Valoris
Stewardship Catalysts

Monthly GSS News Digest

Governance, Sustainability and Stewardship



October 2026

News of the Month

1. **Vietnam’s upgrade puts corporate governance in focus**

2. **Singapore tightens board rules for banks and insurers**

3. **The AI data center boom tests bondholder stewardship**

Vietnam's upgrade puts corporate governance in focus

Key Highlights

- FTSE Russell's upgrade of Vietnam from frontier to secondary emerging market took effect on **21 September 2026**.
- It raises expectations on governance, transparency and investor confidence, at a time when foreign investors have remained **net sellers for almost ten months** of 2026 (VIR).
- Decree 155/2020 requires **one to three independent directors**, by board size. A 2023 survey found only **about 68.4%** of listed firms complied, and some independent directors play a largely nominal role.
- Enforcement is stepping up, including penalties for missing independent-board requirements.
- The Vietnam Stock Exchange is considering higher governance standards, a higher free-float requirement and adjusted foreign ownership limits.
- On 27 October, the Institute of Singapore Chartered Accountants (ISCA) and the Vietnam Institute of Corporate Governance (VNICG) signed a cooperation agreement and announced an **Independent Director Dual Programme**.

Sources:
Vietnam Investment Review
The Investor (FTSE Russell)
VietnamPlus

Independent directors required (Decree 155/2020)

Board of 3-5	Board of 6-8	Board of 9-11
1	**2**	**3**
independent	independent	independent

Listed companies meeting the requirement (2023 survey)



Singapore benchmark (SGX): at least two independent directors and one-third of the board.

Timeline



Apr 2026	21 Sep 2026	27 Oct 2026	Next
FTSE Russell confirms	Upgrade effective	VNICG-ISCA programme	VNX standards under review

Singapore tightens board rules for banks and insurers



Key Highlights

- This month**,** the Monetary Authority of Singapore opened a consultation on targeted updates to governance rules for **banks, insurers and designated financial holding companies.** Comments close **9 December 2026**.
- **Independence:** tighter criteria for directors employed by, or dealing with a corporation or its affiliates would be deemed non-independent from management and business relationships.
- **Board composition:** larger minimum boards and a **majority of independent directors** at D-SIBs, domestic systemically important insurers and full banks.
- **Key appointments:** prior approval by the monetary authority extended to the nominating committee chair and, at D-SIBs, the chief information officer.
- **Proportionality:** some approvals removed for institutions with less retail reach or systemic importance.
- Why: governance should be proportionate to an institution's size, risk and impact, with responsibility for technology and information risk weighing more in senior leadership.

Sources:
MAS consultation paper
GRC Report

Minimum board size: today and proposed

Institution	Today	Proposed
D-SIBs (domestic systemically important banks)	3 or 5	**7**
Full banks	3	**5**
D-SIIs (domestic systemically important insurers)	3	**5**

Prior approval of key appointments

NEW APPROVAL
Nominating committee chair
CIO at D-SIBs

APPROVAL REMOVED
Some roles at lower-impact institutions

Consultation closes 9 December 2026

The AI data center boom tests bondholder stewardship

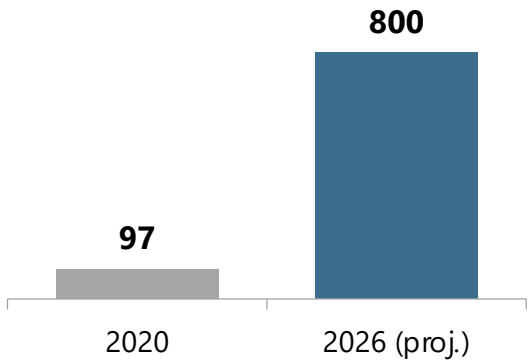
Key Highlights

- The IIGCC's Laith Cahill (27 October 2026): data-center expansion is increasingly **bond-financed**, giving bondholders a stewardship route through pricing, documentation and refinancing.
- Capex of Alphabet, Amazon, Meta, Microsoft and Oracle: **US$97bn (2020) to a projected US$800bn (2026)** and bond issuance by these "Hyperscalers" about **US$170bn** by late June 2026.
- AI-related **high-yield** issuance is expected to exceed US$100bn.
- **Risks**: power sourcing and emissions, grid and permitting delays, water, customer concentration and leverage.
- **Gap**: issuers may sit outside net-zero stewardship priorities as technology, communications or real estate names.

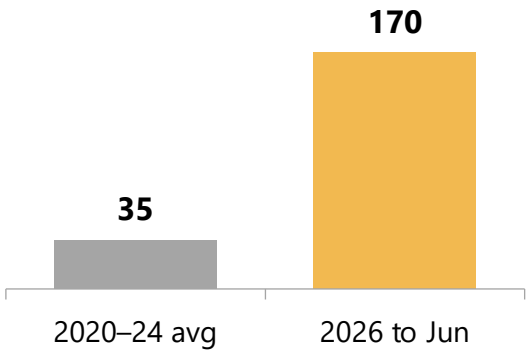
"Decisions taken now on power sourcing, siting, resource use and physical resilience will shape outcomes for decades."

Source: IIGCC, "Financing AI: what the data centre boom means for bondholder stewardship"

Big-five hyperscaler capex (US$bn)



Hyperscaler bond issuance (US$bn)



Figures as cited by IIGCC (capex: Bloomberg estimates); 2026 capex is a projection.

Where bondholders can push

- **Disclosure** Power, water, grid, Scope 1-3
- **Pricing and documentation** Risk in allocation and covenants
- **Refinancing events** Revisit expectations
- **Beyond the issuer** Utilities, banks, policymakers

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