

SINGAPORE GOVERNANCE AND TRANSPARENCY FORUM

4 AUGUST 2020

**Opening Address by Chng Lay Chew FCPA (Aust.), Divisional
President - Singapore, CPA Australia**

Welcome

Guest of Honour, Professor Tan Cheng Han, Chairman, Singapore
Exchange Regulation

Advisory Panel members of the Singapore Governance & Transparency
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Distinguished guests, ladies and gentlemen

Good morning and a warm welcome to the first virtual Singapore
Governance and Transparency Forum.

COVID-19 has disrupted so many aspects of our lives, including how
events such as this conference are conducted. This conference has for
the past 11 years been a prominent face-to-face event in the Singapore
corporate governance calendar. I am told that more than 500 people
have signed up to attend today's virtual conference. Thank you for taking
time to join us.

Our sincere thanks to our Guest of Honour, Professor Tan Cheng Han,
for gracing the occasion.

Corporate governance in an era of extreme risk

The theme of this year's Forum is Corporate Governance in an Era of Extreme Risk. This is certainly a very appropriate theme under the circumstances. The COVID-19 pandemic has created many new risks for organisations whose operations and business models have been disrupted.

Coupled with other factors such as growing global trade tensions, advances in technology, and ever-increasing cyber threats, risk management has become even more complex for boards and senior management.

In times of crisis, strong leadership and sound corporate governance processes are fundamental to a company's ability to survive, sustain itself and position for the post crises recovery. Corporate governance frameworks and processes have to adapt, and remain relevant and effective in a COVID new normal.

Singapore Governance & Transparency Index (SGTI)

This morning, we will announce the results of the 2020 Singapore Governance & Transparency Index (SGTI).

CPA Australia is proud to be part of this national effort to improve the overall corporate governance among our listed companies. We have sponsored the predecessor Governance and Transparency Index, or GTI, since its inception in 2009, and continue to support the enhanced SGTI today.

The SGTI is a collaboration of CPA Australia, the Centre for Governance, Institutions and Organisations (CGIO) at NUS Business School, and the Singapore Institute of Directors.

This powerful tripartite alliance of accountants, directors and an independent academic institution ensures that the SGTI continues to be the pre-eminent Singapore national benchmark for good corporate governance among Singapore-listed companies.

With the SGTI, we hope that Singapore companies will continue their upward trend in strengthening governance and aligning with global standards and best practices. Corporate governance is not a destination. It's an ongoing journey where all stakeholders have a part to play.

Raising the bar

A significant effort has gone into ranking Singapore-listed companies under SGTI 2020. I'm pleased to share a few key highlights from this year's study.

First, Singapore-listed companies have made creditable improvements in corporate governance and sustainability disclosures. The annual scores achieved by listcos have consistently risen since 2011, and are at a new all-time high this year. In addition, real estate investment trusts (REITs) and business trusts have also done well in the fourth year that this group has been assessed.

The SGTI 2020 results show noteworthy improvements in three areas:

- Shareholders' rights
- Board responsibilities, and
- Increased stakeholder engagement

But despite overall positive developments, some aspects have room to improve. These include the categories of:

- Disclosure and transparency, and
- Accountability and audit

Professor Lawrence Loh from CGIO will share more details in his presentation shortly.

Conclusion

Today, we will also announce Singapore's most well-governed and transparent companies – in the big, mid and small cap categories – as well as the winner in the REITs and Business Trusts category.

My hearty congratulations to all the winners of SGTI 2020. Do continue to be shining role models for stronger governance amidst the disruptive and challenging business environment.

My thanks to our partners – CGIO, NUS and SID - who have been instrumental in this governance journey. And we are grateful to The Business Times for being our media partner in this project.

I thank our esteemed panellists – Ms Beh Siew Kim, Mr Chaly Mah, Mr Michael Tang, and Ms Wong Su-yen for taking time out of their busy schedules to share their insights with us.

I look forward to a very robust discussion on the biggest challenges that listed companies continue to face in the corporate governance space and best practices in achieving sustainable governance and performance.

To all of you joining us this morning, we hope you will benefit from this session. Thank you.

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