



The crucial task of succession planning

Page 52



Boards and innovation

Page 56



SID-Singtel cybersecurity forum

Page 59

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— Company Secretary, SMRT Corporation Ltd



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SG50 and corporate governance



By **WILLIE CHENG**
Chairman, SID

You could not have gone through most part of this year without being involved in at least one of the myriad of activities commemorating Singapore's golden jubilee. The celebrations have mostly centred on our development as a nation and the various segments of the economy, government and society. Not much of the reminisces, however, were being devoted to corporate governance, a subject SID and many of our members hold dear.

We have therefore focused the year's last issue of the *SID Directors' Bulletin* on a review of Singapore's corporate governance landscape over these last 50 years.

Annabelle Yip kicks off by chronicling how the development of corporate governance has paralleled our development as a nation (see page 6). Her conclusion is that much of the changes in corporate governance regulations and practices have been instigated by crises and scandals. It is unfortunate that it has taken bad governance to focus our attention on good governance. That said, it is also the case that many positive corporate governance developments have been the result of proactive initiatives by the government to realise Singapore's vision to be a financial hub.

The SID itself was born in the wake of a crisis – the 1997 Asian Financial Crisis – to promote



DIRECTIONS

high standards of corporate governance. Over the years, it has proactively implemented programmes to realise our vision as the national association advancing the highest level of ethical values, governance, and professional development of directors.

One of our recent initiatives is the creation of a comprehensive set of guidebooks for boards and board committees in Singapore (see page 44). In this issue, we feature the launch of the first of these guidebooks: the Nominating Committee Guide (see page 46).

We are also taking the opportunity to recognise 14 corporate governance pioneers. They are the stalwarts who have gone above and beyond their call of duty to nurture and grow the SID and corporate governance in Singapore into what we are today (see page 22).

In many ways, all this nostalgia and introspection of our past and of the people who have worked so hard both at the vanguard and behind the scenes is gladdening, even soul-stirring. Hopefully, it all serves to remind us that good governance lies at the heart of successful companies, institutions and nations. As directors, we need to do our part to proactively foster good governance in the corporate sphere and not wait for the consequences of bad governance to force us into action. ■

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CONTENTS

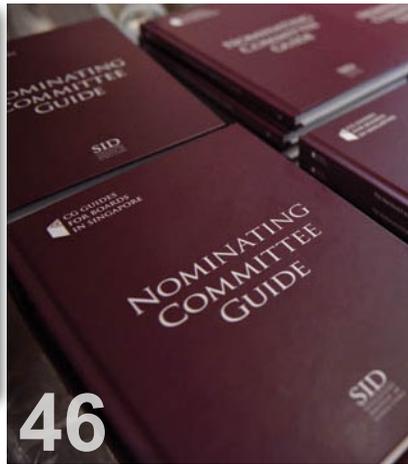


FEATURES

- 6 Borne out of crisis: A brief history of corporate governance in Singapore
- 14 SID through the years
- 22 Corporate governance pioneers
- 29 5 lessons inspired by Lee Kuan Yew on corporate governance
- 30 10 years of celebrating the best in corporate governance
- 40 Singapore in 2025
- 46 Best Practice Guide for Nominating Committees
- 54 The REIT way forward to good corporate governance
- 56 Boards and innovation



14



46



61



66

COLUMNS

- | | |
|--|---|
| <p>38 INNOVATION
The two jubilees</p> <p>42 COUNTING BEANS
Audit quality is more than child's play</p> <p>44 EXPANDING HORIZONS
Everything you always wanted to know about corporate governance and directorships*
*but were afraid to ask</p> <p>52 BOARDROOM MATTERS
The crucial task of succession planning</p> <p>66 AFTER HOURS
Stretching yourself</p> | <p>60 A fun history of Singapore for SID fellows</p> <p>60 Making memories at members' networking event</p> <p>61 SID annual golf tournament 2015</p> <p>62 Continuing Chairmen's Conversations</p> <p>63 SID-CAQ roundtable on Audit Quality Indicators</p> <p>64 What it takes to be a nonprofit director</p> <p>65 Innovation leaders</p> <p>65 Driving value for fast-growing enterprises and family businesses</p> <p>70 Welcome to the family</p> |
|--|---|

SID NEWS

- 58 SID-Caux Round Table on the UN Sustainable Development Goals
- 59 SID-Singtel cybersecurity forum

SID CALENDAR

- 68 SID's Past Events
(16 June 2015 – 30 September 2015)
- 69 Upcoming events



BORNE

**Corporate Governance Guides
Singapore Corporate Awards**

Dodd-Frank Act

SOX ++

Code of Corporate Governance

Securities & Futures Act

Companies Act

Global Financial Crisis

S-Chips

Enron

CLOB

Asian Financial Crisis

Barings

Pan-El

OUT OF CRISES:

A brief history of corporate governance in Singapore

By

ANNABELLE YIP

Partner, WongPartnership LLP

Over the past 50 years, the development of Singapore's corporate governance landscape has paralleled and kept pace with the evolution of Singapore as a nation.

With Singapore having gone from third world to first, the body of laws, regulations and guidelines that make up our corporate governance DNA has steadily developed from its early roots in English company law to, arguably, emulate the best-in-class in the world.

Corporate regulations in Singapore have evolved to address issues and changes – many of which arose from local and overseas crises — in the economic environment that were initially primarily local, then regional and global.

A Trek Through History

We now take a walk through the past five decades on the international and local happenings that have shaped the corporate governance scene in Singapore.



1965-1984: The formative years

Two years after Singapore's independence, Singapore's first companies legislation, the Companies Act of 1967, came into force. Over the years, it has seen a number of amendments, the most recent major set being passed in 2014.

1970 saw the establishment of the Monetary Authority of Singapore (MAS) as a statutory board.

With the separation of Singapore from Malaysia in 1965, the stock exchange was renamed the Stock Exchange of Malaysia and Singapore and, unusually, was a single stock exchange serving two countries. In 1973, when currency interchangeability between the Singapore dollar and Malaysian ringgit ceased, the Stock Exchange of Singapore Ltd (SES) was incorporated. In the same year, the Securities Industry Act 1973 was enacted.

1985-1995: Pan-El, Barings

In 1985, the year when the Singapore Code on Takeovers and Mergers was first introduced, Pan-Electric Industries Limited (Pan-El), which was listed on SES, collapsed. It had huge debts and was unable to make good on its forward contracts. This led to an unprecedented three-day suspension of trading by SES. Stockbroking firms which took shares of Pan-El and its related entity as margin trading collateral found themselves threatened with insolvency as their customers failed to meet their obligations.

Pan-El led to changes in the Companies Act in 1989, which imposed new requirements such as Audit Committees for listed companies and a system of sufficient internal accounting controls for public companies and their subsidiaries.

In 1995, UK's Barings PLC collapsed, caused by more than \$1 billion losses from derivatives trades undertaken on the Singapore Monetary Exchange (SIMEX) by rogue trader Nick Leeson. He had been unwisely appointed as both head of settlements and head of trading at Barings Futures Singapore, which enabled him to cover up the huge losses for a long time.

Extensive changes were made to the Futures Trading Act that year which tightened up oversight by the MAS.

1996-2005: Asian Financial Crisis, CLOB, Enron, S-Chips

In 1997, what became known as the Asian Financial Crisis started in Thailand with the collapse of the Thai baht following speculative attacks on the currency. As the crisis spread, most of Southeast Asia and Japan saw slumping currencies, devalued stock markets and other asset prices, and ultimately bailouts led by the International Monetary Fund for the worst-affected countries. Indonesia, South Korea and Thailand were most affected by the crisis, but other Asian countries were also hurt.

Then-Deputy Prime Minister Lee Hsien Loong announced a lighter-touch, more disclosure-based regime from the hitherto prescriptive rules-based system in the regulation of Singapore's financial sector.

Several private-sector led committees made recommendations that have had wide-ranging impact on rules and regulations. New regulations were introduced to mandate compliance with accounting standards and quarterly reporting.

In 1997, the Investment Management Association of Singapore (IMAS) was formed to spearhead the development and growth of the investment and fund management industry in Singapore.

In 1998, a year after the Asian Financial Crisis, the SID was formed to promote high standards of corporate governance and professional and ethical conduct of directors.

In 1998, in the UK, the first Combined Code (Principles of Good Governance and Code of Best Practice) was issued, following the release of the *Cadbury Report* (or the report on *The Financial Aspects of Corporate Governance*). In Singapore, the Corporate Governance Committee issued the first Code of Corporate Governance in 2001.

In 1999, the Exchanges (Demutualisation and Merger) Act was passed, and the Singapore Exchange (SGX) was formed to take over the assets of the SES, SIMEX and Securities Clearing and Computer Services Pte Ltd. In 2001, the Securities and Futures Act was enacted, and the SGX was given the dual role as listed commercial exchange and regulator/enforcer of listing rules.

In 1999, SGX was hit with a major crisis, in what became known as the CLOB saga. The Central Order Limit Book (CLOB) was a secondary market in Singapore that traded in mainly Malaysian shares. When Malaysia imposed overnight capital controls and new rules on the clearing and settlement of Malaysian shares, this led to grave losses for Singapore investors as they lost the ability to trade in their shares. The crisis led to the formation of the Securities Investors Association (Singapore) that same year to champion the protection of minority investors in Singapore.

In 2001 and 2002, the huge bankruptcies of Enron, Tyco and Worldcom in the US were to have a profound effect on financial markets the world over. The scandals led to the enactment of the Sarbanes-Oxley Act (SOX) in the US in 2002.

SOX focused attention on the importance of and responsibility for effective internal controls and accurate financial reporting. Many of the principles underlying SOX have found their way into other countries' regulations.

Many countries have revised and updated their codes of corporate governance. In 2003, the UK revised its Combined Code and the Australian Exchange introduced its Principles of Good Corporate Governance and Best

Practices Recommendations. This was followed in 2004 by Hong Kong's first Code of Corporate Governance Practices and Corporate Governance Report, and the Organisation of Economic Co-operation and Development (OECD)'s revised OECD Principles of Corporate Governance. In Singapore, the Council on Corporate Disclosure and Governance made changes to the Code of Corporate Governance in 2005.

In 2004, the Accounting and Corporate Regulatory Authority (ACRA) was formed from the merger of the Registry of Companies and Businesses and the Public Accountants Board. With the merger, ACRA became the new national regulator of companies, businesses and public accountants, bringing together the monitoring of companies' compliance with statutory disclosure and other requirements and the regulation of public accountants performing statutory audits.

Singapore had its own fair share of corporate scandals with the S-Chips, Chinese companies incorporated offshore and listed on the SGX. In 2003, as well as 2004 in particular, there was a surge in public offerings of S-Chips. A fair number of them suffered from poor corporate governance, questionable accounting practices and fraud, tarnishing their reputations and harming their share values, and resulting in heavy losses for Singapore and Chinese investors.

From 2004 to 2006, one of the largest corporate scandals in Singapore's history, China Aviation Oil (Singapore) Corporation Ltd (CAO), occurred. CAO incurred huge losses in derivatives trading, as it operated in the absence of a proper risk management framework. It did not reflect the value of the derivative options correctly in accordance with accounting standards. CAO eventually disclosed huge losses and sought protection from creditors through a scheme of arrangement.

2006-2015: Global Financial Crisis, CG Guides, Singapore Corporate Awards, New Capitalism

The Global Financial Crisis (GFC) started in 2007 with the bursting of the US housing bubble. Its most prominent victim was Lehman Brothers which went bankrupt in 2008.

The GFC was probably the greatest global economic crisis since the Great Depression in the 1930s, and its effect is still felt today with the low interest rate environment and a slow-down of growth globally.

The GFC led to tighter regulations such as the Dodd-Frank Act in the US with its complex range of measures aimed at preventing a repeat of the crisis, and the Basel Committee's reforms to strengthen global capital and liquidity rules for a more resilient banking sector.

Singapore reviewed and issued a second revision to the Code of Corporate Governance in 2012. The 2012 Code contained a number of provisions which were specifically meant to address issues related to the GFC, such as greater transparency of remuneration practices, the board's role in risk governance and in setting ethical standards, and the many references to long-term interests, success, risk policies and incentives.

A Risk Governance Guidance for Listed Boards was issued in 2012, and a Guidebook for Audit Committees was issued in 2008 and revised in 2014. SID is currently working with ACRA, MAS and SGX on a comprehensive set of corporate governance guides for listed boards, the first of which, a Nominating Committee Guide, was launched in August 2015 (Ed: see page 46).

The MAS also issued a Corporate Governance Framework for financial institutions, comprising

Regulations and Guidelines, in 2005, and revised them in 2010.

After a seven-year review starting in 2007, a major revamp of the Companies Act was passed in 2014. Implementation will be effected in two stages: 1 July 2015 and first quarter of 2016.

In 2006, The Business Times with its partners organised the first Singapore Corporate Awards to recognise excellence in corporate governance. In 2014, SID and the Institute of Singapore Chartered Accountants (ISCA) became co-organisers, with SID organising the “Best Investor Relations”, “Best Chief Executive Officer” and “Best Managed Board” awards.

Climate change and the sustainability movement are also making significant inroads into the corporate sector in Singapore. SGX issued a Guide to Sustainability Reporting for Listed Companies in 2011. In 2015, SGX announced plans to increase the transparency of governance with sustainability reporting on a “comply or explain” basis” by end-2015 with a view to target implementation for financial year 2017. The theme of the SID Directors' Conference in 2014 was “Towards The New Capitalism”.

In 2013, the Integrated Reporting Council issued the International Integrated Reporting Framework. A steering committee led by ISCA is promoting the adoption of integrated reporting in Singapore.

At the same time, a committee led by Stewardship Asia Centre is developing a Stewardship Code.

Intriguingly, MAS indicated in June 2015 that there could be scope to reduce overlaps between the oversight functions of the MAS and the exchanges, leading to speculation that, after more than 10 years, SGX’s dual role as listed exchange and regulator may be about to change.



Looking Ahead

It is impossible to predict what Singapore’s corporate governance landscape will look like in 10 years’ time, much less the next 50, given the openness of our economy and the unpredictable winds of change swirling all over the world, all of which will have an impact in one way or another on Singapore.

From the trends, it seems likely that the lasting impact of the GFC and of climate change and globalisation will make issues related to sustainability and the effects that businesses have on communities and the environment increasingly urgent.

In relation to the issue of diversity (primarily but not limited to gender diversity), the record of Singapore companies has been poor, and the room for improvement is vast.

Singapore has, so far, done well in regional corporate governance rankings. However, as leaders, we need to recognise and be responsive to the imperative for continuous adaptation and change to meet the rapidly evolving environment, as this is crucial to maintaining Singapore’s leadership in this key area. ■

The FTSE Straits Times Index and Corporate Governance over the last 50 years





SID THROUGH THE YEARS

SID was born in the aftermath of the 1997 Asian Financial Crisis to improve corporate governance in Singapore. Join us on this pictorial journey of the various facets of SID over the years.



SID

Singapore Institute of Directors

SID

SINGAPORE
INSTITUTE OF
DIRECTORS

AGM

The first AGM was held on 16 December 1999. Subsequently, AGMs were typically held in November to elect Council members and receive the annual report.



The first AGM in 1999



The most recent AGM in November 2014

Premises

SID was first located at SGX Building and subsequently moved to Asia Insurance Building (2001), Shenton House (2007), and Capital Tower (2013).



SID first office was at SGX Building



Present SID Office & Corporate Governance Centre at Capital Tower

Planning Retreats

A strategic review of the Institute was first conducted by PwC in 2008. A first Council retreat was held in 2012 and the most recent Council retreat was held in July 2015.



2012 Council retreat



2015 Council retreat

Professional Development Courses

Since the first "Company Directors' Course", SID now offers a comprehensive curriculum of courses for different types of directors for the various stages of their directorship journeys.



Company Directors' Course (1999)



Listed Company Directors Programme (2012)

Roundtables & Seminars

SID regularly organises forums, roundtables, etc. on the latest topics of interest to directors.



Roundtable on Revised Code of Corporate Governance (2011)



Roundtable on "Value Creation" with Ambassador Linda Tsao (2013)

Directors' Conference

SID's flagship annual conference has become the must-attend annual event for directors.



The first SID Directors' Conference (2010)



Heat and Hope (2011)



Board Chairmen's Conversations (2013)



SID-SMU Directorship Programme's Graduation Ceremony (2014)



SID and INSEAD signs MoU for International Directors Programme (2014)



SCA Driving CG Excellence Seminar (2014)



SID-APREA Feedback on REIT Reforms (2014)



ACRA-SGX-SID Audit Committee Seminar (2015)



The New Normal (2012)



Value Creation (2013)



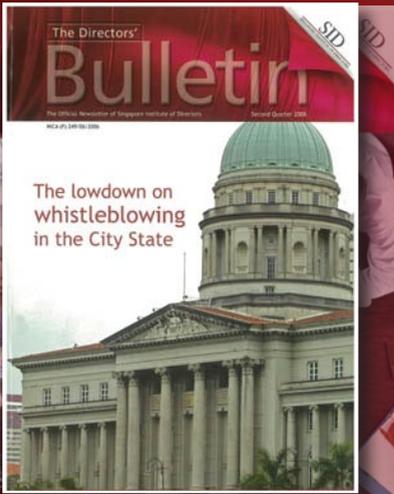
The New Capitalism (2014)

Directors' Bulletin

Since the first issue in 1999, the quarterly issues of the Bulletin have been delivering the latest thinking and happenings to members, even as their look and feel, and content are evolving.



The first issue (1999)



First makeover (2006)

Research & Publications

Since the first biennial Board of Directors Survey, SID has added to its thought leadership through several publications.



Board of Directors Survey (2000 onwards)



Statements of Good Practices (2005 onwards)

CG Excellence

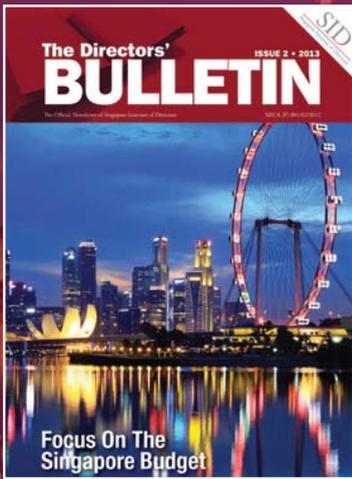
To promote excellence in corporate governance, SID has been actively involved in national and regional corporate governance indices and awards.



SID introduces the Best Managed Board Award (BMBA) (2005)



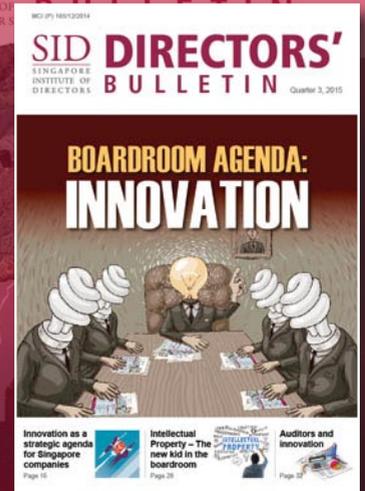
BMBA is given out as part of the first Singapore Corporate Awards (SCA) in 2006



Second makeover (2012)



Latest makeover (2014)



The 2015 issue



SID-ISCA Singapore Directorship Report (2014)



CG Roundup participants collecting their Boardroom Matters Book (Volume 1)



Nominating Committee Guide for Boards in Singapore (2015)



SID and CGIO of NUS Business School produce the Singapore rankings for the ASEAN Corporate Governance Scorecard (2013)



SID and ISCA join BT for a revamped Singapore Corporate Awards (2014)



SID collaborates with CGIO and CPAA on a new Singapore Governance & Transparency Index (2015)

Members Socials

Regular socials such as fellows' evening and members' networking events are held to bring members together.



A members' networking evening (2014)



The first fellows' evening (2015)

Golf

SID's annual golf tournament are looked forward to by the golfers among its corporate supporters and their directors.



The first golf tournament (2001)



Golf tournament (2015)

Board Appointment Services

SID has developed programmes to match members to directorship opportunities.



Launch of SID Board Appointment Services (2011)



SID Board Appointment Services flyer

Leadership

SID is a nonprofit organisation that is led by a volunteer Governing Council elected from the membership. In addition, distinguished individuals who have made significant contributions to shaping and building up the high standards of corporate governance and best practices are invited to be Honorary Fellows to advise the Council. We list here the Honorary Fellows and Governing Council Members since the inception of SID.

Honorary Fellows

- | | |
|--------------------------------------|----------------------------------|
| 1. Mr S Dhanabalan | 6. Mr Lim Kim San (deceased) |
| 2. Dr Michael Fam Yue Onn (deceased) | 7. Mr John Lim Kok Min |
| 3. Dr Richard Hu Tsu Tau | 8. Mr J.Y. Pillay |
| 4. Prof Tommy Koh | 9. Mr Sim Kee Boon (deceased) |
| 5. Mr Lim Chee Onn | 10. Prof Walter Woon Cheong Ming |

Governing Council Members

- | | |
|---------------------------|--------------------------------|
| 1. Ms Kala Anandarajah | 25. Mr Lim Hock San |
| 2. Mr Andrew Ang | 26. Mr John Lim Kok Min |
| 3. Mr Boon Yoon Chiang | 27. Mr Irving Low |
| 4. Mr Ramlee bin Buang | 28. Dr Ahmad Mohd Magad |
| 5. Mr Adrian Chan | 29. Mr Chaly Mah |
| 6. Mr Basil Chan | 30. A/Prof Mak Yuen Teen |
| 7. Mr Willie Cheng | 31. Ms Poh Mui Hoon |
| 8. Mr Robert Chew | 32. Mr Alan Joseph Shaw |
| 9. Dr Wilson Chew | 33. Mr Sitoh Yih Pin |
| 10. Mr Chew Heng Ching | 34. Mr Soh Gim Teik |
| 11. Mr Chng Hee Kok | 35. Mr Andy Tan Chye Guan |
| 12. Mr David Conner | 36. Ms Tan Yen Yen |
| 13. Mr Daniel Ee | 37. Ms Margaret Tay Mui Kiang |
| 14. Mr Gerard Ee Hock Kim | 38. Mr Keith Tay |
| 15. Mrs Fang Ai Lian | 39. Mr Richard Teng |
| 16. Ms Junie Foo | 40. Mr Teng Cheong Kwee |
| 17. Mr Philip Forrest | 41. Mr Teo Chiang Long |
| 18. Mr Giam Chin Toon | 42. Mr Reggie Thein (deceased) |
| 19. Mrs Yvonne Goh | 43. Ms Wong Su Yen |
| 20. Mr Will Hoon Wee Teng | 44. Mr David Wong See Hong |
| 21. Mr Kee Teck Koon | 45. Ms Yeo Lian Sim |
| 22. Mr Kevin Kwok | 46. Mr Yeo Wee Kiong |
| 23. Mrs Elaine Lim | 47. Mr Yeoh Oon Jin |
| 24. Mr Lim Chin Hu | |



Corporate governance pioneers

Since independence, and especially since the 1997 Asian Financial Crisis, many stalwarts have worked on establishing the nation's reputation as a trusted, well-governed centre for commerce.

Here, we feature 14 pioneers whose contributions to the cause of corporate governance have been profound and enduring.

These SID Honorary Fellows and/or Council members have made an impact in not only building up the Institute as a centre of excellence in corporate governance, but also the entire corporate ecosystem, and most importantly, the nation.



Joseph Yuvaraj (J. Y.) Pillay

Often credited as the man who helped to build the Singapore economy after the nation separated from Malaysia, and who catapulted Singapore Airlines from a mere startup to a world-class airline, Mr J. Y. Pillay is a pioneer of Singapore's public and private sectors.

Mr Pillay spent 34 years in the civil service (1961-1995) where he was permanent secretary of several ministries including Finance and National Development, and managing director of Monetary Authority of Singapore (MAS) and the Government of Singapore Investment Corporation. In addition, he was Chairman of several government-linked companies (GLCs) including Singapore Airlines (1972 – 1996), Development Bank of Singapore (1979-1984), and Temasek Holdings (1974- 1986).

After his retirement from the civil service, he oversaw the creation of the Singapore Exchange (SGX) from the merger of the Stock

Exchange of Singapore and the Singapore International Monetary Exchange in 1999. He was Chairman of SGX, a position he held for 11 years, among many others including as member of Investment Committee of the United Nations Pension Fund (since 1997) and Presidential Council of Minority Rights (since 2003).

He was Chairman of the Council on Corporate Disclosure and Governance (2002-2007) which produced the revised Code of Corporate Governance (2005). Reflecting on the Code, Mr Pillay said, "The Code will evolve to be stricter because bad hats will always try to game the system. Of course, this does not mean that all companies will go to that turpitude. In fact, back when people never even spoke of 'corporate governance', governance was generally good. That's because GLCs and other companies had major shareholders who cared. As ownership of companies gets more dispersed, the small man must be protected, but all shareholders should take an interest in the governance of their companies."

Today, Mr Pillay is Chairman of the Council of Presidential Advisers (since 2001) and Rector of the College of Alice & Peter Tan, National University of Singapore. In 2014, he was appointed by the Vatican to sit on the board of its financial regulatory authority, *Autorità di Informazione Finanziaria*.

In recognition of his outstanding and sustained contributions to governance, not just in the corporate world but also in the public, academic and religious spheres, Mr Pillay was presented "The Distinguished Contribution to Corporate Governance Award" at the Singapore Corporate Awards on 8 July 2015.



Walter Woon

A lawyer, academic, diplomat and politician, Professor Walter Woon is currently the David Marshall Professor of Law at the National University of Singapore Faculty of Law, and the Dean of the Singapore Institute of Legal Education.

He joined the NUS Faculty of Law in 1981 and later became Vice-Dean. He was a Nominated Member of Parliament between 1992 and 1996. From 1997 to 2006, he served as Singapore's ambassador to countries such as Germany, Greece, Belgium, European Union, Netherlands, Luxembourg and the Holy See. He then was Solicitor-General and Attorney-General before returning to academia in 2010.

He has written several books on company law, commercial law and the Singapore legal system. He is most recently known for helming the seven-year review of the Companies Act which culminated in the most extensive amendments to the Act since its enactment in 1967, being passed by Parliament in October 2014.



John Lim

Mr John Lim, known as "Mr Corporate Governance", has been a trailblazer of corporate governance in Singapore and the region.

He joined the SID Governing Council in mid-1998, became its Honorary Secretary in 2000, then President and finally Chairman in 2009. He stepped down in June 2013, passing the baton to Willie Cheng. Mr Lim was appointed SID's Honorary Fellow after his retirement from the Council and still contributes to SID as its Immediate Past Chairman. He remains active in the corporate scene and is currently on the board of three listed companies including as Chairman of Boustead Projects Ltd and IREIT Global Group Pte Ltd.

He currently chairs the Best CEO Award of the Singapore Corporate Awards and is the nominated Singapore Corporate Governance expert for the ASEAN CG Scorecard initiative. Mr Lim is a core member of the OECD Asian Corporate Governance Roundtable and was the Chairman of the OECD Asian Network on Corporate Governance for State Owned Enterprises from 2006 to 2012.



Kala Anandarajah

Ms Kala Anandarajah is a partner and head of the Antitrust & Competition and Trade Practice, and Lead Partner of the Corporate Governance Practice at Rajah & Tann Singapore LLP. She has been cited as a leading lawyer and amongst the “Best of the Best – Women in Business Law” for her work in corporate governance in the last two decades.

She was a member of the SID Governing Council from 2005

to 2014 where she was editor of *SID Directors’ Bulletin*, headed its Diversity Subcommittee, and was faculty on its Listed Company Directors’ programme.

Ms Anandarajah is widely written. She has authored numerous books, including *Corporate Governance & Director Duties* and *Corporate Governance – Practice & Issues*.



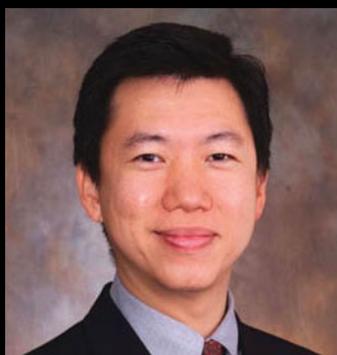
Boon Yoon Chiang

Mr Boon Yoon Chiang is Jardine Group Country Chairman for Singapore, Deputy Chairman of Jardine Cycle & Carriage Ltd, and a director of Food Empire Holdings Ltd.

He is active in the business community. He serves on the board of the Singapore International

Chamber of Commerce, the ASEAN Chambers of Commerce and Industry and served for many years as the Honorary Secretary of the Singapore National Employers’ Federation. He is a member of the Competition Appeal Board.

He is a founding member of the SID Council and stepped down in 2012.



Adrian Chan Pengee

Mr Adrian Chan is Head of the Corporate Department and Senior Partner at Lee & Lee.

He has been a member of the SID Governing Council since 2004 and is currently its First Vice-Chairman. He chairs SID’s Advocacy and Research Committee where he spearheaded the *Singapore Directorship Report* and *Boardroom Matters*. He is also faculty for professional

development programmes such as the Director Compliance Programme.

He is on the board of ACRA and SGX’s Catalist Advisory Panel, chairs ACRA’s Institute of Corporate Law Panel, and has served on the Audit Committee Guidance Committee and the CG and Directors’ Duties Working Group of the Steering Committee to rewrite the Companies Act.



Chew Heng Ching

Mr Chew Heng Ching was a former Deputy Speaker and Member of Parliament from 1984 to 2006. He also managed several listcos in the past and now serves as an independent director on various listed companies and charities.

Post 1997 Asian Financial Crisis, Mr Chew led a pro tem committee that looked into improving corporate

governance in Singapore which led to the birth of SID. He became SID's founding President and then its Chairman until 2009.

Mr Chew was a member of the Corporate Governance Committee that developed the first Code of Corporate Governance in 2000, and he headed a task force under the successor committee to update the Code in 2005.



Giam Chin Toon

Mr Giam Chin Toon is the managing partner of Wee Swee Teow & Co. He has more than 40 years of practice. He was a former President of the Law Society of Singapore. Mr Giam was appointed Senior Counsel in 1997 and was a member of the SID Governing Council from 1998 to 2009.

Mr Giam had served as Director of private and public listed companies and institutions, which include the boards of SembCorp Marine, Oversea-Chinese Banking Corporation Limited and Ascott Residence Trust Management Ltd. He is Singapore's non-resident Ambassador to the Republic of Peru.



Yvonne Goh

Mrs Yvonne Goh was the first female Vice-Chairman of SID and stepped down in 2014 after 12 years on the council, where she established its core professional development offerings. She was also a trainer for the Listed Company Directors Programme.

A Chartered Secretary, Mrs Goh was appointed Company Secretary to many listed companies in her

30 years of professional practice in Arthur Young, Ernst & Young, Boardroom Ltd and KCS Corporate Services Pte Ltd, where she worked with boards to promote good corporate governance.

Mrs Goh has been a director on Craft Print International Limited, WWF Singapore, and currently UNLV Singapore Ltd.



Mak Yuen Teen

NUS Business School's Associate Professor Mak Yuen Teen is a long-standing advocate of corporate governance.

He was the founding director of the Corporate Governance and Financial Reporting Centre, the first such centre in Singapore. He was involved in the Corporate Transparency Index with the *Business Times*, and later led the creation of the Governance and Transparency Index. He has served

on key corporate governance committees in both the corporate and charity sectors.

He was an SID Council member from 2000 to 2005. He has been a director on charities such as the NKF and SATA CommHealth and writes extensively on corporate governance matters. He has conducted research and published case studies, books and primers on corporate governance and is a regular feature at forums and on TV.



Keith Tay

Mr Keith Tay is formerly the Chairman and Managing Partner of KPMG Peat Marwick Singapore. He was President of the then-Institute of Certified Public Accountants of Singapore where he promoted the accounting profession in Singapore internationally, and chairman of SICC from 1995 to 1997.

Today, he sits on several listed companies such as Singapore Post, Singapore Reinsurance

Corporation, Rotary Engineering, FJ Benjamin and YTL Starhill Global REIT Management.

He is also a board member of Singapore International Chamber of Commerce and active in the business community.

Mr Tay was a founding member of the SID Council and served as Vice-Chairman until his retirement in 2012.



Teng Cheong Kwee

Mr Teng Cheong Kwee was formerly Executive Vice President of the Stock Exchange of Singapore (SES) and later SGX. Post the Asian Financial Crisis, he was SES representative on the pro tem committee that led to the establishment of SID in 1998. He became a member of the SID Council until 2005. During the early years of SID, he helped to chart SID's development, and organised

activities such as training seminars and a website revamp.

He was also a member of the Committee on Corporate Governance that developed the first Code of Corporate Governance in 2001.

Since his retirement from SGX, Mr Teng has served as an independent director on various listed and private companies.



Yeo Lian Sim

Ms Yeo Lian Sim, Special Adviser to SGX and a member of the Diversity Action Committee, was formerly the Chief Regulatory and Risk Officer of SGX.

As the Chief of Regulation and Risk, Ms Yeo worked closely with the MAS and the industry to progress corporate governance. Listing disclosure, investor education and enforcement actions were among activities taken in

pursuit of good governance. She was key in the early years of establishing the Singapore Corporate Awards.

Prior to SGX, she was Deputy Managing Director of MAS.

She has also served as director of Wildlife Reserves Singapore and Shared Services for Charities Limited.

She was a member of the Governing Council of SID from 2004 to 2013.



Yeoh Oon Jin

Mr Yeoh Oon Jin is the Executive Chairman of PwC Singapore.

A public accountant for 25 years, Mr Yeoh was a Council member of the Institute of Singapore Chartered Accountants (and its predecessor). He is a board member of ACRA, National Arts Council, Jurong Town Corporation, and several charities.

He has been a member of the SID Council since 2002 and is currently

its Second Vice-Chairman and heads the Publications and Website Committee.

He was a member of the MAS' Corporate Governance Committee that reviewed the Code of Corporate Governance. He is a regular fixture in corporate governance forums and conferences and a judge on corporate governance award committees.



NATIONAL DAY AWARDS 2015

Congratulations to the following SID fellows and members on their National Day Awards.

Mr Suppiah Dhanabalan
Mr Stephen Lee Ching Yen
LG (RET) Winston Choo Wee Leong
Mr Ch'ng Jit Koon
Mr Edmund Cheng Wai Wing, BBM(L), BBM
Mdm Kay Kuok Oon Kwong
Mr Goh Yeow Tin, BBM
Mr Chim Hou Yan, JP, PBM, BBM
Mr Lim Ee Seng, PBM
Mr Hee Theng Fong, PBM
Mr Lim Jit Poh
Mr Ngien Hoon Ping

BG Chiang Hock Woon, PPA(G), PP, PBS
Mr Tea Yeok Kian
Er Dr Lock Kai Sang
Mr Tan Puay Kern
Mr Mak Keat Meng
LTC (NS) Ooi Boon Hoe, PP

The Order of Temasek (First Class)
The Order of Nila Utama (First Class)
The Distinguished Service Order
The Distinguished Service Order
The Meritorious Service Medal
The Meritorious Service Medal
The Public Service Star (Bar)
The Public Service Star (Bar)
The Public Service Star
The Public Service Star
The Public Service Star
The Public Administration Medal (Silver);
The Long Service Medal (Military) 2015
The Public Administration Medal (Silver) (Military)
The Public Service Medal
The Long Service Medal (Military) 2015



5 Lessons inspired by Lee Kuan Yew on corporate governance

By
DAVID WILKINS
Partner, DPI Asia

As directors with strict fiduciary responsibilities, it is tempting to view corporate governance as a technical, compliance-driven topic.

Mr Lee Kuan Yew and the other founding fathers of Singapore dedicated their lives in the governance of Singapore to one thing: creating value for the country.

What can we learn from them in our governance of companies?

Lesson #1: Confront the hard truths

Mr Lee never swept uncomfortable facts under the carpet. Instead he was forthright, and at times confrontational, in fixing them

What are the uncomfortable realities that your organisation is overlooking?

Lesson #2: Ensure absolute clarity of direction

Mr Lee's clarity and vision gave him and those following him immense confidence and focus.

What are the key factors in the concept of your business that will lead you to exceptional future growth at the expense of competitors?

Lesson #3: Align all stakeholder interests

Mr Lee was famous for continually asking: "What would benefit Singapore and Singaporeans?" And by Singaporeans, he meant all, regardless of race, language or religion.

How are you managing decision-making for the benefit of all stakeholders, not just the shareholders?

Lesson #4: Demand accountability

Mr Lee viewed Singapore as a system, and unlike many Western Governments, took steps to ensure the system is not riddled with self-interest but instead demanded collective and cohesively accountability such as through tripartism.

Is your governance system demanding and fairly rewarding performance?

Lesson #5: Insist on personal integrity

Mr Lee knew that even the merest sniff of corruption would immediately undermine confidence of investors, partners and the populous.

Do you have a zero tolerance approach to integrity, even for top performers?

What does this mean to directors today?

Governance is a means to an end, and therefore we must be practical, pragmatic and visionary when thinking about what governance means to us and the companies we steward. ■



The Singapore
Corporate Awards

10 years of celebrating the best in corporate governance



10th
Anniversary

The Singapore Corporate Awards (SCA) is now in its 10th year and continues to celebrate the best in corporate governance. Every year, five awards are given out in the following categories: Best Managed Board, Best CEO, Best CFO, Best Investor Relations, and Best Annual Report.

The award is co-organised by SID, the Institute of Singapore Chartered Accountants (ISCA), and The Business Times. It is supported by the Accounting and Corporate Regulatory

Authority (ACRA) and Singapore Exchange (SGX), and sponsored by Bank Julius Baer. Several partner organisations helped with the judging and the event: Ernst & Young, Heidrick & Struggles, KPMG, PricewaterhouseCoopers, Singapore Management University and Citigate Dewe Rogerson i.MAGE.

Over the years, the SCA with its Oscar-styled celebrations has become a prestigious event on Singapore's corporate calendar.

History

10th
Anniversary

The SCA was first launched by The Business Times on 19 September 2005 as the umbrella awards for exemplary corporate governance practices for Singapore's listed companies.

The Best Annual Report Award (ARA) was first introduced in 1974 to encourage listed companies in Singapore to increase the extent and quality of voluntary disclosures in their annual reports.

In 2003, the Best Managed Board Award (BMBA), the first-of-its-kind in the Asia-Pacific, was introduced to recognise and encourage enhanced corporate governance within companies.

To form the SCA, the Best Investor Relations (IR) Award and Best Chief Financial Officer (CFO) Award were subsequently added in 2005, followed by the Best Chief Executive Officer (CEO) Award in 2006.



Left: Winners at SCA 2006. Right: Kenny Yap of Qian Hu at SCA 2009



The SCA is well-attended by corporate leaders: Rachel Eng (Wong-Partnership), Max Loh (EY) and Ng Hsueh Ling (K-Reit) at SCA 2013



SCA seminar "Driving Excellence in Corporate Governance" (2014)



Grand finale at SCA 2014

In 2014, SID and ISCA joined The Business Times as co-organisers. To mark the partnership, an inaugural one-day SCA seminar, "Driving excellence in corporate governances" was held on 19 May 2014.

Today, SCA consolidates five of Singapore's key awards – BMBA, Best CEO Award, Best CFO Award, Best IR Award and Best ARA – to recognise and honour Singapore's top listed companies and individuals that have raised the bar for corporate governance. SID is the lead organiser for the BMBA, Best CEO Award and Best IR Award.

In 2015, a special award, the Distinguished Contribution to Corporate Governance was created in commemoration of the 10th anniversary of SCA.



Best Managed Board Award

The objective of the BMBA is to recognise boards that are appropriately focused on transparency, accountability, performance orientation and good board processes and practices.

The judging goes through a three-stage process:

- Screening of all listed companies on financial performance and corporate governance rankings
- Site visits of shortlisted companies
- Interviews with a panel of judges for finalists



Simon Israel, Chairman of Singtel, winner of BMBA for Large Cap (2013)



BMBA 2007: Daniel Ee (SMRT), Lim Chee Onn (Keppel), Minister Tharman Shanmugaratnam, R. Jayachandran (Olam)



Chairmen of winners of BMBA 2014: Lim Ming Seong (CSE), Ang Kong Hua (Sembcorp), Peter Seah (DBS), Lim Ho Seng (Baker Tech)

Best Managed Board Award Winners (2006 – 2015)

Year	Market Capitalisation	Gold	Silver	Bronze	Merit
2006	\$500M and above	Singtel	Keppel Corporation Ltd	Singapore Exchange Ltd	
2007	\$500M and above	Keppel Corporation Ltd	Olam International Ltd	SMRT Corporation Ltd	
2008	\$500M and above	Singapore Exchange Ltd	CapitaLand Ltd	Singapore Petroleum Co Ltd	
	Less than \$500M			SMRT Corporation Ltd	Qian Hu Corporation Ltd
2009	\$1B and above	SMRT Corporation Ltd	Singapore Airlines Ltd	Singapore Petroleum Co Ltd	
	\$300M to less than \$1B	WBL Corporation Ltd	Chemoil Energy Ltd		
	Less than \$300M				Baker Technology Ltd Qian Hu Corporation Ltd
2010	\$1B and above	Keppel Corporation Ltd Singtel			
	\$300M to less than \$1B	Del Monte Pacific Ltd	Petra Foods Ltd		
	Less than \$300M	Qian Hu Corporation Ltd	Baker Technology Ltd		
2011	\$1B and above	Olam International Ltd	Keppel Land Ltd	SIA Engineering Company Ltd Singapore Exchange Ltd	
	\$300M to less than \$1B	Keppel T & T Ltd	Banyan Tree Holdings Ltd		
	Less than \$300M	Baker Technology Ltd	BH Global Marine Ltd		Aztech Group Ltd
2012	\$1B and above	OCBC Bank Ltd	Keppel Land Ltd	SATS Ltd	
	\$300M to less than \$1B	ARA Asset Management Ltd	United Engineers Ltd		
	Less than \$300M	Micro-Mechanics (Holdings) Ltd	Mencast Holdings Ltd	OKP Holdings Ltd	
2013	\$1B and above	Singtel	Sembcorp Industries Ltd Singapore Exchange Ltd	Keppel Corporation Ltd	
	\$300M to less than \$1B			Tuan Sing Holdings Ltd	
	Less than \$300M	Mencast Holdings Ltd	OKP Holdings Ltd	Qian Hu Corporation Ltd	
2014	\$1B and above	DBS Group Holdings Ltd Sembcorp Industries Ltd	Keppel Corporation Ltd	SATS Ltd	
	\$300M to \$1B	CSE Global Ltd	Tuan Sing Holdings Ltd	Nam Cheong Ltd	
	Less than \$300M	Baker Technology Ltd	ASL Marine Holdings Ltd	UE E&C Ltd	
2015	\$1B and above	Keppel Corporation Ltd	StarHub Ltd	Petra Foods Ltd	
	\$300M to \$1B	Del Monte Pacific Ltd	Yoma Strategic Holdings Ltd	Eu Yan Sang International Ltd	
	Less than \$300M	MegaChem Ltd	Micro-Mechanics (Holdings) Ltd	Sing Investment & Finance Ltd	

Best CEO Award

10th Anniversary

The objective of the Best CEO Award is to recognise chief executives who have led their organisations in scaling new heights in their respective industry segments, while achieving excellence in corporate governance.

Candidates are identified through nominations and reviews. Research is conducted on shortlisted candidates. A panel of judges evaluates the finalists.



Best CEO 2015



2012 Best CEO (Mid Cap)
Ron Sim



2013 Best CEO (Large Cap) Piyush Gupta with
DBS staff



Best CEO 2014 (Patrick Chew, Tang Kin Fei,
Glenndle Sim)



2007 Best CEO & CFO (Large Cap) Liew Mun Leong
& Oliver Lim



2012 Best CEO (Large Cap)
David Conner



2010 Best CEO (Small Cap)
Richard Eu

Best CEO Award Winners (2007 – 2015)

Year	Market Capitalisation	Winners
2007	\$500M and above	Mr Liew Mun Leong, President & CEO, CapitaLand Ltd
	Less than \$500M	Mr Teh Bong Lim, Managing Director, MMI Holdings Ltd
2008	\$500M and above	Mr Ho Kwon Ping, Executive Chairman, Banyan Tree Holdings Ltd
	Less than \$500M	Mr Tay Liam Wee, CEO, Sincere Watch Ltd
2009	\$1B and above	Mr Terry Clontz, CEO, StarHub Ltd
	\$300M to less than \$1B	Mr Chia Kim Piow, Chairman & Managing Director, Rotary Engineering Ltd Mr Wong Fong Fui, Chairman & Group CEO, Boustead Singapore Ltd
	Less than \$300M	Mr Nash Benjamin, Group CEO, FJ Benjamin Holdings Ltd
2010	\$1B and above	Mr Choo Chiau Beng, CEO, Keppel Corporation Ltd
	\$300M to less than \$1B	Dr Loo Choon Yong, Executive Chairman, Raffles Medical Group Ltd Mr Roland Ng, President & Group CEO, Tat Hong Holdings Ltd
	Less than \$300M	Mr Richard Eu, Group CEO, Eu Yan Sang International Ltd
2011	\$1B and above	Mr Sunny Verghese, Group Managing Director & CEO, Olam International Ltd
	\$300M to less than \$1B	Mr John Chuang, CEO, Petra Foods Ltd
	Less than \$300M	Mr Loo Leong Thye, CEO, Challenger Technologies Ltd
2012	\$1B and above	Mr David Conner, CEO, OCBC Bank Ltd Mr Tan Pheng Hock, President & CEO, Singapore Technologies Engineering Ltd
	\$300M to less than \$1B	Mr Ron Sim, Founder & CEO, OSIM International Ltd
	Less than \$300M	Mr Ong Pang Aik, Chairman & Managing Director, Lian Beng Group Ltd
2013	\$1B and above	Mr Piyush Gupta, CEO, DBS Group Holdings Ltd
	\$300M to less than \$1B	Mr Lim Hock Chee, CEO, Sheng Siong Group Ltd
	Less than \$300M	Mr Mohamed Salleh, Founder & CEO, Second Chance Properties Ltd
2014	\$1B and above	Mr Tang Kin Fei, Group President & CEO, Sembcorp Industries Ltd
	\$300M to \$1B	Mr Patrick Chew, CEO, Midas Holdings Ltd
	Less than \$300M	Mr Glenndle Sim, CEO, Mencast Holdings Ltd
2015	\$1B and above	Dr Wolfgang Baier, Group CEO, Singapore Post Ltd
	\$300M to \$1B	Dr Ng Chin Siau, Group CEO, Q&M Dental Group (Singapore) Ltd
	Less than \$300M	Mr Kuah Boon Wee, CEO, MTQ Corporation Ltd



SCA 2015

10th
Anniversary

The 10th Singapore Corporate Awards Gala Dinner was held in the evening of 8 July 2015 at the ballrooms of Resorts World Sentosa with President Tony Tan Keng Yam as guest-of-honour.

The night of glitz started off with a surprise dance performance and repartee by the three co-chairs of the awards steering committee. This was followed by a series of wit-filled presentations of the award winners by six pairs of hosts, done in the tradition of the Academy Awards.

To celebrate the 10th anniversary, a Distinguished Contribution to Corporate Governance Award was specially introduced and given to Mr J.Y. Pillay for his outstanding and exemplary contributions to the cause of corporate governance in Singapore (Ed, see page 23 for details). In addition, all dinner guests received a special 10th anniversary commemorative coffee table book.



The flow of the evening was ably managed by emcee-hosts Kenneth Yap, CEO of ACRA and Lynette Leong, CEO of CapitaLand Commercial Trust



Jeannie Ong of StarHub in her signature green dress, belting out "I Have a Dream"



SINGAPORE CORPORATE AWARDS

The three "mask-eteers" kicking off the evening with the masquerade dance from "Phantom of the Opera"



Corporate leaders caught up with one other before the evening began



Julia Tay of ACRA and Tan Yen Yen of SID clearly enjoying the evening



Winner of Best CEO for Big Cap Wolfgang Baier being offered a toast by his SingPost colleagues



Winners and presenters finding their way through the confetti rain in the grand finale

The two jubilees



By **ROBERT CHEW**
Council member, SID

As we close a year of celebrating Singapore's Golden Jubilee, it is inevitable to reminisce about our nation's transformation from a labour-intensive industrialisation to capital-intensive hi-tech industries to today's innovation-driven economy.

And in order for us to have achieved – and still achieve – all that, we never stopped moving up the value chain, or in the 21st century term, innovating. In fact, innovation has underpinned Singapore's metamorphosis since our independence. Israel might have been the start-up nation (with reference to the book entitled *Start-up Nation: The Story of Israel's Economic Miracle* by Dan Senor and Saul Singer), but Singapore may very well claim the title of the "innovation nation".

Singapore's Rise

Under the leadership of our founding Prime Minister Lee Kuan Yew, Singapore took on national problems and challenges. He and his team designed, developed and implemented solutions at a national scale – and often guided by rationales that were light years ahead of their time.

In 1965, Singapore's unemployment averaged 14 per cent and GDP per capita was US\$516. Fifty years later, Singapore's unemployment rate has fallen to 1.8 per cent and GDP per capita is estimated at US\$85,000.

In 1965, Singapore had severe housing shortage with a majority of our population living in slums with poor sanitation. Today, over 80 per cent of the resident population live in homes developed



INNOVATION

by the HDB, and with about 90 per cent of these resident households owning their flats.

Singapore planted trees systematically, and inventoried them. We cleaned up the filthy waterways before it was even fashionable to greenwash. Consequently, the once-backwater is ranked 13th in the Monocle's "Most Liveable Cities Index" and "2015 Quality of Life Survey".

Moore Than A Jubilee

While we elate over our country's 50th birthday, it is perhaps apt that we share the stage with another jubilee – the 50th anniversary of Moore's Law.

For the uninitiated, Moore's Law was a historic forecast made by Gordon Moore (then Director of Research and Development at Fairchild Semiconductor and shortly before co-founding Intel) where he predicted that the number of transistors that could be placed onto a single integrated circuit would double about every two years. In effect, this would transform the way technology would be used. In his article, "Cramming More Components onto Integrated Circuits", which was published in the April 1965 issue of the *Electronics* magazine, Moore also gave a glimpse of the digital future. He wrote: "Integrated circuits will lead to such wonders as home computers – or at least terminals attached to a central computer – automatic controls for automobiles and personal portable communications equipment".

Moore's famous calculation of the gains in power that would drive chip production had profound implications beyond the integrated circuits.

This pattern has been applicable to a wide spectrum of technologies, including robotics and biotechnology. The ripple effect of this will be felt at every level of every enterprise around the world. And true enough, it is those who truly understand Moore's Law, who can grasp such rapid non-linear change, who can enable the capability and capacity to make the impossible possible, are the ones creating the future.

Google is one of those. Google whiteboards new products, assuming they will be powered by technologies that have yet existed, or do exist but are prohibitively expensive. However, it is a safe bet that in a short period of time, new technologies will exist and the cost of memory and computation will fall dramatically. Applying Moore's Law in this instance means that one can bet on it. And Google did.

In 2004 when Google announced it was launching Gmail, it was not the first web mail service but the competitors offered very limited storage. The most popular product at the time, Microsoft's Hotmail, gave users two megabytes of free storage. Gmail gave users

a gigabyte of storage – five hundred times the industry standard. It was so unusual at the time that when Gmail was announced on the first of April of that year, many thought it was an April's Fool gag. Though the outlay of such storage to millions of users drained Google's resources then, the pain was, evidently, fleeting. As Google's co-founder Larry Page said, "That's worked out pretty well for us."

In remembering the two jubilees – Singapore and Moore's Law – one cannot help but equate them both with traits of courage and being visionary. In the former, it was epitomised in the country's leaders, who had the gumption and bravery to marshall through the problems. In short, they led us up the value chain. In the latter, it emerged in the form of individuals and organisations leveraging technology to execute bold strategies to make the once impossible a reality, making billions as a result. They innovate and create value for the future.

Now what are we as directors going to do about this? The time is nigh for us to be bold, be innovative and let us disrupt before we get disrupted. ■



SINGAPORE

IN 2025

By

LOUIS LIM

Partner, Bain & Company (Singapore)

In his Jubilee Budget speech, Singapore's Deputy Prime Minister and Finance Minister Tharman Shanmugaratnam remarked: "We can only get to where we want in the long term by taking steps now, moving ahead relentlessly, and never thinking that the status quo will get us to a better place." His comment came within the backdrop of the city-state's 50th year of independence this year, as he urged its people to be ready for the future and prepare for the challenges in the coming decade.

To do so, it first requires an understanding of key underlying realities and trends – especially in the demographic, economic, lifestyle and social spaces – that will shape Singapore's landscape in 2025.*

ECONOMIC



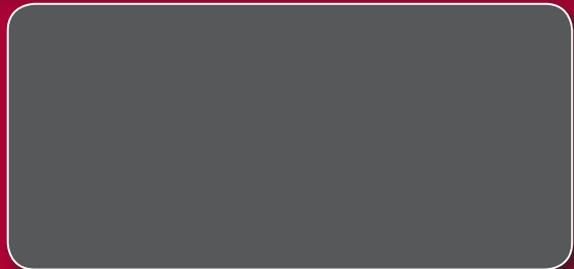
Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Wage stagnation. With internationalisation and skill-biased technological changes, capital owners will get richer and low-income workers who are unable to take advantage of technology advancements, will be marginalised.



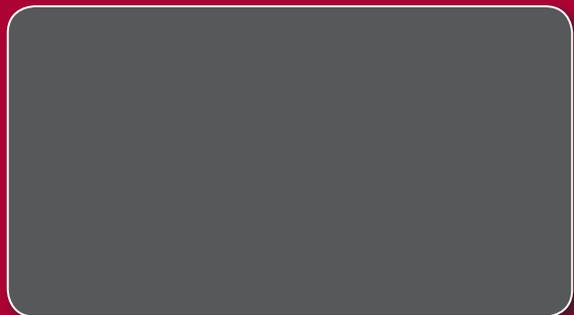
Rising inequality. Wage stagnation for the bulk of the workforce, accompanied by the rise of the super-rich, will exacerbate the income disparity in the society.

SOCIAL



Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

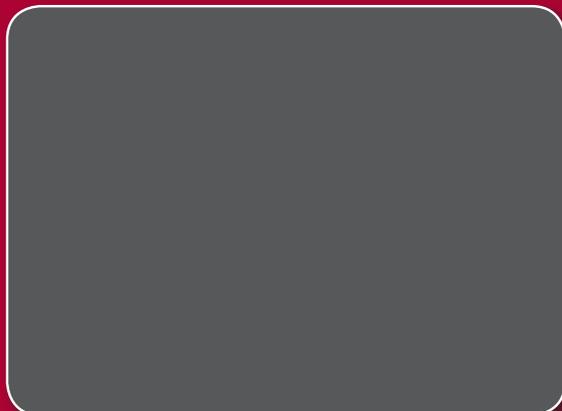
More competitive political system. Increasing call for and trend of broader representation of political parties in the Parliament, and more consultation in the formulation of government policies.



Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Enhanced social consciousness. Singaporeans are becoming more socially conscious and have a desire to make a difference to the society.

DEMOGRAPHIC



Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Aging population. More than 25 per cent of Singapore's population will be above 60 years old in 2025.

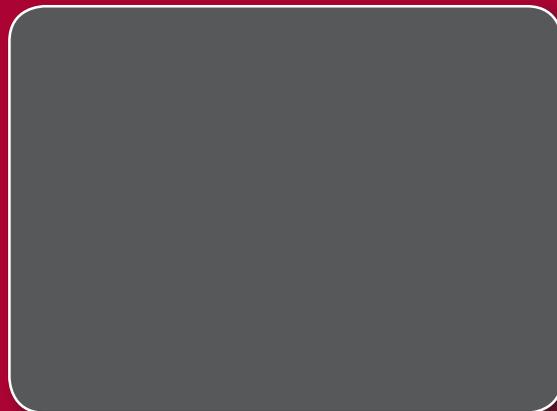


Labour constraints. Labour crunch, driven by an aging population and declining birth rate, will take a toll on economic growth.



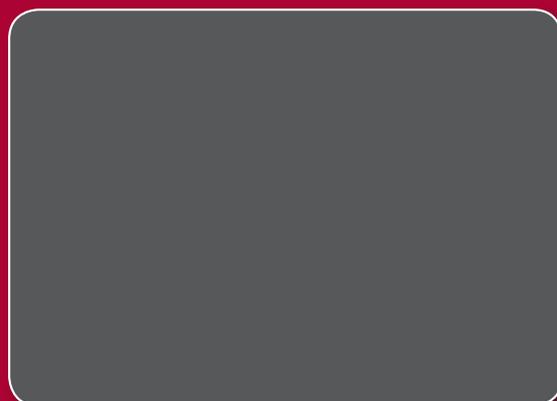
Changing social fabric. A non-trivial proportion of the population will likely be foreign-born, which could put a strain on the existing social fabric.

PERSONAL



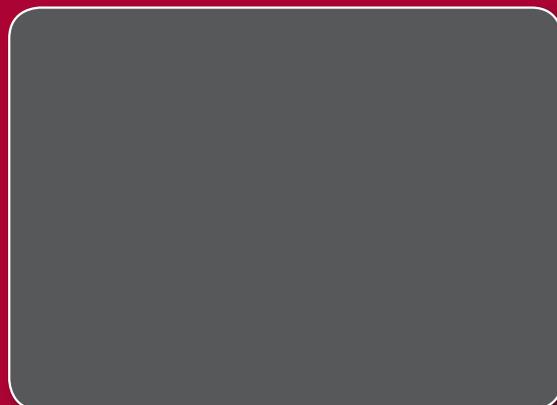
Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Consumers more connected. Singapore is transforming into a smart nation with more connected consumers.



Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Emphasis on health. Singaporeans are increasingly more health conscious and are making healthier choices in their daily lives.



Source: The Straits Times © Singapore Press Holdings Limited. Permission required for reproduction

Better work-life balance. Singaporeans are looking for the right balance that will allow them to have more time with their families while staying competitive in the workplace.

* This set of infographics depicts general trends. Their relevance and implications would need to be assessed and tailored for different industries and organisations.

Audit quality is more than child's play



By **YEOH OON JIN**
Vice-chairman, SID

The other day, one of my audit managers lamented on how difficult it was to choose a child care centre. She said, "I want a quality education for my child, but how do I distinguish between the many centres out there?"

I told her that her situation is probably not dissimilar to what an audit committee faces when evaluating the different audit firms. Until recently, there was a lack of a consistent measurement standard to assess the quality of auditors. In fact, there is no universal agreement on the definition of audit quality.

However, in recent years, audit regulators globally have started to embark on initiatives

ACRA's Audit Quality Indicators

1. Time spent by senior audit team members
2. Years of audit experience and industry specialisation
3. Staff training hours and industry specific training
4. Staff per partner/manager ratio
5. Staff attrition rate
6. Headcount in quality control functions
7. Results of independence compliance testing
8. Results of internal/external inspections



COUNTING BEANS

to establish audit quality indicators (AQIs), measures that can provide insights on the quality of the auditors and their work.

Singapore has stepped up and is ahead of others in the region. In October 2015, ACRA introduced the Audit Quality Indicators Disclosure Framework which consists of a set of eight quality indicators (see box "ACRA's Audit Quality Indicators").

As my manager and I went through these AQIs, I noticed several parallels that can be drawn with my manager's afore questions on the factors to consider when picking the best child care centre.

Audit Hours, Experience and Training (AQI 1, 2, 3)

I am very interested to know the qualifications and experience of the teachers who will be caring for my child. Have they have been adequately trained in early childhood education?

The first three AQIs focus on the audit professionals' availability and competency. Audit committees should require a reasonable amount of time to be spent by experienced partners and managers. The more involvement by the senior auditors means more supervision of the work performed by the junior and less experienced team members. In addition, audit committees should expect senior auditors to have sufficient experience and have received the relevant training in their industry.

Staff Leverage and Attrition (AQI 4, 5)

It's worrying if the turnover of teachers or the student to teacher ratio is high. Will my child receive adequate attention?

Similarly, audit committees should be looking at the staff leverage and attrition rate of the audit firm. Staff leverage indicates whether there will be adequate supervision of junior staff members. Staff attrition could result in potential loss of experienced personnel.

Commitment to Quality and Compliance (AQI 6, 7)

What is the child care centre's commitment to quality? Have there been reported cases of unethical behaviours involving the centre?

Under the ACRA framework, audit firms are required to disclose the headcount in their dedicated quality control functions and the firm's independence compliance testing programme and results. Audit quality is likely to be maintained when there are adequate dedicated resources to support audit teams in dealing with complex and unusual accounting matters, and ensure quality audits across the various audit engagements. A robust internal independence compliance testing programme demonstrates the firm's commitment to maintaining the firm's independence and objectivity that supports public trust in the audit opinion.

Inspection Results (AQI 8)

I was told that the license tenure of the child care centre can indicate its quality standard. Anything lower than two years means the centre has not met the highest standard of care as evaluated by the authorities.

The regulators conduct audit inspections to check on their compliance with the auditing standards and other applicable rules. Audit firms themselves also carry out internal inspections (these are usually performed by an independent team within the local firm or members of their overseas network firms). Audit committees



should request for the results history of the external and internal inspections of the firm, as well as that of the audit engagement partner and concurring partner.

And The Answer Is...

If all the indicators appear positive, does that mean the quality of the child care centre is best in class?

As the name suggest, AQIs are merely indicators. Hence, they have their inherent limitations and should not be looked upon in isolation without taking into consideration the context and the relationship amongst the indicators.

Effective dialogue between audit committees and their auditors should reveal more insights. An understanding of an audit firm's system of quality control is also important in providing appropriate context for the engagement specific indicators.

As I told my manager, "At the end of the day, you must feel good about the centre after you have visited it, spoken to the teachers and observed the existing students." A personal experience can help you decide what is best for your child.

After all, every child's needs are unique to him or her. And the same can be said of a company's audit requirements. ■

Everything you always wanted to know about corporate governance and directorships*

*but were afraid to ask



By **CHRISTOPHER TAN**
Senior manager, SID



EXPANDING HORIZONS

As a director, have you ever wished that there was a manual with all the promises implied by the above title?

Well, at SID, we felt that directors would appreciate such a manual, one that could help directors navigate through the complexities of today's business environment, corporate rules and regulations, and diverse board practices.

After filling up three whole whiteboards with topics of possible content for such a manual, we came to the unsurprising conclusion: it is simply not possible to put everything a director needs to know about corporate governance into a single manual. That said, we concluded that it just might be possible to do so in half a dozen manuals.

And thus was born the idea of a series of Corporate Governance Guides for Boards in Singapore.

The plan would be to create a set of comprehensive guidebooks, one for the board and one for each of the major board committees: the Audit Committee, the Board Risk Committee, the Nominating Committee,

and the Remuneration Committee. There will also be an electronic Guide to the Code of Corporate Governance, and an overall Resource Guide to complete the series.

Coming out with a good idea is one thing but making it happen is another. The scale of doing a series of guidebooks that covers the gamut of board issues and practices can be daunting.

Fortunately, we operate in a very supportive corporate governance ecosystem.

To produce these guides, five professional firms (Deloitte, EY, KPMG, Mercer and PwC) have stepped up to provide the resources needed to undertake the detailed research and writing on a pro bono basis. To enrich the content, we formed five Review Panels comprising some ten experts and practitioners from the industry, each to critique the contents of each guidebook.

A critical element in the corporate governance ecosystem is the regulators. In moving forward with this project, we are very fortunate to have the active support of the Accounting and Corporate Regulatory Authority, the Monetary

Authority of Singapore and the Singapore Exchange, who have always been at the fore of championing good corporate governance in Singapore.

When producing the guides, much effort was spent to identify the issues relevant to boards and directors. We also worked hard to make sure that the framework and standards for each guide are consistent, coherent and the contents easy to read, mindful not to have them come across as primarily technical manuals.

The chapters in the guides are purposefully arranged around specific areas, especially those in which directors often face uncertainty. For each area, issues are identified with leading practices and applicable solutions discussed. To enhance learning and support implementation, we provide appendices of frequently asked questions, sample documents and case studies.

The Nominating Committee Guide is the pilot by which the framework and standards are implemented. It is not an accident that this is the first of the guidebooks to be completed. After all, good boards depend on having good directors. And that is the role of the Nominating Committee – to identify and appoint good directors. The Nominating Committee Guide was launched on 28 August 2015 by Minister Grace Fu (Ed: see page 46).

This journey for us has been exciting. Over the course of the remaining months of 2015 and into 2016, we will be producing and releasing the remaining of the guides.

At the end of the day, if you should still have a question on directorship that is not answered in the series (as I am sure you will), at least, you will know that we have tried our best.

Happy reading. ■



Launch of the CG Guide series in August 2015. From left: Tan Boon Gin (SGX), Ng Yao Loong (MAS), Minister Grace Fu, Willie Cheng (SID), Kenneth Yap (ACRA), Max Loh (EY)

BEST PRACTICE GUIDE FOR NOMINATING COMMITTEES

Underlining the launch of the *Nominating Committee Guide*, the first of six guides to be launched by SID, is the push for diversity, especially gender diversity, on boards.

CG GUIDES
FOR BOARDS
IN SINGAPORE

NOMINATING
COMMITTEE
GUIDE

SID

On 28 August 2015, SID, with the support of ACRA, MAS and SGX, launched the Nominating Committee (NC) Guide.

It was the first of six guides in a series of Corporate Guides for Boards in Singapore. The remaining five – the Remuneration Committee Guide, Board Risk Committee Guide, a revamped Audit Committee Guide, Board Guide and an e-Guide to the Code of Corporate Governance – are set to be released by the end of 2016.

The launch of the NC Guide was held at the Marina Mandarin Ballroom with Minister in the Prime Minister's Office Grace Fu as the guest-of-honour.

Minister Fu spoke at length about the importance of diversity in maximising the performance of the boards and companies. The subject of board diversity and, in particular, gender diversity received much attention at the forum from the speakers and with the launch of a Board Diversity Pledge. (See box, "Call for boards to be more diverse").

After the launch, Mr Max Loh, Managing Partner, ASEAN & Singapore EY and Chairman of the NC

Guide Review Panel, provided an overview of the NC Guide (See Box: "What's in the Nominating Committee Guide").

SID Chairman Willie Cheng highlighted that the team had sought to address the practical challenges of an NC. He said, "We have not flinched from addressing difficult issues like, 'How do you remove a director or a Board Chairman?' or 'How does one make sense of the nine-year rule?'"

A group of panellists drawn from members of the Review Panel and moderated by Mr Neo Sing Hwee, partner of EY discussed the practical concerns on implementation. The questions they addressed from the audience included the optimum number of boards a director could be on, the appointment and evaluation of the directors, as well as the appropriateness of financial investments by directors in a company.

On director evaluation, Mrs Yvonne Goh, Past Vice-Chairman of SID, said, "What is most commonly practised is the collective evaluation of board performance by the directors. What is not so widely practised are evaluations of individual performances of directors. We need



Panellists Neo Sing Hwee, Junie Foo, CK Lee, Yvonne Goh, Mak Yuen Teen



to ask ourselves what the fundamental objective and purpose of doing a board performance evaluation is. It should be to improve the effectiveness of the directors individually and collectively. Hence individual director, committee as well as a whole board evaluation are appropriate.”

On director independence, Associate Professor Mak Yuen Teen from NUS Business School said, “The onus is on the directors to confirm their independence. And, for example, if you decide that the director is independent, then you should go through a rigorous review.” He noted that several companies have made the move to redesignate independent directors who have served nine years on the board as non-independent directors.

On directors trading in the company’s shares, Mr Lee Chong Kwee, Chairman of Jurong Port felt that this is a decision of individual judgement. He said, “Some directors choose not to trade even during open periods as they feel

they are in possession of significant unpublished inside information that could be perceived to put them at an advantage. Others believe they are free to trade during open periods after a thorough evaluation that all significant information has been publicly disclosed”.



Mr Tan Boon Gin, Chief Regulatory Officer of SGX, summed up the event: “The best way to build trust in your company is to have watertight corporate governance.

In this regard, this series of Board Committee Guides

is both prescient and timely, and I commend the SID for its foresight. In this environment, as companies become increasingly scrutinised about transparency, governance, and even whether their products or services are ethical, they will find that a board with a wide range of skills, background and experience is not only useful, but essential.”

What's in the Nominating Committee Guide



Mr Max Loh, Managing Partner of ASEAN & Singapore and Chairman of the NC Guide Review Panel, presented an overview and the focus areas of the NC Guide.

Key points that he made included:

- **Objective.** The NC Guide seeks to provide leading practice guidelines to help NCs discharge their responsibilities and achieve higher standards of corporate governance.
- **Contents.** The guidebook is comprehensive and practical.
 - ❖ The NC Guide comprises eight sections: NC Composition, NC Agenda, Nomination and Appointment Process, Director Independence, Professional Development, Board and Director Evaluation, Succession Planning, and Disclosure Requirements and Guidelines.
 - ❖ Each section provides guidance on common issues and challenges of an NC in that particular topic area. FAQs, case studies, sample documents and other detailed supporting information are provided as appendices in each section.
- **Director Independence.** This is one of the most involved topics and the Review Panel felt that it merited a separate section in the book.
 - ❖ Most (97 per cent) of boards do comprise one-third independent directors, but only half (54 per cent) have independent directors as majority of the board.
 - ❖ Independence is a matter of substance, and should go beyond the tests applied in the Code.
- **Director Tenure.** An extended period of service on the board can affect a director's independent and objective judgement due to an over-familiarity with the business or management team.
 - ❖ The Nine-year rule needs to be properly applied. At present, 54 per cent of boards have independent directors with more than nine years.
 - ❖ The Code requires a "particularly rigorous review" of the director's contributions and independence after nine years. The guide provides examples of such a review which should go beyond ticking of boxes.
- **Board evaluations.** Many boards conduct board evaluations but they can be perfunctory. For example, only 38 per cent of boards evaluate the board committees and only eight per cent evaluate the CEO. The NC Guide provides guidance and sample forms for:
 - ❖ Board evaluation
 - ❖ Each of the Board committee evaluation
 - ❖ Director peer evaluation
 - ❖ Board chairmen evaluation



Call for boards to be more diverse



Minister Grace Fu and representatives of organisations launching the Board Diversity Pledge

Board diversity, in particular gender diversity, was a key topic in the NC Guide and took centre stage at the launch of the book.

In conjunction with the launch of the book, the Board Diversity Pledge was launched. A total of 210 companies have signed up for the pledge (see next page for *The Business Times* advertisement of the Board Diversity Pledge and its supporters).

Explaining the case for diversity, Mr Max Loh said, "In an age of disruptive technology and complexity, there are many cases where people from other industries can engage in creative innovation to point companies in the right direction."

Minister Grace Fu dived into the issue of gender diversity in her keynote address. She noted that women made up only 8.8 per cent of all board directors in SGX-listed companies. She highlighted studies that showed how gender diversity not only could enhance the performance of the management team, but also a company's profits.

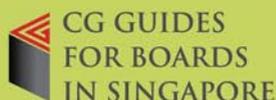
Minister Fu identified three ways to increase gender diversity and harness the full potential of talent:

- Provide equal opportunities for leadership development to men and women with potential. Allowing women to develop all-rounded management experience prepares them for higher-level leadership roles.
- More men are seeking to play a greater role at home, whereas women are taking on more work responsibilities. Therefore, implementation of family-friendly work practices that benefit men and women is needed.
- Companies in Singapore can follow the examples of multi-national companies such as Apple, Microsoft and eBay that have since put in place policies and initiatives to overcome recruitment biases and encourage greater gender diversity in the workplace.

Ms Junie Foo, Co-Chair of BoardAgender and Chair of SID's Diversity Subcommittee agreed, saying that "Focus action needs to come from the top. The top corporate leadership needs to take the approach beyond a one-off diversity initiative. It should be part of talent management." ■

On the occasion of the launch of the Corporate Governance Guides for Boards in Singapore, the following publicly listed entities have made

A PLEDGE IN SUPPORT OF BOARD DIVERSITY



We, as corporations, are committed to promoting diversity as a key attribute of a well-functioning and effective Board. We believe that a diverse Board will enhance decision making by harnessing the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board.

Advanced Holdings Limited	First Resources Limited	Lorenzo International Limited	Sembcorp Industries Ltd
Amara Holdings Limited	Fortune Real Estate Investment Trust*	M1 Limited	Sembcorp Marine Ltd
ARA Asset Management Limited	Frasers Centrepoint Limited	Magnus Energy Group Ltd	Serial System Ltd
Ascendas Hospitality Trust*	Global Invacom Group Limited	Mapletree Commercial Trust*	Sheng Siong Group Ltd
Ascendas India Trust*	Global Yellow Pages Limited	Mapletree Greater China Commercial Trust*	SIA Engineering Company
Ascendas Real Estate Investment Trust*	GuocoLand Limited	Mapletree Industrial Trust*	Sing Holdings Limited
Ascott Residence Trust*	Hanwell Holdings Limited	Mapletree Logistics Trust*	Singapore Exchange
Asia Fashion Holdings Ltd	Haw Par Corporation Limited	Megachem Limited	Singapore O&G Ltd
AsiaPhos Limited	Hiap Hoe Limited	Memtech International Ltd	Singapore Press Holdings Limited
ASTI Holdings Limited	Hock Lian Seng Holdings Limited	Mencast Holdings Ltd	Singapore Shipping Corporation Ltd
Attilian Group Limited	Hong Fok Corporation Limited	Mercator Lines (Singapore) Ltd	Singapore Technologies Engineering Ltd
Auric Pacific Group Limited	Hong Leong Asia Ltd	Micro-Mechanics Holdings Ltd	SingPost
AusGroup Limited	Hong Leong Finance Ltd	Midas Holdings Limited	Singtel
Aztech Group Ltd	Hor Kew Corporation	Mirach Energy Ltd	SinoCloud Group Limited
Baker Technology Limited	Hotel Royal Limited	MM2 Asia Ltd	Sinwa Limited
Ban Leong Technologies Limited	HTL International Holdings Limited	Nam Cheong Ltd	Sitra Holdings (International) Limited
Banyan Tree Holdings Limited	Huatong Global Limited	Neo Group Limited	Smartflex Holdings Ltd
Best World International Ltd	Hutchison Port Holdings Trust*	Neptunes Orient Lines Limited	Solbuild Business Space REIT*
Biosensors International Group	Hwa Hong Corporation Limited	Nera Telecommunications Ltd	Solbuild Construction Group Ltd
Blumont Group Ltd	Hyflux Ltd	Nikko Asset Management Asia Limited	SPH REIT*
Boardroom Limited	iFAST Corporation Ltd	Nobel Design Holdings Ltd	Stamford Land Corporation Ltd
Boustead Projects Limited	IFS Capital Limited	Noble Group Ltd	Stamford Tyres Corporation Limited
Boustead Singapore Ltd	Indofood Agri Resources Ltd	Noel Gifts International Ltd	StarHub Ltd
Broadway Industrial Group Limited	Innovalues Limited	Nordic Group Limited	Suntec Real Estate Investment Trust*
Cambridge Industrial Trust*	International Press Softcom Limited	NSL Ltd	SUTL Enterprise Limited
CapitaLand Commercial Trust*	Interra Resources Limited	Ntegrator International Ltd	Swissco Holdings Limited
CapitaLand Limited	Intraco Limited	NutryFarm International Limited	TA Corporation Ltd
CapitaLand Mall Trust*	ISEC Healthcare Ltd	OCBC Bank	TalkMed Group Limited
CapitaLand Retail China Trust*	Isetan Singapore Ltd	Ocean Sky International Ltd	Tat Hong Holdings Ltd
Centurion Corporation Limited	ISOTeam Ltd	OKP Holdings Limited	Tat Seng Packaging Group Ltd
Challenger Technologies Limited	Jardine Cycle & Carriage Limited	Olam International Ltd	TEE International Limited
Chaswood Resources Holdings Ltd	JB Foods Limited	Old Chang Kee Ltd	TEE Land Limited
Chemical Industries (Far East) Limited	JEP Holdings Ltd	OSIM International Ltd	TEHO International Inc Ltd
Cheung Woh Technologies Ltd	Jubilee Industries Holdings Ltd	Otto Marine Limited	The Hour Glass Limited
China Aviation Oil (Singapore) Corporation Ltd	k1 Ventures Limited	OUE Limited	The Straits Trading Company Limited
City Developments Limited	Keong Hong Holdings Limited	Pacific Century Regional Developments Limited	The Stratch Group Limited
CNMC Goldmine Holdings Limited	Keppel Corporation	Pan-United Corporation Ltd	TMC Education Corporation Limited
ComfortDelGro Corporation Limited	Keppel DC Reit*	Petra Foods Limited	Triyards Holdings Limited
Cordlife Group Limited	Keppel Infrastructure Trust*	Pteris Global Limited	Uni-Asia Holdings Limited
Cortina Holdings Limited	Keppel REIT*	Q & M Dental Group (Singapore) Limited	Union Steel Holdings Ltd
Courts Asia Limited	Keppel Telecommunications & Transportation	Qian Hu Corporation Limited	United Overseas Bank Ltd
CSE Global Limited	Kingsmen Creatives Ltd	Raffles Education Corporation Ltd	UOL Group Limited
DBS Bank Ltd	Kitchen Culture Holdings Ltd	Religare Health Trust*	UPP Holdings Ltd
Del Monte Pacific Ltd	Koda Ltd	Rotary Engineering Limited	Viking Offshore and Marine Limited
Dyna-Mac Holdings Ltd	Kori Holdings Limited	Rowsley Ltd	Viva Industrial Trust*
Eastgate Technology Ltd	KS Energy Limited	Roxy-Pacific Holdings Limited	WE Holdings Ltd
ecoWise Holdings Limited	Lereno Bio-Chem Ltd	Sakae Holdings Limited	Wee Hur Holdings Ltd
Ellipsis Ltd	Ley Choon Group Holdings Limited	Samudera Shipping Line Ltd	Wheelock Properties (Singapore) Limited
EMS Energy Limited	LHN Limited	San Teh Ltd	Wing Tai Holdings Limited
ES Group Holdings Ltd	LHT Holdings Limited	Sapphire Corporation Limited	Yamada Green Resources Limited
Eu Yan Sang International Ltd	Libra Group Limited	SATS	Yoma Strategic Holdings Limited
Far East Hospitality Trust*	Lion Asiapac Limited	Second Chance Properties Ltd	
Far East Orchard Limited	Lippo Malls Indonesia Retail Trust*	Select Group Limited	

* Support for the pledge is provided by the boards of the managers of these REITs and Business Trusts

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The crucial task of succession planning



By **RAMLEE BUANG**
Council member, SID

SID
SINGAPORE
INSTITUTE OF
DIRECTORS

**BOARDROOM
MATTERS**

Whenever the topic of sustainability is brought up, most executives think of the environment and the prudent use of our planet's resources. A less common (but no less applicable) understanding of sustainability is the necessity for businesses to pursue strategies and actions that ensure their longevity.

A key aspect of this longevity is succession planning: the practice of identifying and developing in-house candidates for top executive positions. When properly implemented, succession planning will help ensure an organisation's sustainability.

Yet, while it is usually talked about in passing, succession planning is often only intensely discussed when a director, a chief executive officer or a senior management staff decides to leave the company or retire.

One of the findings of the SID's *Board of Directors Survey 2013* is that 65 per cent of companies said they have succession plans with 74 per cent of them indicating that these plans are largely informal.

When Lee Hsien Yang decided in July 2006 to leave his post as CEO of Singtel, he stayed until April the following year. During this period, Singtel searched both outside and internally among its stalwarts for a suitable successor. It eventually appointed Chua Sock Koong, then its chief financial officer and who has been with Singtel since 1989, to take over as CEO.

But while Singtel had the luxury of time to find a successor, DBS had to scramble when CEO Richard Stanley was suddenly diagnosed with leukaemia. He passed away a few months later from an infection, even though his medical prognosis was good. Chairman Koh Boon Hwee stepped in on a temporary basis after Mr Stanley's death in April 2009 until DBS appointed Piyush Gupta as CEO in November that year.



Importance of Planning

A poorly planned succession may have a negative impact on a company's performance, image and, ultimately, its value.

While external candidates are sometimes necessary to fill a critical position, hiring from outside can have negative consequences apart from the time needed to conduct a search. One of these consequences is spiralling executive compensation. Attracting executives from other companies often means matching or exceeding their existing compensation packages, which in turn can create internal pay equity issues. At the same time, even if these incoming executives are proven in their previous organisations, they will be hampered initially by the fact that they are new to the company, and will take time to adapt – if they succeed at all in doing so.

With effective succession planning, the organisation will have a steady supply of well-trained, loyal and experienced personnel who are ready and able to step into positions as and when they are needed. When these candidates have defined career paths and a clear future with the company, the organisation will also be able to recruit and retain better people.

Succession planning is therefore something that must be started way before directors or senior managers resign or leave, or before something unforeseen occurs. It should not be reactive but proactive, and requires a systematic and robust process with the board's active participation and contribution.

Role of the Board

The Code of Corporate Governance specifies that the nominating committee should review plans for succession of directors including that of the CEO (Guideline 4.2). In my view, the board should also be responsible for the succession planning of senior management in the organisation. Depending upon the board

structure, this function of oversight of top management succession planning could be within the ambit of either the nominating committee or the remuneration committee.

Succession planning should be a formal and structured process. This involves identifying potential immediate and longer-term replacements for key management positions. In some instances, internal talent may initially not be ready, but with time, effort and the necessary guidance, the candidates from within are often the best long-term solution. Succession planning should therefore be complemented with talent management and employee development programmes.

The board should also know and be engaged with the key talents in the organisation beyond the CEO, extending to the other members of the C-suite and a level below. I have seen some CEOs reluctant to have board members meet other members of the key management team. Conversely, the board must also take the initiative to give these senior managers the opportunity to meet them during official board sessions, and informally in social settings.

In our ever-changing business environment, successful executives must have the necessary soft skills and respect of the management team and staff to be successful. By being engaged, the board will be in a better position to form an opinion of the internal talents for proper succession planning.

While having a robust succession planning process does not always guarantee an organisation's success, doing it objectively and with transparency will enhance its chances of ensuring continuity and sustainability. ■

Boardroom Matters is a weekly column by SID for The Business Times and its online financial portal, BT Invest, where this article was first and recently published.



The REIT way forward to good corporate governance

By
ANDY TAN
Council member, SID

Massive changes are coming the way of how Real Estate Investment Trusts (REITs) will be governed.

In October 2014, the Monetary Authority of Singapore (MAS) issued a consultation paper on the governance of REITs. A month later, SID together with the Asia Pacific Real Estate Association (APREA), held a roundtable to discuss the paper and submitted a joint report to MAS. In July 2015, MAS issued its response to the consultation paper.

The resulting changes were more moderate from a regulatory standpoint than indicated in the initial consultation paper. MAS has sought to address concerns in a balanced way with regards to the overarching principles, alignment of interests between unit holders, REIT managers and sponsors, and ensuring the long-term sustainability and attractiveness of the sector.

For example, following strong pushback from the industry, MAS will not require that REIT

managers to be subjected to re-appointment at regular intervals. The REIT manager can already be replaced by a majority of unit holders if found unsatisfactory.

In addition, acquisition and divestment fees of properties are not required to be on a cost-recovery basis as initially proposed. Instead, there must be proper justification and clear disclosure of these fees.

MAS will also continue with the current disclosure-based approach of REITs communicating the impact of income support arrangements on the DPU of the REIT instead of prescribing how the income support should be structured. This will provide REITs with flexibility in their arrangements while investors can make informed decisions.

Here is a summary of the major upcoming changes to the corporate governance of the REITs:

1. Prioritising unitholders' interests

- It will be a statutory duty of REIT managers

and directors to prioritise the interests of the unit holders over that of the REIT managers and shareholders. A breach of this duty amounts to a criminal offence.

- MAS did not take up the alternative proposal that unitholders be given the right to elect their directors onto the REIT manager.

2. Board composition

- At least half of the board of the REIT manager need to be independent directors unless unit holders have the right to appoint directors. In this instance, only a third needs to be independent.

3. Audit Committee

- The audit committee (AC) needs to have a minimum of three independent directors.
- The AC has to put in place a process to determine that any divestment to interested parties is conducted at arm's length.
- The AC has to satisfy itself that the REIT manager periodically reviews the Property Management Agreement (PMA) entered into with related parties at least once every two to five years, and more frequently if the property manager's compliance record is poor.
- The PMA should not contain any terms that materially restricts the REIT manager from removing the property manager.

4. Remuneration

- The REIT manager will be required to clearly state the remuneration policies and compensation components in its annual report. However, the detailed compensation of the directors and the top five executives will be on a "comply or explain" basis, aligned with the Code of Corporate Governance.
- Non-executive directors will be paid a fixed sum. Executive directors' compensation may not be tied to the revenue of the REIT; instead it should be linked to the long term interests of the REIT and its unit holders.

- If there is an absence of Remuneration Committee (RC) or Nominating Committee (NC), the REIT manager must ensure that it has a process in place for sourcing new directors, developing policies on executive compensation, and determining the remuneration packages of individual directors. Both the RC and NC may be combined.

5. One manager, multiple REITs

- A REIT manager may manage more than one REIT if he/she has the necessary expertise and is able to put in place a process for managing any conflicts of interest – this provision could lead to consolidation of the sector.

6. Leverage and development limits

- REITs will have a single-tier leverage limit of 45 per cent without the requirement for a credit rating (as opposed to the previous tiered limit of 35 per cent without credit rating, and 60 per cent with credit rating).
- The development limit has been increased from 10 per cent to 25 per cent of a REIT's deposited property. However, unitholders' approval is required for the higher development limit of 25 per cent and the additional 15 per cent allowance is solely for the redevelopment of an existing property held by the REIT for at least three years, and which the REIT will continue to hold for at least another three years after redevelopment.
- These two changes will provide greater flexibility for a REIT to renew and rejuvenate its existing portfolio of assets to achieve growth, especially an organic one.

In terms of implementation, REIT boards are expected to meet the requirements of independence and composition as meted out in the new regulations by 31 December 2016. On the other hand, the amendments to the Collective Investment Scheme Code with its proposed notice and guidelines may take effect as early as 1 January 2016. ■



Boards and innovation

Innovation experts from all over the world weighed in on various aspects of innovation at the sixth edition of the SID Directors' Conference held on 16 September 2015 at the Marina Bay Sands Grand Ballroom.

The message for over 700 directors and corporate leaders attending the event was consistent and clear: Innovation is critical and needs to be on the board agenda.



As Second Minister for Trade and Industry S. Iswaran puts it in his guest-of-honour address: "Innovation should be placed high in both companies and country agenda, and company and country leaders need

to be able to align resources, manpower and time to manage innovation." He described how Singapore, as a nation, was investing in innovation and urged companies to do likewise.



Morning plenary panel, from left: Scott Anthony (Innosight), Ang Kong Hua (Sembcorp), Simon Israel (Singtel), Lim Ho Seng (Baker Tech), Koh Soo Boon (iGlobe), Prof Deschamps (IMD)

The audience heard from some 20 speakers who are board chairmen, practitioners and experts in innovation. The keynote speaker, Emeritus Professor Jean-Phillippe Deschamps of IMD, Lausanne stressed that it is the governance mission of the board to drive innovation and provided guidance on how this can be done. Mr Fredrik Haren, Founder, interesting.org had the audience in stitches as he regaled them with his dramatised insights of how innovation and creativity exists – or not – in corporations and society.





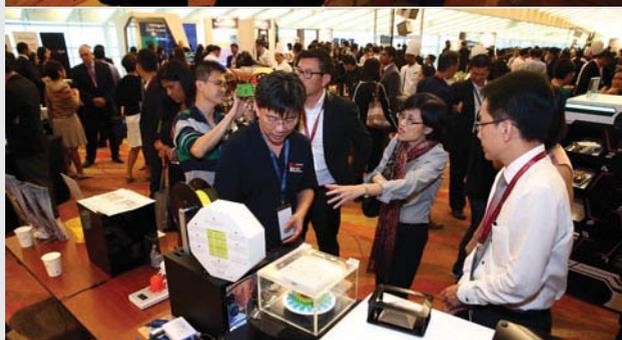
Panellists on Innovators and Innovations Roundup

In alignment with the conference theme, the conference décor and format reflected the spirit of innovation.

Light bulbs – the chosen symbol of innovation for the event – of all hues, design and sizes were found on the stage, imprinted on stacks of cubes and hanging from lamp posts in the foyer. Participants were provided with a mix of snacks that had labels with a twist on the names of the snacks, for example, “HELLO, don’t PANDA to the status quo. Innovate!” (on HELLO PANDA



chocolate cookies) and “Go to Mars, get some ideas and come back to earth and innovate” (on a Mars bar).



An innovation gallery which was opened at lunchtime allowed participants to interact with more than 30 exhibitors showcasing their innovative concepts, business models, products and services and technologies. Participants could see, touch and feel all manners of robots, automated devices, a smart car, and even what a virtual walkthrough of a reconstructed Singapore based on the “Modular City” concept. For good measure, the Singapore Science Centre installed a mirror exhibit called “Temporal Distortions” allowing participants to see what the various facets of innovation (speed, stretch, timing, disruption) mean when applied to their live bodies.

The afternoon panel featured an assembly of 10 innovators describing in rapid-fire fashion their respective ideas and innovations at the country-level (Smart Nation by Mr Steve Leonard of IDA), in seven diverse industries (including space by Mr Nobu Okada of Astroscale and comic characters by Mr Ray Hatoyama of Sanrio) and, even, in the social space (Mr Lee Poh Wah of Lien Foundation and Mr Andreas Heinecke of Dialogue Social Enterprises). Many participants had their eyes opened on the issues of aging, death, space debris, green buildings, etc. while being presented with possible solutions and opportunities.

Overall, many of the participants felt that they had attended an innovative conference on innovation with much food for thought on what they could do when they return to their companies. ■

SID-Caux Round Table on the UN Sustainable Development Goals



In September 2015, the UN General Assembly met to discuss the adoption of Sustainable Development Goals (SDGs) for the global community. The SDGs succeed and expand the UN Millennium Development Goals which will expire by end 2015. As part of the process of collecting suggestions for the SDGs, the Caux Round Table (CRT), an international network of principled business leaders, convened a series of round tables globally.

SID hosted the Singapore edition of the Round Table on the SDGs on 4 June 2015. SID has been an advocate of the “New Capitalism”, which was also the theme of the SID Directors' Conference 2014. The Singapore Round Table was facilitated by CRT Executive Director Stephen B. Young and SID Chairman Willie Cheng.

Twenty-six participants from the public, social and private sectors in Singapore attended the half-day discussion. The lively debate presented a wide range of opinions as to how our shared sustainable future can best be achieved.

The Singapore Round Table broadly agreed on the importance of the SDGs and related objectives. Participants felt that if we do not promote sustainability, both in business and personal lives, take people out of poverty and deal with climate change, there will be enormous potential costs and negative implications. But the main theme revolved around concerns regarding

the practicalities and implementation of the SDGs for companies and directors in Singapore.

In their current form, the SDGs is an overwhelming set of 17 goals and 169 indicators that will not easily engage the private sector or promote collaboration. While the private sector is capable of providing many solutions to key issues, they should do so in more collaborative ways rather than in silo. Businesses, government, nonprofit organisations and citizens need to work hand-in-hand for purposeful change.



On the issue of what Singapore can do, it was agreed that Singapore has to promote more fervently equality and sustainability. There was also discussion as to whether Singapore, with its cosmopolitan, multicultural, diverse and neutrality, could be a place for further global and regional discussion, to promote dialogue for the world to converge on and work out for the real global issues. ■

SID-Singtel cybersecurity forum

It was an eye opening experience for more than 100 participants at the SID-Singtel Cybersecurity Forum held at Singtel's ComCentre on 25 June 2015.

They discovered from Singtel's experts who demonstrated "live" with commonly-used technology just how prevalent cyberattacks are and how easily they can be conducted.



The first demonstration was done on a laptop and the attendees witnessed first-hand how effortlessly information can be phished through emails and important data stolen by hackers. The second demonstration went on to show how SMS or emails sent to a phone could easily be intercepted.

According to Mr Bill Chang, Country Chief Officer, Singapore and CEO, Group Enterprise, Singtel, over 95 per cent of organisations are compromised by cyberattacks without them even knowing it. Despite having up-to-date anti-virus



software or firewalls, most companies remain unaware of the breaches for a median of 205 days after the attack.

Mr Khoo Boon Hui, Former President, Interpol, shared several stories of attacks in Singapore and elsewhere that lent credence to the prevalence and seriousness of the attacks. He explained the workings of the "dark web", a web network where hacking and other malicious software for illegal and criminal activities can be traded.

Ms Lyn Boxall, Director, Lyn Boxall LLC and Mr Steve Lam, Partner, Ernst & Young Advisory shared their experience on corporate attempts at prevention and detection, to crisis management and recovery in cases of cyberattacks.

The forum concluded with a tour of the state-of-the-art Singtel-FireEye Advanced Security Operations Centre, which provides enhanced security protection to organisations. ■



A fun history of Singapore for SID fellows

SID fellows were treated to a refreshing – albeit tongue-in-cheek – interpretation of Singapore’s early history with the musical comedy, “The History of Singapore – Part 1” at the Esplanade Theatre on 6 June 2015. The inaugural Fellows’ Evening was kindly sponsored by PwC and was an opportunity for more than 100 SID fellows and their spouses to get together over an evening of cocktails and laughter.



“The History of Singapore – Part 1” is part of a critically-acclaimed comedy series that starred the Dim Sum Dollies (comprising Selena Tan, Pam Oei and Denise Tan) and Hossan Leong and delivered a fun take on Singapore’s history from the time of Sang Nila Utama till Singapore’s independence. ■

Making memories at members’ networking event

Memory is made, not born. Like any muscle, the more you exercise it, the better it gets. By employing the right techniques, anyone can take their memory to a level they never thought possible.

On 23 July 2015, SID members were treated to a mind-blowing memory demonstration that included insights into boosting memory, focus and observation by Mr Nishant Kasibhatla, the first and only Grand Master of Memory and International Master of Memory in Singapore.

The members’ networking event also provided members an opportunity to interact with one another and to apply the knowledge gained from the session with Mr Nishant Kasibhatla in order to be more productive in today’s fast-paced world. ■





SID annual golf tournament 2015

On Sunday, 28 June 2015, the shot gun tee off at 1.30 pm marked the start of SID's 15th Golf Tournament. This year, the tournament was held again at the Sentosa Golf Club but at the Tanjong course, with 32 flights fully subscribed.

128 golfers who attended wrapped up the day with a dinner and lucky draw. SID thanks all sponsors for making this event possible and guest-of-honour, Minister of Health, Mr Gan Kim Yong, who joined in the game and prize-giving dinner. ■



INDIVIDUAL WINNERS

- **Overall Winner (SID Challenge Trophy)**
James Lye
- **1st Runner Up**
Thio Tse Chong
- **2nd Runner Up**
Koh Soo Keong



Minister Gan Kim Yong presenting trophies to the individual winners: James Lye, Thio Tse Chong and Koh Soo Keong

TEAM WINNERS

- **Best Team (Sembcorp Challenge Shield)**
Victor Yew
John Soh
Chia Chong Zheng
Chia Kek Kiang



Mr Tang Kin Fei, CEO of Sembcorp Industries presenting the Sembcorp Challenge Shield to the winning team

Continuing Chairmen's Conversations



Board Risk Committee Chairmen brainstorming on black swans at Deloitte's Greenhouse

The third quarter of this year was a busy period for the Chairmen's Conversations series with three of them held. The Chairmen Conversations are peer exchanges of a dozen or so chairmen of boards or board committees on a focused topic facilitated by SID and its partners.

On 23 July 2015, Deloitte hosted a Board Risk Committee (BRC) Chairmen's Conversation on "Managing Strategic Risks in a Volatile, Complex and Uncertain Environment". Mr David Chew and Mr Akshay Chopra of Deloitte and Mr Daniel Ee of SID facilitated group discussion and brainstorming on "black swan" events and how to respond to them. The session was conducted at Deloitte Greenhouse Lab and attended by 13 participants who found the session fruitful. They collectively identified some 18 potential future "black swans", and learnt that there are upsides to them.

On 8 August 2015, DPI Asia and SID facilitated a Board Chairmen Conversation on the "The Role of the Board in Growing a Company".

Mr David Wilkins of DPI facilitated the discussion with a dozen board chairmen of mid-sized growth companies based on a framework for the decision oversight required of a board, and what constitutes growth and who the stakeholders of the company are. The discussion also touched on leadership, talent, succession planning and the importance of financial returns.

On 25 August 2015, the Boston Consulting Group (BCG) hosted a dozen board chairmen of large companies to reflect on the topic, "Is There Such a Thing as Corporate DNA?" Mr Hans-Paul Burkner and Mr Vincent Chin of BCG presented the firm's research on why and how some companies endure while others do not. Their conclusion was that it would be a mistake for companies to cling to corporate DNA. Instead radical change is needed in today's changing and complex world. Participants discussed the aspects of the changing situation in Asia and Singapore, and what it takes to succeed in the current business climate. ■



Board Chairmen Conversations facilitated by DPI (left) and BCG (right)

SID-CAQ roundtable on Audit Quality Indicators

On 27 July 2015, SID organised a roundtable luncheon on Audit Quality Indicators (AQIs) for the Center for Audit Quality (CAQ) at Fullerton Hotel.

The CAQ is an autonomous, nonpartisan, nonprofit public policy advocacy organisation based in the US and is affiliated with the American Institute of Certified Public Accountants. The CAQ has conducted pilot testing with the audit firms and audit committees in the US on a potential set of AQIs it has identified, and is holding global roundtables to gather useful insights to its approach.

Twenty three Audit Committee (AC) chairmen of the larger listed companies in Singapore attended the roundtable along with the CAQ team, which comprised Executive Director, Ms Cindy Fornelli; Senior Director of Strategy, Ms Stacie Morales and CAQ Professional Practice Fellow, Mr Kevin Lavin. In addition, members from the Accounting Corporate and Regulatory Authority (ACRA) led by Deputy Chief Executive, Ms Julia Tay were present.

AQIs provide insights into matters that contribute to the performance of a quality audit. Globally, discussions on AQIs have been gaining traction,

with international audit regulators, audit firms and accountancy professional bodies seeking to identify potential indicators of audit quality. The CAQ has identified 21 AQIs grouped into four categories: Firm Leadership and Tone at the Top; Engagement Team Knowledge, Experience and Workload; Monitoring; and Auditor Reporting.

A robust discussion took place around CAQ's AQIs, particularly on the usefulness and relevance of these indicators to audit committees. For example, most participants viewed the results of the audit regulator's inspections as a useful AQI to aid in audit quality conversations with the auditor in understanding the action plans taken to remediate the inspection findings. There was also discussion on whether the use of AQIs by audit committees should be mandatory or voluntary, with most agreeing that it should be voluntary so as to give audit committees the ability to exercise their professional judgment over the auditor evaluation process.

Overall, the AC Chairmen present were in agreement that AQIs would be useful in providing additional transparency into the audit and in promoting robust discussions with the auditor on audit quality. ■



What it takes to be a nonprofit director

Those involved in nonprofit organisations take note: SID is expanding its course offerings to cater to nonprofit boards and directors.

For aspiring and new directors, SID is rolling out a variant of its successful “So, You Want To Be A Director” course. The “So, You Want To Be A NonProfit Director” (SYN) course debuted on 8 September 2015. Many of the 40 attendees at the course said they found the course useful, especially the distinction between nonprofit and commercial boards.

Several of them have signed up for the next-stage course, a new “NonProfit Directors Programme” (NPD).

The NPD will feature seven modules that address the role and specific considerations of nonprofit boards in areas such as strategy, board-management interaction, fundraising, financial accountability and social innovation.

The NPD will be conducted by practitioners and leaders in the nonprofit field. They will share their insights and knowledge of the sector and how nonprofit boards should function.



SID and NCSS signed the MOU on 10 July

The modules will be conducted at seven different venues in conjunction with SID’s community partners.

Planning for the NPD started in January 2015 in discussions with various partners. On 10 July 2015, SID signed a Memorandum of Understanding with the National Council of Social Services (NCSS) for the NPD. In addition to NCSS and its training arm, the Social Service Institute (SSI), the programme is strongly supported by the Charity Council and the Centre for Non-Profit Leadership.

A course preview was conducted on 17 August 2015 at the SSI Training Hub and attended by over 70 representatives from various nonprofit organisations.

The positive response to the NPD preview and the SYN course should see a good turnout at the inaugural NPD course. The first NPD module commenced on 8 October 2015. Thereafter, the remaining of the seven modules will be conducted monthly through to May 2016. ■

Innovation leaders



Following the successful SID Directors' Conference, a post-conference forum was held for key sponsors of the event on 17 September 2015.

The 20 corporate leaders who attended received insights by Professor Jean-Philippe Deschamps on innovation leaders. One striking sharing, according to Professor Deschamps, was that contrary to most expectations, innovation leaders are not necessarily creative, but they support creativity.

Professor Deschamps also described the difference between front-end innovation leaders (like Apple co-founder, Steve Jobs) and back-end innovation

leaders (Apple CEO, Tim Cook). Participants were given time to deliberate what they think are the common behavioural traits of innovation leaders. Responses included characteristics such as "curiosity", "openness", "passion", "agility" and "adaptability".



Participants not only took away valuable insights but also an autographed copy of Professor Deschamps' best-selling book, *Innovation Leaders: How Senior Executives Stimulate Steer and Sustain Innovation*. ■

Driving value for fast-growing enterprises and family businesses

SID held a session on governance in fast-growing enterprises and family businesses on 30 June 2015. The session was conducted for members of the Young Presidents' Organisation (YPO).

Three speakers shared how governance and value creation can occur in growth and family-owned businesses.

Dr Wilson Chew, Group Principal Consultant, StrategiCom presented the strategies for how the delivery of highly differentiated products and services can generate long-term value. Mr Ng Siew Quan, Partner, PwC explained how good corporate

governance practices can help ensure quality decision-making, encourage effective succession planning and enhance the long-term prosperity of companies. Mr Lie Kok Keong, Partner, PwC discussed how a company can make use of its cash flows, working capital balance, financial leverage and dividend policy to maximise its valuation.

In addition, three guests comprising SID Chairman Willie Cheng, Eu Yan Sang Group CEO, Richard Eu and GinsGlobal Index Funds Managing Director, Anthony Ginsberg, shared their personal experiences and thoughts on the topics of the day in a Q&A session with the audience. ■

Stretching yourself



By **RICHARD TENG**
Council member, SID

I have had two close brushes with the Grim Reaper.

The first was during the collapse of the World Trade Centre in New York back in 2001.

I witnessed first-hand of the devastating act of terrorism that blanketed the city in smothering dust and blazing flames.

A few years later, I was one of the divers that escaped the horrific Boxing Day tsunami in Phuket by mere days, while some others that stayed on to continue the expedition did not manage to escape from death's clutches.

Recently, albeit in a less "exciting" setting, I was once again reminded of the fragility of human life when I tried yoga for the first time in a studio heated to a scorching 41 degrees Celsius. But how did I get there in the first place?

As an avid runner, years of pounding on tarmac had led to a degeneration of my knee tissue. Specialists advised me that teenage sporting injuries to both my ankles had resulted in poor biomechanics and exacerbated the stress to my knee joints. In exploring fitness alternatives, I chanced upon yoga as an ideal candidate to replace the intensity of a satisfying run without the debilitating impact on my joints. After all, how difficult can stretching in a heated room, a few degrees higher than Singapore's weather be, for one who is relatively fit? Those turned out to be some of my almost famous last words.

Twenty minutes into my first hot yoga class, I felt like I was lying six feet underground beneath the cool soil. It may sound a bit dramatic,



AFTER HOURS

for certainly this experience pales in comparison to the fatality of 9/11 or the Phuket tsunami, but from where I as lying, I was as close I could possibly be, to death.

From a cocky amateur that achieved the initial poses confidently during the 90-minute long class, I soon found myself lying on my back and staring at the ceiling until an hour after the class was dismissed. They do not call it that the



“dead’s man” pose for nothing. Dyspnea, heart palpitations and the resounding aortic echoes symptomatic of a heart attack, were all that I experienced while lying motionless amidst the buzz of adrenaline-fuelled yoga enthusiasts.

To characterise my first encounter with yoga as surreal and terrifying would not be too far off the mark. And over-confidence was this artist’s almost certain death.

Undeterred by this near-death experience, I somehow mustered sufficient courage to venture another valiant attempt at yoga three months later. Of course, I heeded Sun Tzu’s strategy of 知己知彼 (which means “to know oneself, to know one’s enemy”) and undertook research on learning points from my initial failing.

Proper breathing techniques, which I neglected, are fundamental to successful practice. Awareness of the breath, as well as respiratory pace and synchrony while maintaining a pose, is critical. In addition, I realised too, that mental focus coupled with a conscious effort to relax the body, adds physical nimbleness to achieve and sustain more challenging yoga poses.

I have been a strong advocate of yoga since. While my second attempt at hot yoga was still quite challenging, I managed to finish the lesson by being more prepared and taking breaks as my body called for them.

Being humble and learning from others remain to this day important takeaways from my yoga experience. Assuming a modest and unassuming attitude, together with a receptive mindset in learning from the experience of others, has greatly helped me to accelerate up the progress curve in the mastery of new skills. In the same vein, first-time directors will benefit from having experienced directors as role models in the navigation of governance pitfalls to achieve better corporate stewardship.



This calls to mind a famous quote attributed to Winston Churchill: “Success is the ability to go from failure to failure without losing your enthusiasm”. Initial failures afford one the precious opportunity to examine reasons and lessons to apply during the next attempt.

Last but not least, I find continuously challenging oneself in achieving stretch goals (*pun fully intended*) builds confidence as part of a constant quest for professional and personal development.

On a lighter note, my friends were joking that I need not be overly concerned about the lack of heated studios to practice yoga when I recently relocated to Abu Dhabi in March to assume a new role as CEO of Abu Dhabi Global Market.

After all, the United Arab Emirates sees an average of 360 sunny days annually, with the hottest temperatures regularly recorded in Al Ain (part of the Abu Dhabi emirate) where the record high is 52 degrees Celsius. Although I have not participated in formal yoga lessons since my relocation, I continue practising on my own and am still benefitting enormously from this practice called “yoga”. ■

SID's Past Events (16 June 2015 – 30 September 2015)

DATE	TYPE	EVENT DETAILS
17 Jun 2015	PD	Directors Compliance Programme
19 Jun 2015	PD	SID-SMU Directorship Programme's Graduation Ceremony
23 Jun 2015	PD	Directors Compliance Programme
24 Jun 2015	PD	SID-ISCA Directors Financial Reporting Essentials
25 Jun 2015	PD	SID-Singtel: Cybersecurity
28 Jun 2015	Social	Golf Tournament
30 Jun 2015	PD	So, You Want to be a Director
30 Jun 2015	PD	SID-YPO: Driving Value for Fast-growing Enterprises and Family Businesses
1 Jul 2015	PD	Directors Compliance Programme
6 – 8 Jul 2015	PD	SID-SMU Executive Certificate in Directorship Module 1: The Role of Directors
7 Jul 2015	PD	LCD Module 1: Understanding the Regulatory Environment in Singapore
8 Jul 2015	Social	Singapore Corporate Awards Gala
8 Jul 2015	PD	LCD Module 2: Audit Committee Essentials
8 Jul 2015	PD	LCD Module 3: Risk Management Essentials
9 Jul 2015	PD	LCD Module 4: Nominating Committee Essentials
9 Jul 2015	PD	LCD Module 5: Remuneration Committee Essentials
10 Jul 2015	PD	LCD Module 6: Investor and Media Relations Essentials
11 Jul 2015	PD	Directors Compliance Programme
14 Jul 2015	PD	Board and Director Fundamentals
23 Jul 2015	PD	SID-ISCA Directors Financial Reporting Essentials
23 Jul 2015	Social	Members Networking: Maximise your Memory
27 Jul 2015	PD	SID-CAQ Roundtable on Audit Quality Indicators
28 Jul 2015	PD	Directors Compliance Programme
13 Aug 2015	PD	Directors Compliance Programme
13 – 14 Aug 2015	PD	SID-SMU Executive Certificate in Directorship Module 5: Strategic CSR and Investor Relations
18 Aug 2015	PD	SID-DPI Chairmen's Conversation
25 Aug 2015	PD	SID-The Boston Consulting Group Chairmen's Conversation
26 – 28 Aug 2015	PD	SID-SMU Executive Certificate in Directorship Module 3: Finance for Directors
27 Aug 2015	PD	Directors Compliance Programme
7 – 8 Sep 2015	PD	SID-SMU Executive Certificate in Directorship Module 6: Effective Succession Planning & Compensation
8 Sep 2015	PD	So, You Want to be a Nonprofit Director
10 Sep 2015	PD	Directors Compliance Programme
16 Sep 2015	Conference	Directors' Conference
21 – 23 Sep 2015	PD	INSEAD International Directors Programme Module 2: Board Decision Making & Oversight
22 Sep 2015	PD	LCD Module 2: Audit Committee Essentials
23 Sep 2015	PD	Directors Compliance Programme
29 Sep 2015	PD	SID-ISCA Directors Financial Reporting Essentials
30 Sep 2015	PD	LCD Module 3: Risk Management Essentials

Upcoming events

Core Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
LCD 6: Investor and Media Relations Essentials	6 Oct 2015	0900 – 1230	Marina Mandarin Singapore
EBL Module 1: The Effective Board	7 Oct 2015	0900 – 1230	Marina Mandarin Singapore
EBL Module 2: The Board and Fund Raising	7 Oct 2015	1400 – 1730	Marina Mandarin Singapore
EBL Module 3: The Board and Fund Raising	8 Oct 2015	0900 – 1230	Marina Mandarin Singapore
EBL Module 4: The Board and Fund Raising	8 Oct 2015	1400 – 1730	Marina Mandarin Singapore
SID-SSI Nonprofit Directors Programme Module 1: The Nonprofit Environment	8 Oct 2015	1700 – 2030	SSI Training Hub
So, You Want to be a Director	13 Oct 2015	1030 – 1230	Capital Tower
Directors Compliance Programme	13 Oct 2015	1300 – 1730	Capital Tower
Board and Director Fundamentals	14 Oct 2015	0900 – 1700	Capital Tower
LCD 1: Listed Company Directors Essentials	20 Oct 2015	0900 – 1730	Marina Mandarin Singapore
LCD 4: Nominating Committee Essentials	22 Oct 2015	0900 – 1230	Marina Mandarin Singapore
LCD 5: Remuneration Committee Essentials	27 Oct 2015	0900 – 1230	Marina Mandarin Singapore
Directors Compliance Programme	29 Oct 2015	1300 – 1730	Capital Tower
Directors Compliance Programme	5 Nov 2015	1300 – 1730	Capital Tower
LCD Programme in Mandarin	5 – 6 Nov 2015	0900 – 1700	Kerry Hotel Pudong, Beijing
SID-SSI Nonprofit Directors Programme Module 2: Board and Management Relationship	12 Nov 2015	1700 – 2030	National Volunteer & Philanthropy Centre
SID-SMU Executive Certificate in Directorship Module 2: Assessing Strategic Performance: The Board Level	16 – 18 Nov 2015	0900 – 1700	SMU Campus
Directors Compliance Programme	24 Nov 2015	1300 - 1730	Capital Tower
Director Financial Reporting Essentials	25 Nov 2015	0900 – 1700	Capital Tower
So, You Want to be a Director?	2 Dec 2015	1030 – 1230	Capital Tower
SID-SSI Nonprofit Directors Programme Module 3: Board Dynamics and Evaluation	10 Dec 2015	1700 – 2030	YWCA
INSEAD International Directors Programme Module 3: Director Effectiveness and Development	15 – 17 Dec 2015	0900 – 1700	INSEAD Campus, Singapore
LCD 1: Listed Company Directors Essentials	12 Jan 2016	0900 – 1730	Marina Mandarin Singapore
SID-SSI Nonprofit Directors Programme Module 4: Strategic Decision Making	14 Jan 2016	1700 – 2030	HCA Hospice Care HQ

Other Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
SID-DPI: Strategic Innovation	2 Oct 2015	0900 – 1100	Marina Mandarin Singapore
SID-Noble Group: The Saga and its Lessons	14 Oct 2015	0900 – 1100	M Hotel Singapore
Launch of Board of Directors Survey 2015	21 Oct 2015	0900 – 1100	Marina Mandarin Singapore
Remuneration Committee Chairmen's Conversation	4 Nov 2015	1100 – 1300	To be advised
Launch of Remuneration Committee Guide	26 Nov 2015	0900 – 1100	Marina Mandarin Singapore
Audit Committee Seminar	12 Jan 2016	0900 – 1100	Capital Tower

Major Events

EVENT	DATE	TIME	VENUE
Annual Corporate Governance Roundup	18 Nov 2015	1000 – 1230	Orchard Parade Hotel
SID Annual General Meeting	18 Nov 2015	1300 – 1500	Orchard Parade Hotel

Socials

EVENT	DATE	TIME	VENUE
Technology Behind a Million Moments	9 Dec 2015	1500 – 1730	Resorts World Sentosa

Welcome to the family

June 2015

Abdulla Jamal Sheik
 Andersen Soeren
 Bashar Jazmati
 Bratby Robert Benjamin Crandon
 Chin Sin Beng
 Chong Choong Fee
 Eu Hong Gay
 Goh Ruey Tung
 Haslett Stephen
 Ho Kwon Ping
 Kantilal Champaklal Ramdas
 Lai Kuan Loong Victor
 Landen Ivan
 Lee Kheng Guan Patrick
 Leong Chang Hong Chester
 Lim Khoon Siong
 Lim Wie, Susan
 Mathur Arvind
 Myint Myo
 Phuah Kok Liang Marcus
 Seet Teck Seng, William
 Shankar Kusurkar Vijaykumar
 Sim Keng Chong
 Smith Howard James
 Tan Chwee Peng Andrew
 Teoh Jin Tean
 Umesh Chandra
 Young Hugh

July 2015

Anton J Ravindran
 Bastianini Cesare
 Chan K H Michael
 Chua Lionel
 Ho Isaac

Iyer Sunder
 Koh Juat Muay
 Laffy Julie
 Lian Jeremy
 Liew Nam Soon
 Loo Choo Leong
 Louw Marthinus Johannes
 Lui Chong Chee
 Mathers Dean
 Murugiah Rajaram
 Neo Kim Teck
 Pramotedham Piti
 See Chim Tiam
 Sittisak Jittapon
 Soh Kam Giap
 Soo Ye Wah
 Tan Eng Kwee
 Tan Hong Joo, Frederick
 Tan Thuan Hor
 Wan Tai Foong
 Wiranto Ety
 Wu Ghee Aun, Joshua

August 2015

Boon Gilbert, Kim Chuan
 Brosi Reto
 Chan Soon Hee Eric
 Chiang Hock Woon
 Chua Ser Miang
 Cooper Adina
 Deal Lacey Laura
 Fong Wei Seong
 Hassanbhai Shabbir
 How Seen Shing
 Kim Warren
 Kooi Lee Wah, Karen

Lam Allan
 Lee Keng Thon
 Lee On Nam
 Lee Teck Soon, Richard
 Liew Chai Yin, Grace
 Lim Cheng Huang
 Lim Chuang
 Ling Enid, Peek Fong
 Liu Kelvin
 Loh Benjamin
 Loh Boon Chye
 Loh Catherine, Shufen
 Loh Charlotte
 Loh Richard
 Matthews Mike
 Neo Daryl
 Ng Jui Sia
 Ow Soon Sian, Alan
 Poon Wai Hong
 Soh Wai Kong
 Tan Chuan-Lye, Richard
 Tan Jit Khoon
 Tan Joon Yong, Wayne
 Teo Thomas
 Ursekar Umesh Pralhad
 Veronese Oscar-Luigi
 Wong Yan Ki, Angel
 Yang Yen Thaw
 Yap Chee Yuen



**SID
Annual
Corporate
Governance
Roundup
2015**

Catch up with fellow directors and on the year's happenings at the **SID Corporate Governance Roundup 2015**

Date : Wednesday, 18 November 2015

Venue : Antica Ballroom, Orchard Parade Hotel

Program : 09.30 am Registration / coffee

10.00 am Annual Corporate
Governance Roundup

12.00 pm Lunch
Collection of *Boardroom
Matters (Volume II)*

1.15 pm Annual Corporate Governance
Roundup event ends

SID members only:

1.00 pm SID AGM registration opens

1.30 pm SID AGM commences

The Corporate Governance Roundup event is for those who want a quick refresher on the year's happenings and know what to expect in 2016 on key corporate governance and directorship matters. It is also an opportunity to meet up and network with fellow directors in a convivial atmosphere.

Most of the topics will be covered by SID Council members.

Cost: \$60 for SID members
\$90 for non-members

All attendees will receive a complimentary copy of *Boardroom Matters (Volume II)* worth \$38.

Register for the event at www.sid.org.sg

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