

**Opening Address by the Chairman, Singapore Institute of Directors
Singapore Governance and Transparency Forum 2025
Singapore Exchange Auditorium, 13 August 2025**

Mr Lim Tuang Lee, Assistant Managing Director, Capital Markets Group, Monetary Authority of Singapore,

Distinguished guests, colleagues and friends,

Good morning.

It is my privilege to welcome you to the **Singapore Governance and Transparency Forum 2025**, organised by the Centre for Governance and Sustainability at NUS Business School, CPA Australia and Singapore Institute of Directors.

We are pleased to officially launch the latest edition of the **Singapore Governance and Transparency Index**, or SGTI, which offers a snapshot of where our listed companies and trusts stand today. The SGTI also offers a window into the evolving standards, expectations and demands shaping the future of board governance.

Each year, this Index gives us a lens through which we assess the state of corporate governance in Singapore. It benchmarks how our listed companies are performing in terms of board effectiveness, transparency, risk management and long-term accountability.

But more than a measurement tool, the SGTI also prompts deeper questions:

- Are our boards ready for what lies ahead?
- Are we asking the right questions as directors?
- Are we equipping ourselves for a world that is no longer business-as-usual?

The shifting landscape for boards

In 2025, the environment in which directors operate is more complex than ever before.

Artificial intelligence (AI) and emerging technologies are no longer issues of the future. They are here and now. Digital transformation and cyber risk must be addressed as urgent boardroom concerns, challenging our assumptions around accountability, ethics and data governance.

Cross-border trade disruptions, regulatory fragmentation and tariffs are redefining global supply chains and investment risk. Geopolitical instability and the apparent fragility of systems and institutions governed by the rule of law – versus the rule of power – have made scenario planning a critical board discipline.

The expectations of stakeholders, beyond shareholders, have intensified, particularly around climate change, sustainability, diversity, transparency and corporate purpose.

These shifts are reflected in how the SGTI has evolved. Our 2025 methodology places greater emphasis on sustainability disclosures, including climate reporting. In essence, we are not just measuring form; we are measuring substance.

From passive oversight to active stewardship

From this year's findings, we note that companies demonstrate the strongest performance in shareholder rights disclosures. Climate-related reporting is improving, but strategic alignment remains patchy.

Many companies are making better disclosures, but fewer are able to demonstrate how sustainability shapes their core business strategy, capital allocation, or executive incentives.

Boards are more engaged. But they are not yet deeply future-ready.

Here are some examples.

The third edition of the **State of Climate Reporting** by EY and CPA Australia noted that while 98 per cent of listed companies now provide climate-related disclosures, only 1 per cent actually quantify the financial implications of climate risks and opportunities.

A Deloitte **Global Boardroom Survey** of 700 board members across 56 countries in 2024 found that only 14 per cent of boards discuss AI at every meeting, and a staggering 45 per cent have never placed AI on their agenda.

We are seeing more diverse representation on boards. As noted in the Council for Board Diversity's **Singapore Board Diversity Review 2024**, first-time directors made up 57 per cent of all new appointments in 2023. But the deeper value, diversity of thought and challenge, must now take centre stage.

These insights are not criticisms; they are calls to action.

Boards today can no longer function as passive overseers. The role of directors has become fundamentally more strategic, more inquisitive, and more accountable.

In recognising companies that lead in corporate governance practices and disclosures, the SGTI is not designed to reward perfection, but to push the conversation forward – especially in a time of accelerated change.

Enabling boards for tomorrow

At the Singapore Institute of Directors, we are deeply committed to supporting this journey together with our partners in the ecosystem. Directorship has to evolve with new skillsets to meet new responsibilities and challenges.

Today's board leadership must go beyond compliance. We must ask tough questions and challenge the status quo.

As directors, we sit at the intersection of risk and responsibility, performance and purpose, profit and public trust. The world is changing fast. But our core duty remains unchanged: To govern with integrity, lead with insight and act with intent.

The SGTI 2025 reminds us of where we are and where we must go. Progress is possible. Excellence is not static – it is pursued, earned and shared.

Congratulations to all the companies who have done well in the rankings. We trust you will serve as an inspiration to all listed and unlisted companies to adopt world-class standards.

Thank you for being here today, and for being part of this ongoing journey to uplift governance, not just in form, but in spirit.

I wish you all a meaningful and engaging forum ahead.