Reaching out to make a difference

SUSTAINABILITY COMMUNICATIONS
Communications with purpose

We believe that in today’s fast moving and highly uncertain world, successful businesses are those able to deliver long-term value to the people around them - their stakeholders.

When stakeholders are heard, engaged and inspired, business are understood, trusted and supported. They are more valued by their stakeholders and perform better.

We are a stakeholder communications company. We deliver inspiring communications that reach, engage and influence.

Our purpose is to create businesses that are more valued in the eyes of their stakeholders.

‘Reaching out’

We passionately believe that by creating effective sustainability communications we will contribute to your success by providing you with new insights, supporting your competitive advantages, building advocacy with your stakeholders, engaging and inspiring them for the better.
The annual reporting of non-financial information will enhance the visibility of SGX-listed companies among investors who seek sustainable investment and want to review a company’s environmental, social and governance efforts.

Loh Boon Chye, CEO of SGX
Business as part of the solution

The growing regulatory burden and stakeholder pressure in relation to managing and reporting on environmental, social and governance (ESG) issues have become vital concerns for senior managers. While a reactive sustainability strategy can help companies gain social acceptance, a proactive strategy can help them create additional value for shareholders and other stakeholders.

It has been almost 30 years since the United Nations proposed the concept of sustainable development or sustainability. The world has changed dramatically since that time, and we are confronting even more problems, such as involuntary migration, fiscal scandals and climate change.

When it comes to business, companies are often seen as part of the problem rather than part of the solution. In order to gain societal acceptance, some companies choose to, or in some cases have to, run community investment projects in addition to their core business. However, contributing just because it is ‘the right thing to do’ is not a long-term solution. In order to drive change and gain advantage, companies need to understand how sustainability can help them create value for shareholders and wider stakeholders.

More and more companies are publishing sustainability reports mostly due to growing stakeholder expectations, peer pressure and cascading use of voluntary guidelines. Key financial stakeholders, like investors and equity analysts are building sustainability factors into their analysis and investment decisions.

Customers and employees prefer to deal with sustainable companies if they have a choice. Non-governmental organisations, regulators and standard setters are piling on the pressure, too.

Sustainability reporting has been evolving into a standard business practice in Singapore too. Now listed companies will have one more trigger to report on sustainability – they will have to report on sustainability at least once a year as per the requirements of the Singapore Stock Exchange (SGX). The requirement is supposed to encourage companies better manage what they report on and provide information for investors to integrate ESG information into their analysis and investment decisions.

Some companies may be puzzled with the SGX initiative. We believe that the challenge is not just to comply with the requirements, but to choose the strategic corporate reporting approach that would help companies address both the needs of investors and needs of other stakeholders particularly interested in ESG issues, as well as respond to other forces driving reporting.

SGX Sustainability Reporting Guide: Key takeaways

Q: What is annual reporting?
A: Companies can disclose non-financial information on an annual basis (at the same time or as late as the annual financial report) in a format they consider most appropriate: within the annual/ integrated report, as a standalone sustainability report or both.

An internationally recognised framework should be selected for reporting.

Q: What is non-financial information?
A: Companies should disclose information on environmental, social and governance (ESG or sustainability) factors (risk and opportunities) that are important to their stakeholders and affect their performance and prospects, as well as ESG targets, policies, practices and performance.

A Board statement on integrating sustainability into strategy should also be provided.

Q: What is annual reporting?
A: Investors will get additional quantitative and qualitative information to better understand how business is currently conducted and the sustainability of a business in the long term, so that they can make better assessments and decisions in relation to securities.

Q: Who are investors seeking sustainable investment?
A: All investors seek sustainable and predictable return on investment. Socially responsible investors integrate ESG factors into their decision-making processes not only to generate return, but also to solve ethical, socio-economic and environmental problems.

Q: What are ESG efforts?
A: Companies should take into account ESG factors in strategic planning, integrate ESG considerations in business processes and engage with stakeholders to improve performance in the long term. Philanthropy or charitable activities are not considered to be ESG efforts.

International sustainability initiatives

1987 “Our Common Future”
1992 Agenda 21
1997 Kyoto Protocol
2000 UN Millennium Declaration
2001 Millennium Development Goals
2012 “The Future We Want”
2015 Sustainable Development Goals
2016 The Paris Agreement

Corporate sustainability frameworks

1976 The OECD Guidelines for Multinational Enterprises
1999 GRI Sustainability Reporting Guidelines
2000 UN Global Compact
2002 Equator Principles
2005 Principles for Responsible Investment (PRI)
2010 Carbon Disclosure Project (CDP)
2010 ISO26000 Guidance on Social Responsibility
2013 The International <IR> Framework First guidelines
2013 Sustainability Accounting Standards Board First standard
2016 SGX Sustainability Reporting Guide First standard
The journey often starts with a reporting exercise, often driven by compliance or obligatory considerations. It takes time before management identifies efficiency opportunities in what gets measured. Positive examples help to scale up to new solutions and move towards the sustainability leadership stage. It is important to understand where you are in the journey and how you can use communications to move forward.

Where are you in your sustainability journey?

Rome wasn’t built in a day. Progress towards sustainability depends on many internal and external factors. Communications do not only help you summarise what you did, but can also trigger change in how you do business.
We believe that stakeholders should not only read your sustainability story, but also see, feel and even touch it. This is not about doing something completely different, but rather about effectively utilising sustainability information to move from reporting to value-adding communications. The journey often starts with a reporting exercise, often driven by compliance or obligatory considerations. It takes time before management identifies efficiency opportunities in what gets measured. Positive examples help to scale up to new solutions and move towards the sustainability leadership stage. It is important to understand where you are in the journey and how you can use communications to move forward.

Companies make significant investments into sustainability data capturing, collection, consolidation, assurance, design and production. However, not every company can clearly articulate the value it gets from its sustainability reporting efforts. Meeting regulatory requirements and adhering to best practice are usually the main reasons to produce a sustainability report. There is little doubt that sustainability reporting helps management and investors build a picture of an organisation not visible in traditional financial reports. But do they reach, inform and inspire customers, employees, communities and other stakeholders when they are constantly bombarded with information?

Outcomes and impacts

- Presentations
- Social media
- Whitepapers
- Videos
- Websites
- Conference stands
- Employees
- Customers
- Governments
- Suppliers
- Partners
- Communities
- NGOs
- Banners and posters
- Annual and sustainability reports
- Stakeholders (unidentified)
- Distribution
- Sign off
- Production
- Assurance
- Copyrighting
- Design
- Production
- New strategic insights
- Increased customer loyalty
- Better informed decisions
- Positive impact
- More purpose
- More willing to pay

Efforts

- Decision-making
- Data capturing
- Data collection
- Data consolidation
- Copywriting

Value of sustainability communications

Companies make significant investments into sustainability data capturing, collection, consolidation, assurance, design and production. However, not every company can clearly articulate the value it gets from its sustainability reporting efforts. Meeting regulatory requirements and adhering to best practice are usually the main reasons to produce a sustainability report. There is little doubt that sustainability reporting helps management and investors build a picture of an organisation not visible in traditional financial reports. But do they reach, inform and inspire customers, employees, communities and other stakeholders when they are constantly bombarded with information?

Building trust

Sustainability communications can help you to mitigate reputational risks, which can trigger or support dialogue with different stakeholders.

Providing new insights

By collecting and reviewing sustainability information on a regular basis, management can improve processes and get new strategic insights, while investors and other stakeholders can use it to make better informed decisions in relation to the business.

Engaging and inspiring

Companies can leverage sustainability communications to improve their employer brand, ensure customer loyalty and drive behaviour change within their communities.

Gaining competitive advantage

Reputation and evidence of being a sustainable company can help attract investment, negotiate contracts, launch new projects or enter new markets.

More than 40% of firms that publish sustainability reports say they improve firm reputation.

More than 70% of CEOs believe in the 21st century business success will be redefined by more than financial profit.

More than 59% of investors consider sustainability reports essential or important when making investment decisions.

62% of millennials want the company they work for to make a positive impact and half choose purpose over salary proving the old adage that “money is not everything.”

66% of global consumers say they are willing to pay more for sustainable brands.

$21 trillion

The size of the global sustainable investment market is over $21 trillion.

42% of companies say they are going to make their supply chains more sustainable.

1 Boston College Center for Corporate Citizenship and EY survey, 2013
2 Tomorrow’s Investment Rules 2.0, EY, 2014
4 Global Tolerance, 2015
5 Nielsen, 2015
6 Global Supply Chain Survey, PwC, 2013
7 Global Sustainable Investment Review 2014, GSIA

www.blacksunplc.com
What does it mean from a practical point of view?

Sustainability spans all elements of Black Sun’s proposition – from understanding your stakeholders’ needs and expectations to bringing your sustainability communications to life. We help you build a business which is more valued in the eyes of your stakeholders.

Black Sun can work with you to develop and implement a successful sustainability communications strategy that reflects your business objectives, sustainability impacts and risks, and stakeholders’ needs and expectations.

From helping you choose the right tone of voice, and advising you on the level of detail, through to determining the most appropriate channels, we can help to make your sustainability communications work for all of your stakeholders from highly technical SRI analysts to customers and employees.

How we do it

We discover

your objectives, the needs and expectations of your stakeholders, and how you create value for them

We create

effective communications solutions, by applying our expert knowledge to develop content and a distinctive visual identity that brings your story to life

We deliver

inspiring communications through print and digital channels that reach, engage and influence your stakeholders

We evaluate

the effectiveness of these communications, to enhance future communications

The outcome

is an organisation that is more valued by its stakeholders.
Don’t be afraid of new areas

Elon Musk, Entrepreneur, CEO of SpaceX and Tesla Motors

If you aren’t making a difference in other people’s lives, you shouldn’t be in business – it’s that simple

Richard Branson, Entrepreneur, Founder of Virgin Group
We are uniquely positioned to provide an integrated suite of sustainability communications solutions leveraging our creative, strategic and subject matter expertise.

Why Black Sun?

Black Sun has more than 20 years’ experience in providing unrivalled integrated communications expertise to support listed and private organisations across different sectors and geographies.

Our teams comprise of sustainability experts, strategic communication consultants, designers, programmers and production specialists. This means that we look at your sustainability story from different angles, understand your strategy, industry trends and think in practical terms to meet your objectives.

While understanding cross-cutting sustainability trends and communications best practice, we know how to engage specific stakeholders on sustainability. Our employee and investor communications consultants can help you use sustainability to improve employer brand or support your investment case.

We have significant experience and use our world-class publishing platform to apply creative ideas in printed and digital communications. This means we can maximise the value of your sustainability information by effectively communicating it through different channels.

As well as having significant experience in working with clients in the UK and Singapore, we have a good track record with clients from emerging markets, such as China, Jordan and Russia. This means we understand sustainability challenges in different economic and cultural contexts and can better adapt our solutions to your needs.

We have partnerships with leading communications organisations, such as the International Integrated Reporting Council, Investor Relations Society and Communication Director Magazine. This means we have access to industry and best practice and can help you connect with sustainability leaders to share knowledge.
Examples of our work

We have worked with leading organisations in the UK and overseas to help them better communicate with stakeholders on sustainability. Some examples of our work are provided below.

How to ensure consistency in messaging and design
We worked with De Beers, the world’s leading diamond company, to develop their sustainability communications under the banner ‘Building forever’. We helped them develop consistency of messaging and design across their print and online channels. We developed a new sustainability section of their website explaining their approach, key issues and performance, incorporating interactive features, and a dedicated news section with case studies, video and a blog to bring their sustainability to life.

How to communicate complex information in a clear and simple way
In our first year of working with EY EMEIA Financial Services Sustainability Team, we helped them deliver a strategic step change in the way they discussed sustainability to meet the needs of their different stakeholder groups, providing both their industry thought leadership as well as performance overview. Infographics were used to communicate complex information in a clear and simple way and EY’s new materiality process was used to structure the report. We optimised the online version, bringing the sustainability content to life for their diverse stakeholder group.
Examples of our work

How to promote purpose
Olam International is a leading agri-business operating from seed to shelf in 70 countries, supplying food and industrial raw materials to over 16,200 customers worldwide. We worked with Olam on their annual report underpinning the theme of 'Growing responsibly'. It is more than a strapline, it is Olam’s purpose, and an integral part of their business model that is based on their commitment to do business in an ethical, socially responsible and environmentally sustainable manner. With this project, we have laid the foundations to move towards integrated reporting next year.

How to build something meaningful
We have worked with DBS, a Singaporean multinational bank on their online annual report which communicates their positioning ‘Live more, Bank less’. The report has a modern, responsive design with innovative navigation. We helped DBS communicate how they create sustainable value for their stakeholders with an in-depth look at their business model and how they manage resources for the long-term. This is their fourth report following the IIRC’s reporting principles. DBS were the first company in South East Asia to adopt it in 2012.
Our key experts

We are a group of 80 people from 18 different nationalities, operating from London and Singapore, and united by our passion to help businesses better connect with their stakeholders.

Uantchern Loh
CEO, Asia Pacific

Prior to joining Black Sun, Uantchern was the founding Chief Executive of the Singapore Accountancy Commission, a statutory body under the Ministry of Finance tasked to develop and lead initiatives in transforming Singapore into the leading global accountancy hub. While at the SAC, Uantchern spearheaded programmes for the development of Chartered Accountants of Singapore, CFOs, Internal Audit Leadership, and Chartered Valuers & Appraisers of Singapore. He also championed the adoption of integrated reporting principles.

Always having a passion for teaching, Uantchern is an Adjunct Associate Professor with the NUS Business School where he teaches enterprise risk management and social media risk sentiments. As an advocate of accountancy education, Uantchern serves on the Business Services Academic Advisory Committee of the Institute of Technical Education, the Industry Advisory Committee (Bachelor of Accountancy) of the Singapore Institute of Technology, and the Bachelor of Accountancy Programme Advisory Committee of SIM University.

Uantchern was the President of the Institute of Internal Auditors in Singapore from 2009 to 2012 and is currently a Governor of its Board. He also volunteers on the management committee of the Securities Investors Association (Singapore) as its Vice President and as a District Councillor of the Central Singapore CDC.

Alex Annaev
Lead Sustainability Consultant

Responsible for developing and promoting innovative sustainability communications solutions, as well as shaping Black Sun’s internal sustainability agenda. Alex has over 8 years of experience in sustainability advisory and assurance as a project manager and consultant at EY and Deloitte. He has also interned for banks and not-for-profit organisations in Russia, India, Estonia and Turkey.

Alex’s clients include government agencies, international financial institutions, banks, as well as companies in the metals & mining, energy and telecommunications industries across different countries.

Sallie Pilot
Director of Research and Strategy

Responsible for setting the overall strategic direction for client work as well as the integrity of all of Black Sun’s research and analysis of the marketplace.

A Black Sun Board member with 15 years of company experience, Sallie has extensive FTSE 100/250 and international consultancy experience with a unique understanding of corporate reporting. She is a member of Investor Relations Society (IRS) Policy Committee.

Anne Kirkeby
Lead Corporate Reporting Consultant

Responsible for research development and providing guidance on best practice reporting, emerging trends and regulatory changes, as well as on-going corporate reporting opportunities.

Anne has over 10 years’ experience as a buy-side investment analyst focusing on analysing and advising corporations on Environmental, Social and Governance (ESG) best practice. With specialised skills in strategy, communication and reporting, Anne has engaged with numerous FTSE 350 and FTSE All-World companies on best practice and disclosure.
Do you need a guide on your sustainability journey?

Get in touch

Our team of specialists is here to guide your organisation through the opportunities and pitfalls on the way to developing and implementing an effective sustainability communications strategy.

Let us hear about your sustainability journey and we will share our perspective based on the latest trends and insights we have identified.

Please contact:
Uantchern Loh
CEO, Asia Pacific
Tel: +65-6808-6526
Email: uloh@blacksunplc.com
www.blacksunplc.com