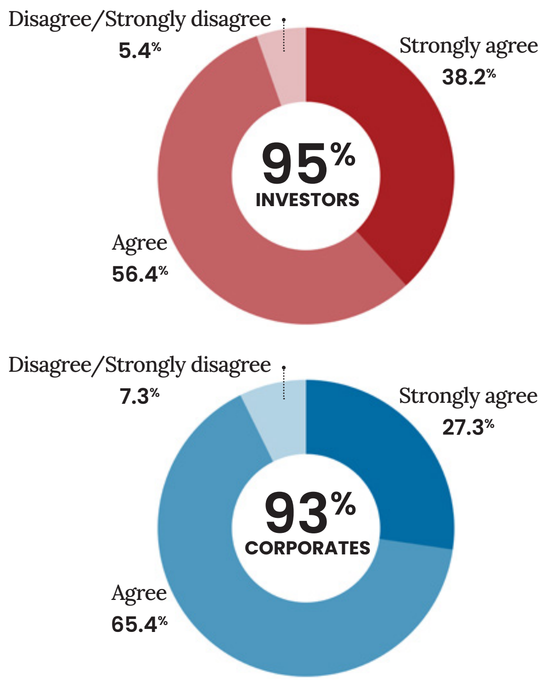
CONSENSUS VIEW THAT FORWARD-LOOKING DISCLOSURES MAY GENERATE INCREMENTAL INVESTOR INTEREST

Interest in SGX IPO prospectuses if there are more forward-looking disclosures



Investors: I/My organisation would be more interested in SGX IPOs if prospectuses included more forward-looking disclosures (e.g., strategy, ESG, purpose).
Corporates: Do you think investors would be more interested in SGX IPOs if prospectuses included more forward-looking disclosures (e.g., strategy, ESG, purpose).
Investors (n=110); Corporates (n=110)

Role of long-term forward-looking strategy



...strongly agree or agree that a **forward-looking well-articulated strategy** helps understand and value a company.

Statement: Forward-looking well-articulated strategy helps understand and value a company.
Investors (n=110); Corporates (n=110)

- ✓ There is overwhelming consensus that forward-looking disclosures can generate stronger investor interest in IPOs.
- ✓ Overall, both investors and corporates are in overwhelming agreement (above 90%) on the value of a long-term, forward-looking strategy. Several investors interviewed by the research team shared the same sentiment.
- ✓ Interestingly, corporates, though supportive of forward-looking disclosures, appear less confident than investors. Those indicating 'very likely' for forward-looking prospectuses, and those who 'strongly agree' on the value of forward-looking strategy in general, lag investor responses by at least 10 percentage points. This gap suggests that corporates may adopt a more pragmatic or risk-averse stance, balancing their firm's performance with investor expectations. Interviewees also noted that corporates may be cautious about potential regulatory repercussions if they are unable to meet forward-looking projections.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ENGAGEMENT PLAYBOOK

GOOD HYGIENE ENGAGEMENT PRINCIPLES

GUIDELINES FOR INVESTOR BRIEFINGS

INFORMATION DISCLOSURE INVENTORY

- The Investor-Investee *Engagement Playbook*, based on secondary research as well as inputs from interviewees and focus group discussion participants, is not intended to serve as a reporting template or compliance checklist. Instead, it includes important information highlighted/requested by investors, and provides practical guidance for SGX-listed companies on how to strengthen their engagement with investors and improve the quality of information shared.
- The principles, practices and disclosure areas outlined here may not be mandatory activities/requirements (unless otherwise specified under SGX Listing Rules) but are meant to act as a reference framework to help investee companies drive activities and actions, within regulatory boundaries, to add value to current and potential institutional investors.
- The focus is on good hygiene practices—fostering consistent, transparent, and proactive engagement, and ensuring that communication is both meaningful and compliant. By adopting these approaches, companies can build deeper trust, improve market understanding of their long-term value creation, and ultimately strengthen investor confidence.

GOOD HYGEINE ENGAGEMENT PRINCIPLES FOR SGX-LISTED COMPANIES

CONSISTENT AND TRANSPARENT COMMUNICATION

- Announce material information promptly via SGXNET in line with Rule 703.
- Provide regular updates** on quarterly/annual results, business developments, and strategic shifts, even when not mandatory.
- Use clear, simple language and provide context for results and strategy.

PROACTIVE ENGAGEMENT

- Hold regular analyst and investor briefings after earnings releases and major corporate developments.
- Organise Investor Day events accessible to all investors to present company's strategy, plans, performance and outlook.
- Organise one-on-one or small-group meetings with key investors locally and internationally, keeping within the limits of Rule 703.
- Participate actively in industry and SGX-organised investor conferences.
- Consider taking active steps to diversify and expand shareholder base by sourcing new investors.

STRUCTURED INVESTOR MEETING DISCIPLINE & DOCUMENTATION

- Use consistent briefing agendas (financials, operations, strategy, outlook, Q&A) so investors know what to expect.
- Begin each meeting with the SGX Rule 703 reminder that only publicly disclosed information will be discussed.
- Publish post-briefing minutes or written Q&A summaries to ensure fairness and transparency.
- Provide Investor Relations (IR) contact details, and establish timelines for responding to non-material follow-up questions.

ROBUST DIGITAL PRESENCE

- Maintain a dedicated IR website with financial reports, announcements, presentations, FAQs.
- Provide virtual access (webcasts, conference calls, online AGM participation) to ensure access to all investors.
- Offer email alert subscriptions for new announcements and reports.
- Make contents of earning calls and analyst briefings publicly online, in addition to written minutes/summaries.

ACTIVE LISTENING AND FEEDBACK

- Monitor investor sentiment through analyst reports, media coverage, and social media.
- Collect feedback via surveys, informal check-ins, or post-meeting reviews.
- Respond to investor enquiries swiftly, clearly, and professionally.

ACCESSIBLE AND KNOWLEDGEABLE IR TEAM

- Ensure IR team is adequately resourced, and IR staff and management are trained in SGX disclosure rules and company information.
- Provide direct contact details for qualified IR personnel.
- Build investor trust by demonstrating professionalism and consistency.

** see information disclosure inventory list

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LEADERSHIP VISIBILITY

- Ensure senior management (CEO, CFO, and relevant executives) participate in key investor events.
- Demonstrate accountability and transparency by making leaders accessible in briefings and roadshows.
- Directors (particularly the lead independent director or chairman) should make themselves available to meet investors.
- Senior management and directors should be well-equipped, well-versed and prepared to share at investor events.

CONSISTENT MESSAGING ACROSS CHANNELS

- Align messages across press releases, reports, presentations, websites, and social media.
- Reinforce the company’s investment thesis, business strategy, and growth story consistently.

REGULATORY COMPLIANCE AND GOVERNANCE

- Adhere strictly to SGX rules, especially Rule 703, to avoid selective disclosure.
- Implement clear crisis communication protocols for rapid, transparent engagement in adverse situations.
- Demonstrate board oversight and governance in investor communications where relevant.

ANNUAL AND SUSTAINABILITY REPORTING

- Publish comprehensive annual and sustainability reports, covering financial and non-financial performance.
- Move towards integrated reporting that links strategy, performance, risks, and long-term value creation.
- Highlight ESG commitments and progress in line with SGX sustainability reporting requirements.

LEVERAGING TECHNOLOGY AND ANALYTICS

- Use Customer Relationship Management systems to track and follow up on investor interactions.
- Apply analytics tools to monitor shareholding patterns and identify key investors.
- Leverage digital platforms to enhance outreach and efficiency in engagement.

INVESTOR EDUCATION & RELATIONSHIP BUILDING

- Provide primers on business models, key industry drivers, regulatory context, and ESG frameworks to deepen investor understanding.
- Reinforce how strategy, risks, and sustainability link to shareholder value creation beyond quarterly numbers.
- Differentiate between retail, institutional, and international investors with tailored channels (FAQs, roadshows, small-group sessions).
- Position leaders and IR as educators and long-term partners, not just information providers.

PRACTICE GUIDELINES FOR INVESTOR BRIEFINGS

PRIOR TO BRIEFING

- ☐ Publish Calendar of Events on company website early to inform investors of upcoming Company Releases, Financial/ Business Updates, AGM.
- ☐ Decide internally on information to be shared and discussed.
- ☐ Prepare list of potential questions.
- ☐ Identify and brief Senior Executives/Board Directors who will be presenting and answering the Q&A on key issues, talking points to be shared and areas that will be kept confidential to avoid inadvertent disclosure.
- ☐ Prepare information brief/presentation materials.
- ☐ Publish information on SGXNet and company website to ensure compliance with Rule 703.
- ☐ Invite shareholders, analysts and if practicable, webcast the conference to ensure accessibility to all investors/ shareholders.

AT THE BRIEFING

- ☐ Take Minutes and record the session.

Typical Agenda

1. **Welcome and Introductions** [Investor Relations]
2. **Opening Remarks** [CEO/Chairman/MD]
3. **Financial Highlights/Performance** [CFO/ Finance Head]
4. **Business & Operational Review** [Relevant Business Heads]
5. **Outlook & Strategy** [CEO or Strategy Officer]
6. **Q&A Session** [Key Leaders – Management and Board Chair]
7. **Closing Remarks** [IR Head or CEO]

Agenda Details

A. Financial Highlights/Performance:

- Although Quarterly Reporting is no longer mandatory for most SGX-listed companies, this is encouraged to keep shareholders updated on performance of business segments and geographies even if these are not specifically quantified.
- Beyond key metrics in mandatory Financial Statements (e.g., Revenue, Net Profit, EBITDA), companies may choose to use specific ratios (e.g., ROE, gearing, TSR, industry relevant ratios) to benchmark their performance against industry peers. Such ratios chosen judiciously and reported consistently (YoY, QoQ) over multiple years can help to highlight/differentiate the company's performance.

...CONTD.

B. Business & Operational Review

- The use of graphs/charts to present the performance of different segments categorised by business, product and geography over a few years will give a clearer perspective of the company's track record and possible trajectory. Deviation from the trajectory should be highlighted and explained.
- Earlier targets that were announced should also be monitored and reported to show consistency and progress in meeting target milestones. Consistent record of meeting targets will boost investors' confidence in Management's ability to execute.
- Beyond reporting recent M&A, partnerships, investments, divestments (Rule 706A), an explanation of the rationale, benefits and synergies of such initiatives will help investors make better informed decisions.

C. Outlook & Strategy

- Apart from macro and industry trends, companies should explain how these will impact their businesses, identifying both business risks and opportunities. Companies able to articulate plans to mitigate these risks and capture opportunities will give investors greater assurance and confidence.
- Although forward guidance estimates are not mandatory, range of estimates with clear qualifications on assumptions applied will enable investors/analysts to understand management's view on the company's prospects. Companies should create better visibility on their plans for long-term value creation. Management must ensure that targets/guidance estimates have already been lodged on SGXNet prior to the Investor Briefing. Any subsequent change in outlook, target or guidance with accompanying explanation should also be promptly lodged on SGXNet and announced.

POST INVESTOR BRIEFING

- [ ] Publish transcript/recording of the Investor Briefing.
- [ ] Check records to ensure that no information was inadvertently released. If so, these should be lodged immediately on SGXNet.
- [ ] Note questions raised to gauge investor sentiment and, if necessary, see how these may be further addressed.
- [ ] Track analyst reports to gauge response and, if necessary, engage further to explain any gaps in understanding of the company's business or strategy.
- [ ] Publish links to all analyst reports on company's website to enable access by investors.

INFORMATION DISCLOSURE INVENTORY

OUTLOOK & STRATEGY

- Corporate mission, vision, and core values
- Business model and value chain
- Industry positioning, target markets, and revenue segmentation
- Recent strategic milestones
- Strategic projects & internal transformation initiative
- Expansion into new markets
- Adoption of emerging technologies/ digital transformation
- Investment & sales strategies
- Capital allocation & cash use policy (dividends, buybacks, capex)
- Materiality assessment
- SWOT analysis
- High-level strategic positioning against peers
- Alignment with strategy & market trends
- Enterprise risks & mitigation associated with goals

BUSINESS & OPERATIONS

- Analysis by business segments & geography
- Operational efficiencies
- Internal KPI tracking dashboards
- Periodic board reviews
- Disclosure of progress vs goals
- Recent business restructuring & rationale
- Human capital, innovation, DEI metrics

FINANCIAL PERFORMANCE

- Half/Full Year Financial Statements
- Quarterly Reports (Business/Financial)
- Market valuation (P/E, P/B, market cap vs peers)
- Capital efficiency (ROE, ROIC, cost of capital)
- Shareholder return (dividend yield, TSR, payout ratio)
- Growth (Revenue & EBITDA CAGR, margin trends)
- Capital structure targets
- Operating & free cash flow expectations
- Investment criteria & ROI hurdles
- ESG metrics, sustainability ratings
- Alignment of financial performance with strategy
- Performance vs internal targets
- Time-series & peer comparisons
- Identification of gaps & root causes
- Primary goals (ROE, ROIC > WACC, TSR)
- Supporting goals (innovation, brand value, customer satisfaction)
- Company's future expected revenue/earnings

CORPORATE GOVERNANCE

- CEO appointment & dismissal: process, criteria, transparency
- Succession planning
- Board diversity & expertise
- Effectiveness of evaluation practices
- Board & Key Management remuneration: performance-linked incentives, pay mix
- Independent director qualifications
- Conflict of interest management, IPT
- Role clarity & tenure policies
- Stakeholder engagement practices & risk oversight
- Role of lead independent director
- Mechanism for structured dialogue & disclosures
- Audit Committee oversight
- Meetings with Audit Committee without management
- Internal audit oversight
- Employee Code of Conduct
- Whistleblowing programme: policy & procedures
- Cross-shareholdings: purpose & rationale
- Cross-shareholdings: reduction strategy & voting policies

[This inventory outlines information areas that may be valuable to investors. Beyond mandatory disclosures, companies may consider sharing additional details where not inconsistent with SGX's regulatory framework and do not compromise the company's competitive or strategic position.]

CONCLUSIONS

Stewarding Value: Unlocking Market Potential Through Engagement

I. ENCOURAGE DEEPER DISCLOSURE

With SGX's shift toward a more market-based regime, companies need to move beyond minimum disclosure requirements and consider providing long-term and even forward-looking insights on strategy, risks, and performance. Regulators may need to consider recalibrating certain rules and practices to encourage such disclosures to better align with expectations of global institutional investors. While greater transparency may not guarantee higher valuations in the short term, consistent execution of well-articulated long-term plans builds investor confidence, lowers perceived risks, and strengthens valuations over time.

II. REDUCE COMPLEXITY

Engagement does not have to be elaborate to be effective. Companies should adopt good hygiene practices—clear, timely updates, structured Q&A during earnings calls, and plain-language investor materials. The *Engagement Playbook* (included in the report) offers practical guidance, including briefing templates and an information disclosure inventory, to help companies streamline and potentially improve interactions with investors.

III. BUILD ECOSYSTEM CAPACITY

Strengthening Singapore's equity market requires developing the capabilities of all participants. Training for investor relations professionals, boards, and CEOs—especially in mid- and small-cap companies—can enhance the quality of dialogue. Pre-IPO companies can also benefit from listing-readiness audits. Similarly, encouraging more analyst coverage of smaller companies will help bridge current information gaps and expand engagement opportunities.

IV. REFRAME ENGAGEMENT AS PARTNERSHIP

To avoid misaligned expectations, both investors and corporates need to treat engagement as a two-way, long-term partnership rather than a compliance exercise or a quick route to valuation gains. Investors can signal priorities upfront, while companies can clarify the purpose and scope of each engagement. This creates more intentional, constructive dialogue and reduces frustration on both sides.

V. STRENGTHEN TRANSPARENCY AND TRUST

Investors consistently emphasised that they value transparency over perfection. Companies should communicate openly—even when outcomes fall short—and frame challenges within a credible plan. Moving beyond reports and disclosures to proactive, two-way communication builds trust, the most critical currency for sustaining long-term investor relationships.

RESEARCH METHODOLOGY

- Stewardship Asia Centre (SAC) launched *Stewarding Value: Unlocking Market Potential Through Engagement* to understand the current state of investor–investee engagement, what investors expect from engagement, and best-demonstrated practices to curate effective engagement.
- The SAC research team adopted a mixed-methods approach to not only collect quantitative inputs but also to gather qualitative feedback on what is working and what is not in the investor–investee engagement landscape. The scope of the research was limited to institutional investors and corporations either currently listed on SGX or those planning to list over the next 6–12 months. The research methodology involved three data collection modes:

STEWARDING VALUE SURVEY

- A structured survey was designed and rolled out to gather insights on key aspects of investor–corporate engagement. Responses were collected to understand current practices, challenges, and expectations in the investor engagement landscape.
- The target audience comprised institutional investment professionals and senior executives/directors from companies listed on the SGX, as well as those intending to list on SGX.
- The survey covered the following four thematic areas:
    - ✓ Engagement practices
    - ✓ Communication quality and adequacy
    - ✓ Impact (of engagement) on valuations
    - ✓ Best demonstrated practices in engagement and communications
- The survey was administered online from 28 July 2025 to 31 August 2025. A total of 220 responses were collated and analysed, comprising 110 investor responses and 110 corporate responses. Of the 110 corporate responses, 85 were from SGX-listed companies and 25 from companies intending to list on SGX.

STEWARDING VALUE FOCUS GROUP DISCUSSIONS

- A series of four 2-hour focus group discussions with institutional investors were hosted by SAC to obtain qualitative inputs from the investor community.
- The following themes were explored during these discussions:
    - ✓ Engagement practices in SGX-listed companies
    - ✓ Comparisons with engagement practices in other markets
    - ✓ Gap areas in engagement and best-demonstrated practices
- A total of 45 leaders from the investing space participated in these focus groups.

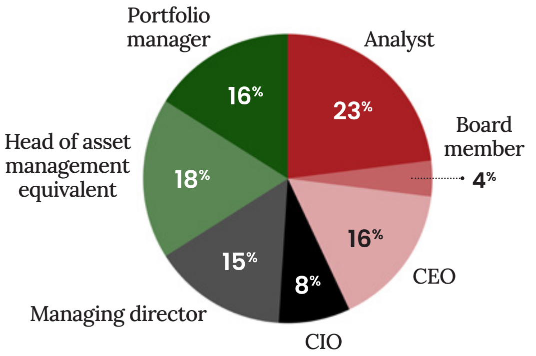
STEWARDING VALUE IN-DEPTH INTERVIEWS

- Semi-structured in-depth interviews were also conducted to understand the personal experiences of investors and board directors of SGX-listed companies.
- The following themes were covered during the interviews:
    - ✓ Current engagement practices
    - ✓ Adequacy of current disclosures
    - ✓ Impact of engagement on valuations and investment decision-making
    - ✓ Areas for improvement in engagement practices
- A total of 27 in-depth interviews were conducted—22 with institutional investors and the remaining 5 with board directors of SGX-listed companies.
- Based on secondary research, and inputs gathered during the focus group discussions and interviews, the SAC research team curated an "Engagement Playbook," which highlights three key areas:
    - ✓ Good hygiene engagement practices
    - ✓ Practice guidelines for investor briefings
    - ✓ Information disclosure inventory
- Different versions of the Playbook were shared during the four focus group discussions, and feedback from investor participants was incorporated to refine the document.
- The SAC research team subsequently analysed the data—both quantitative inputs from the survey and qualitative inputs from focus group discussions and interviews—to compile the key findings summary report.

SURVEY PARTICIPANTS' PROFILE

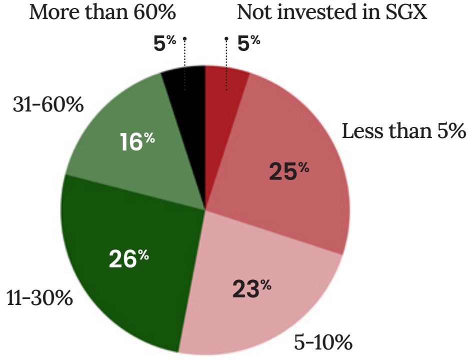
INVESTORS [110 responses]

Role



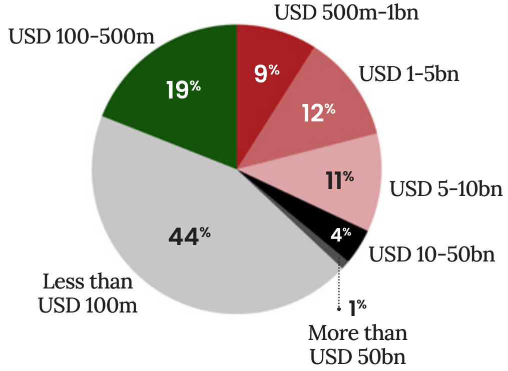
What is your role?
Investors (n=110)

Portfolio invested in SGX-listed equities (%)



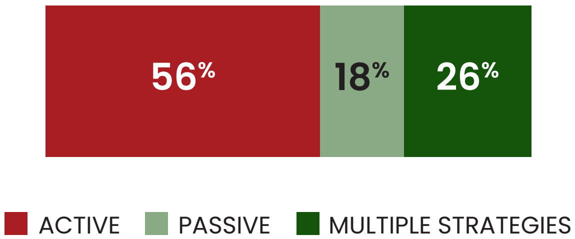
What percentage of your organisation's portfolio is invested in SGX-listed equities?
Investors (n=110)

Portfolio invested in SGX-listed equities (AUM)



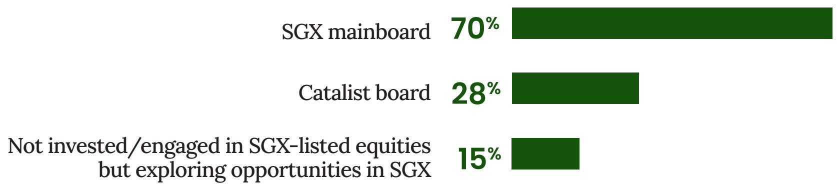
How much of your organisation's portfolio is invested in SGX-listed equities? (AUM)
Investors (n=110)

Investment strategy



What type of investor do you primarily represent?
Investors (n=110)

Market segment engaged/invested

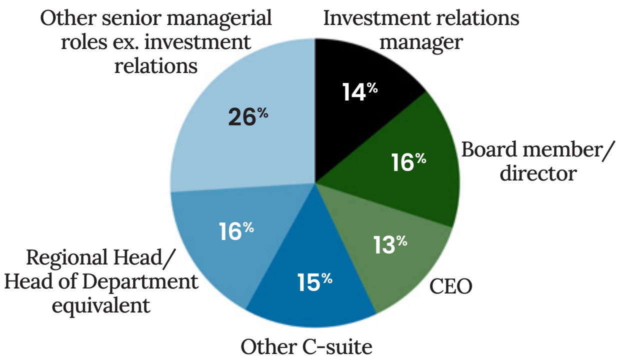


Which market segment/stocks are you invested in or engaged with?
(Tick all that apply)
Investors (n=110); Corporates (n=110)

SURVEY PARTICIPANTS' PROFILE

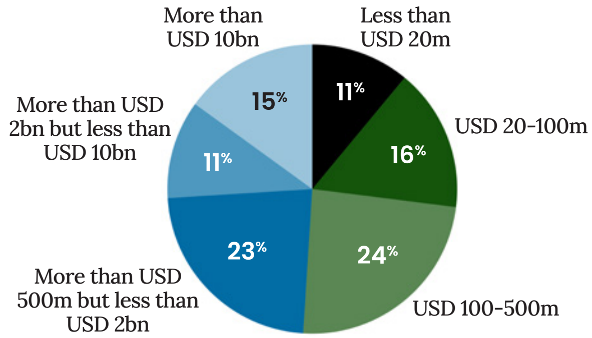
CORPORATES [110 responses]

Role



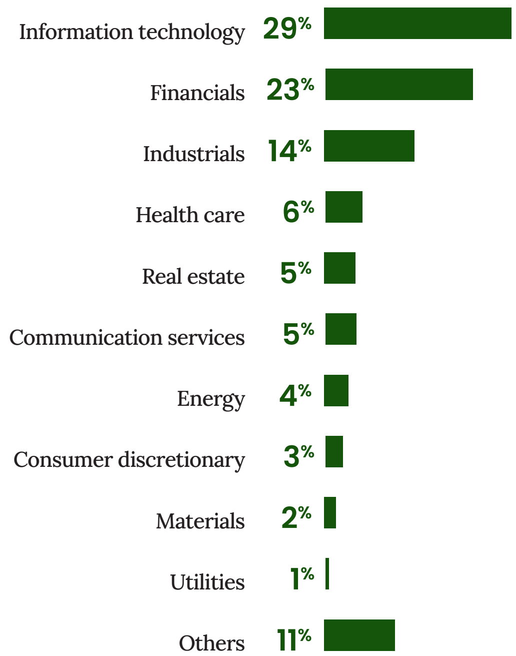
What is your role?
Corporates (n=110)

Market Cap



Market cap of your company
Corporates (n=110)

Industry



What industry are you in?
Corporates (n=110)

**Percentages may not sum to 100% because of rounding.*

ACKNOWLEDGEMENTS

The Stewardship Asia Centre (SAC) research team extends heartfelt thanks to the 292 participants—primarily institutional investors and leaders of SGX-listed companies—who contributed to the *Stewarding Value: Unlocking Market Potential Through Engagement* study. We are deeply grateful for the time and openness with which they shared their insights, perspectives, and experiences through the survey, focus groups, and in-depth interviews. Their inputs were invaluable in shaping the study's findings.

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