

News Release

29 February 2016

Largest companies show the way with women at 10.2% of directorships

The Diversity Action Committee (DAC)¹ said that Singapore's largest companies which are in the Straits Times Index ("STI") led progress in increasing women directors in 2015. **STI companies achieved 34% growth, with women's representation reaching 10.2% as at end 2015, up from 7.6% in the previous year.** For these 30 companies, women made up 27% of appointments in 2015, significantly above the overall market's 14%. Only 9 of them continue to have all-male boards. They can be expected to consider having more diversity on boards in the coming years.

DAC, which provides the authoritative statistics on women's representation on boards of SGX-listed companies, shared its findings as follows:

Improvement across the board for all sizes of company

Companies, large and small, improved in their gender diversity at the top decision-making body in 2015. **Women directors held 9.5% of directorships in all 758 SGX-listed companies as at end 2015, up from 8.8% in 2014 and 8.3% in 2013.**

Large companies not only increased women directors but reduced all-male boards

Women's representation on boards of companies with market capitalisation of more than \$1b (108 companies including those in the STI) improved by 10% reaching 9.6%, up from 8.7% in 2014. These companies account for 90% of the total market value of listed companies in Singapore.

Women's appointments comprised 20% of the total for the year, the highest on record. **All-male boards declined successively to 41% as at end 2015, from 54% 3 years ago.**

More women directors

In a year where the total number of directorships declined by 63, women directorships increased whereas male directorships decreased. Women directorships increased by 30 (7% higher than the previous year), men decreased by 93 (2% lower than the previous year).

38% of women's appointments were first-time directors, compared to 32% for men.

Women's representation across industry groups largely unchanged and unlikely to progress without shareholder activism

Small improvements left women's representation across industry groups more or less unchanged. Many consumer-facing industries are still below the market average of 9.5%. Unless shareholders place priority on board diversity and engage boards on this issue, progress will continue to be slow.

¹ The DAC is chaired by Mr Magnus Böcker, previously the CEO of Singapore Exchange. Madam Halimah Yacob, Speaker of Parliament of Singapore is adviser to DAC. The DAC, comprising business leaders from both large and small organisations and professionals from the private, people and public sectors, is appointed to build up the representation of women directors on boards of companies.

Singapore boards gaining ground in gender diversity

Singapore, like other financial markets, is working towards increasing women's representation on boards. SGX-listed company boards are gaining ground despite not having quotas or mandatory disclosure obligations.

Even in a voluntary setting, SGX-listed companies can still improve and disclose top level diversity to demonstrate the quality of their board. Introduction of disclosure regarding company's progress towards self-set targets has helped other markets accelerate diversity on boards.

Magnus Böcker, Chairman of DAC, said, "For the past 2 years, we have seen a significant improvement in the number of women directors on boards of SGX-listed companies, especially in large companies. This indicates that companies are responding to investor groups' and DAC's call for greater gender diversity on boards, as part of a broader view of board diversity. We believe that companies will appoint more women directors in the coming years as this would give them an edge in managing their risks and opportunities to bring the companies forward."

The detailed findings² of women's representation on boards as at end 2015 can be found in Annex 1 or at the DAC website (www.diversityaction.sg).

More information about the Diversity Action Committee is attached in Annex 2.

Media Enquiries to Secretariat to Diversity Action Committee

Wendy Tan or Cheryl Tan
Tel : +65 6713 6034
Email: DAC_Secretariat@sgx.com

² Source: Handshakes. Data was collected from all SGX-listed companies' annual reports and company announcements reported to SGX, up to 31 Dec 2015 (inclusive). Data does not reflect disclosures after 31 December 2015.

Annex 1

1 Women's Representation on Boards of SGX Listed Companies

- Women's representation on boards of companies listed on the SGX rose more rapidly in 2015. As at end 2015, women held 9.5% of the 5,029 directorships (board seats) on SGX listed companies, up from 8.8% at end 2014.

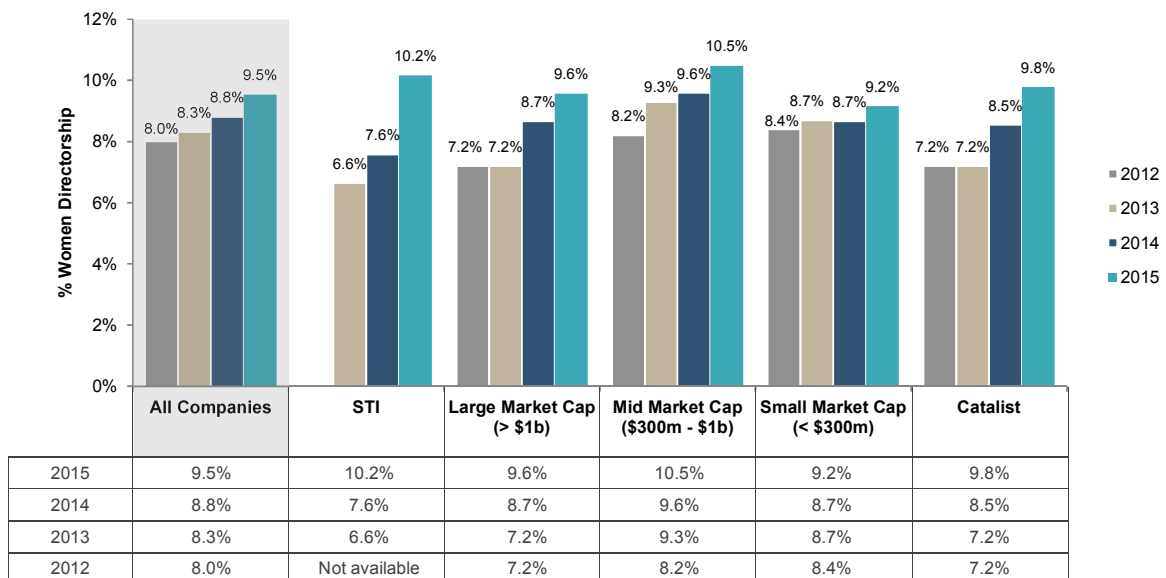
Table 1: Women's representation on boards

	Women's representation on boards
2015	9.5%
2014	8.8%
2013	8.3%
2012	8%

2 Women's Representation on Boards by Market Capitalisation

- Women's representation on boards improved across the board for all sizes of company³.
 - Straits Times Index (STI) companies led the progress with 34% growth in 2015. Women directorships reached representation of 10.2% as at end 2015**, double digit for the first time and the highest improvement among companies of all sizes.
 - Large market cap companies (including STI companies) improved by 10% reaching 9.6%, up from 8.7% at end 2014. These companies account for 90% of the market capitalisation of the SGX companies.
 - Catalist companies also showed good progress with 14% growth in women directorships in 2015, reaching women's representation of 9.8% (Figure 1).

Figure 1: % Women Directorships by Market Capitalisation



³ Refer to Annex 1, A1.

3 Additions to the Pool of Directors

- The number of women directorships increased and number of men directorships decreased. Overall, the number of directorships declined in 2015 and the reduction was entirely in male directorships.
- The increase of 78 women directorships was lower than the previous year's 90 additions, while number of women directorship exits remained about the same. As a result, the net 30 increase in women directorships was less than previous year's 41.
- Of the women appointments in 2015, 38% were first time directors⁴. In comparison, 32% of the male appointments were first time directors.

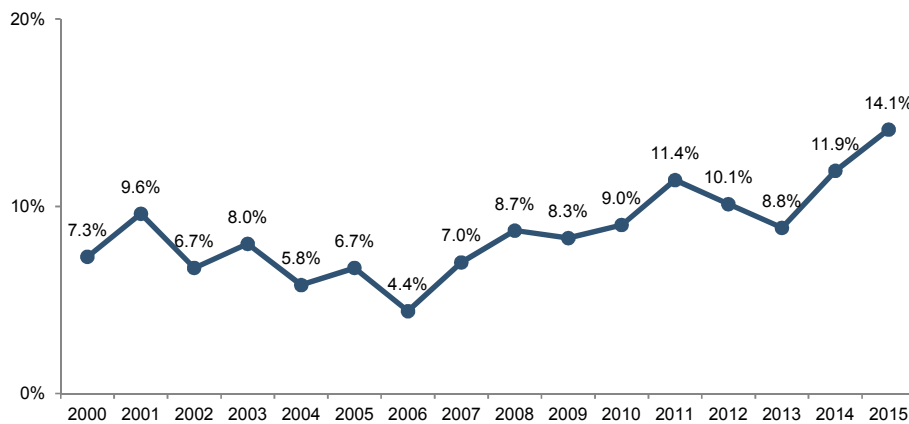
Table 2: Directorships, additions and exits

	2015			2014		
	Women	Men	Total	Women	Men	Total
No. of Directorships	479	4,550	5,029	448	4,644	5,092
No. of additions[^]	78	490	568	90	750	840
No. of exits[*]	48	583	631	49	615	664
Net no. of additions	30	-93	-63	41	135	176

[^] New appointments and new listings ^{*} Resignations and delistings

- Women made up 14% of all directorship appointments, the highest proportion for the past 15 years of data available (Figure 2).
- Large companies added women directors at a faster pace compared to the rest of the market. For STI companies, women made up 27% of appointments in 2015, significantly above the overall market's 14%. Likewise, for the 108 large market cap companies (including STI companies), women made up 20% of appointments in 2015.

Figure 2: Women appointments as percentage of total appointments

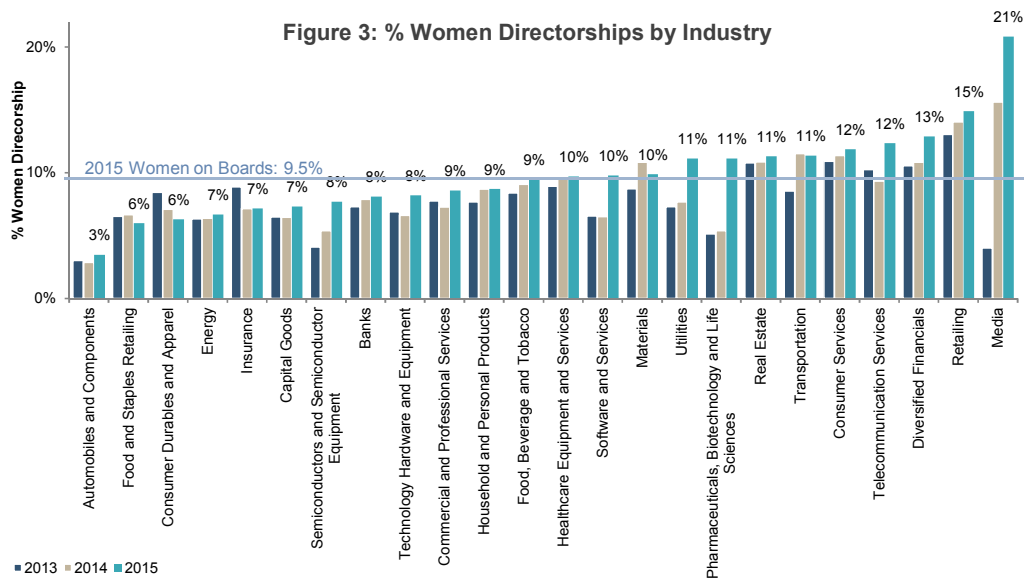


Source for 2000-2011 data: *Gender Diversity on Boards: A Business Imperative*, April 2014

⁴ Based on companies' announcements to SGX, these directors did not have prior experience as a board director of a listed company.

4 Women’s Representation on Boards by Industry⁵

- Small improvements were seen in women’s representation across many of the industry groups but women’s representation clustered between 6-12%, as in the previous year (Figure 3). Many industries where women make up a large proportion of customers were still below the market average of 9.5%. Unless shareholders place priority on board diversity and engage boards on this issue, progress will continue to be slow.



5 Companies with All-Male Boards

- The number all-male boards continued to decline across companies of all sizes in 2015.
- STI companies showed the most significant decline of 30% from the previous year. There remained only 9 of 30 companies who do not have women on boards.
- Large and mid market cap companies also showed significant decline, resulting in about 40% of companies having only men on their boards as at end 2015.
- Despite the improvements, 52% of all 758 SGX-listed companies continued to have all-male boards as at end 2015.

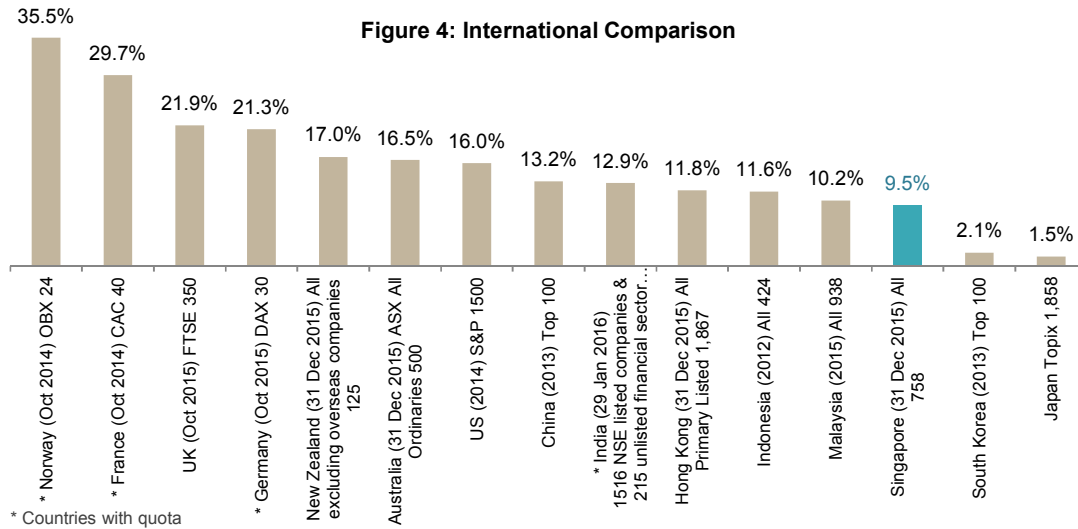
Table 3: Boards with only men

	All companies	STI	Large Market Cap	Mid Market Cap	Small Market Cap	Catalist
2015	52.4%	30.0%	40.7%	41.9%	55.1%	58.7%
2014	55.5%	43.3%	46.3%	47.0%	58.1%	61.9%
2013	56.0%	50.0%	51.4%	49.1%	57.1%	62.1%
2012	58.8%	Not available	54.4%	54.4%	58.9%	65.2%

⁵ Refer to Annex 1, A2.

6 An International Comparison

- Singapore, like other financial markets, is working towards increasing women’s representation on boards. SGX-listed company boards are gaining ground despite not having quotas or mandatory disclosure obligations (Figure 4).
- Even in a voluntary setting, SGX-listed companies can still improve and disclose top level diversity to demonstrate the quality of their board. Introduction of disclosure regarding company’s progress towards self-set targets has helped other markets accelerate diversity on boards.



Sources:

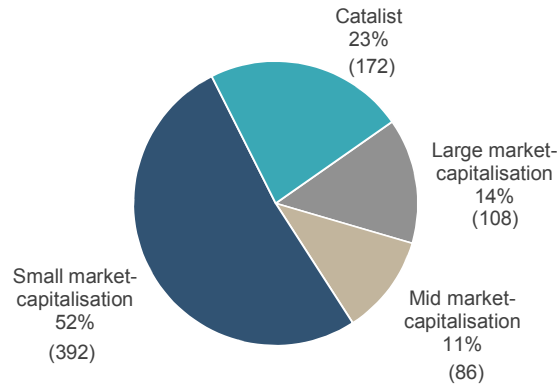
- Australia – Australian Institute of Corporate Directors
- China, South Korea – Korn Ferry & CGIO 'Diversity matters: Adding colour to boards in APAC' (March 2015)
- France, Norway – Catalyst Census of Women Board Directors 2014
- Germany, UK – Women on boards Davies Review: Five Year Summary October 2015
- Hong Kong – 30% Club HK
- India – NSE Infobase (1,457 listed companies & 217 unlisted financial companies)
- Indonesia – CGIO 'Indonesian Boardroom Diversity Report 2012 – Female Footprints in IDX-listed Companies'
- Japan – Bloomberg Article 'No Women on 90% of Japan Boards Belies Abe Equality Push' (11 March 2015)
- Malaysia – Bursa Malaysia
- New Zealand – NZX Limited's Diversity Statistics
- Singapore – Handshakes
- US – Ernst & Young 'Women on US boards: What are we seeing?'

Appendix to Annex 1:

A1 Profile of SGX-listed Companies

As at end 2015, there are a total of 758 companies⁶ listed on the Mainboard and Catalyst. The distribution of the Mainboard companies (based on market capitalization) and companies listed on Catalyst is shown in Figure 5 below.

Figure 5: Distribution of Companies by Market Capitalisation



Large market-capitalisation companies: more than S\$1b

Mid market-capitalisation companies: between S\$300m to S\$1b

Small market-capitalisation companies: less than S\$300m

⁶ Data was collected from all SGX-listed companies' annual reports and company announcements reported to SGX, up to 31 Dec 2015 (inclusive). Data does not reflect any disclosures after 31 December 2015.

A2 Listing of Industry Group and Industries

Industry Group	Industry	
Automobiles and Components	Auto Components	
Banks	Banks	Thriffs and Mortgage Finance
Capital Goods	Aerospace and Defense	Industrial Conglomerates
	Building Products	Machinery
	Construction and Engineering	Trading Companies and Distributors
	Electrical Equipment	
Commercial and Professional Services	Commercial Services and Supplies	Professional Services
Consumer Durables and Apparel	Household Durables	Textiles, Apparel and Luxury Goods
	Leisure Products	
Consumer Services	Diversified Consumer Services	Hotels, Restaurants and Leisure
Diversified Financials	Capital Markets	Diversified Financial Services
	Consumer Finance	
Energy	Energy Equipment and Services	Oil, Gas and Consumable Fuels
Food and Staples Retailing	Food and Staples Retailing	
Food, Beverage and Tobacco	Beverages	Food Products
Healthcare Equipment and Services	Healthcare Equipment and Supplies	Healthcare Providers and Services
Household and Personal Products	Household Products	Personal Products
Insurance	Insurance	
Materials Media	Chemicals	Metals & Mining
	Construction Materials	Paper and Forest Products
	Containers and Packaging	Media
Pharmaceuticals, Biotechnology and Life Sciences	Pharmaceuticals	
Real Estate	Real Estate Investment Trusts (REITs)	Real Estate Management and Development
Retailing	Distributors	Specialty Retail
	Multiline Retail	
Semiconductors and Semiconductor Equipment	Semiconductors and Semiconductor Equipment	
Software and Services	Internet Software & Services	Software
	IT Services	
Technology Hardware and Equipment	Communications Equipment	Technology Hardware, Storage and Peripherals
	Electronic Equipment, Instruments and Components	
Telecommunication Services	Diversified Telecommunication Services	Wireless Telecommunication Services
Transportation	Air Freight and Logistics	Road and Rail
	Airlines	Transportation Infrastructure
	Marine	
Utilities	Electric Utilities	Independent Power and Renewable Electricity Producers
	Gas Utilities	Water Utilities

Annex 2

About Diversity Action Committee

The Diversity Action Committee (DAC) was formed in August 2014 with the objective of building up the representation of women directors on boards of companies in Singapore. Mr Chan Chun Sing, former Minister for Social and Family Development, established the Committee on the recommendation of the Diversity Task Force regarding Women on Boards, as the key driver in a multi-stakeholder approach to addressing the under-representation of women directors.

Increased diversity on boards heightens the robustness of decision making and broadens the catchment of risk awareness and response, resulting in superior corporate governance. A larger number of women directors on corporate boards answers the economic reality of women increasingly deciding on business and consumer purchases. For the economy as a whole, underutilizing women at the apex of corporate decision making could hinder competitiveness. Hence the work of DAC addresses a business imperative.

Adopting a multi-stakeholder approach, the Committee will raise awareness of the importance and benefits of gender diverse boards, champion best practices that support gender diversity and inspire relevant stakeholders toward appointing women board directors. It is working with various institutions to expand the pool of board-ready women and will have regular communication with the business community.

The Diversity Action Committee is chaired by Mr Magnus Bocker, former Chief Executive Officer Singapore Exchange Ltd, and its Adviser is Madam Halimah Yacob, Speaker of Parliament of Singapore. The Committee comprises 15 leaders from both large and small organisations, and professionals from the private, people and public sectors. The members are:

Mr Magnus Böcker	Chairman, Diversity Action Committee
Mr Simon Israel	Chairman, Singapore Telecommunications Ltd
Ms Cheng Woei Fen	Executive Chairman, Mun Siong Engineering Ltd
Mr Philip Ng	Chief Executive Officer, Far East Organization
Mr Ciliandra Fangiono	Chief Executive Officer, First Resources Ltd
Mr Tang Kin Fei	Group President & Chief Executive Officer, Sembcorp Industries Ltd
Ms Claire Chiang	Senior Vice President, Banyan Tree Holdings Ltd
Mrs Lee Suet Fern	Managing Partner, Morgan Lewis Stamford LLC
Ms Yeo Lian Sim	Special Adviser, Singapore Exchange Ltd
Ms Lim Soo Hoon	Permanent Secretary (Finance)(Performance), Ministry of Finance
Dr Lee Tung Jean	Deputy Secretary, Ministry of Social and Family Development
Ms Teo Swee Lian	Independent Director, Singapore Telecommunications Limited
Ms Junie Foo	Co-Chair, BoardAgender
Mr Teo Siong Seng	Chairman, Singapore Business Federation
Mr Willie Cheng	Chairman, Singapore Institute of Directors

The work of the DAC is supported by a Secretariat (DAC_Secretariat@sgx.com).
For more details, please visit www.diversityaction.sg.