

**Speech by Ms Chua Sock Koong, Singtel Group CEO, on Gender Balance on Singapore Boards at FutureBoards Cross-Border Dialogues, 13 March 2019, 12.35pm at the Tanglin Club**

Good afternoon.

I'm pleased to be here to dialogue the future of boards and discuss women in leadership and gender diversity, topics obviously close to my heart.

I'm often asked how I've managed to make it this far as a woman. I'm sure if I were a man, I wouldn't be asked this question to begin with. When I was a junior executive travelling in the region, I remember stepping into many meetings where people would immediately assume I was the secretary standing by to serve tea. So I had to quickly develop a thick skin and learn to laugh these things off. But I hope fewer of today's women are experiencing this kind of subtle gender bias – which subtle as it is – works against seeing more women in leadership or board positions around the world.

Yes - the number of women in senior and middle management around the world has increased in the last decade. But the reality is that women are still under-represented and paid less. Only 15 percent of the board members in Singapore's top 100 listed companies are women even though this has doubled compared to four years ago.

**Be the change you want to see**

Let me share with you what we're doing at Singtel where we have always believed that we must be the change we want to see. Women represent

over a third of our Board: 4 out of 11 board members – as well as a third of staff across the Group – are women. In Australia, our Optus subsidiary has just hired a female deputy CEO. Last month, we were one of four Singapore companies listed on the Bloomberg Gender-Equality Index.

Why are we counting? Very simply, women typically make up half our customer base, so it is critical that we have a Board and workforce that are reflective of the stakeholders that we serve and our society at large. Diversity makes for richer discussions and different views so we can better understand our stakeholders. It helps us avoid group think and keeps us open-minded.

My Chairman, Simon Israel, puts it nicely when he says and I quote, *“Women on boards probably have better emotional intelligence than men, and often manage conversations in ways that are less confrontational, without being any less firm and perhaps, succeeding at being even more persuasive despite this.”* Well, we’re not arguing with him on this one!

But beyond persuasion, there are more studies that suggest there are tangible business benefits to board diversity. For example, a study of 500 locally-listed firms over a 5-year period, undertaken by the National University of Singapore, shows that gender diversity has a positive impact on financial performance. Adding one female independent director, on average, is expected to improve the company's financial performance by 11.8 percent. A recent report by McKinsey also finds that companies in the top quartile for gender diversity on their executive teams were 21 percent more likely to experience above-average profitability than companies in the fourth quartile. I hope this gets companies to sit up and

take more action to bring more women onto their boards. Women in leadership is not just nice-to-have but a must-have!

### **Set specific objectives**

So how do we go about creating more gender diversity? Our view is that boards should be clear when articulating their positions. This means setting specific objectives and working towards them. At Singtel, we have at least one female member on our Board Nominations Committee to ensure female candidates with the requisite background, skillsets and reputational standing are considered. Across the company, we also conduct periodic 'health checks', tracking gender statistics for high performance, promotions, new hires for example, to ensure healthy diversity ratios.

But we don't believe in setting quotas. It must never be about choosing a woman for her gender. As Teo Swee Lian, one of our female board members says, women don't want special treatment anyway. Any self-respecting professional wants to be picked for what they bring to the table. The right expertise, the right background and disposition and the willingness to make a deep commitment in time and energy. There's a lot of female talent out there that we can draw on without the need for quotas. But women can sometimes be overlooked due to a lack of prior board experience. On the other hand, very often, when women are chosen, they have CVs that make them 'trophy board members.' We've made it a point to be open to a wider profile of candidates who have the expertise and values to contribute meaningfully. We are looking for substance. We don't insist on prior board experience as that will surely knock out many worthy candidates.

We are also big believers in mentoring. I have personally benefited tremendously from mentoring. Women are so much more capable than they give themselves credit for. And this attitude must change. If mentoring is still needed to help women gain the confidence they need to put themselves out there, then let's continue to mentor.

### **Rank and File**

Female representation cannot stop at the top. It has to cascade through and inform the entire organization. Especially in an industry like ours which is dominated by those who've opted for science, technology, engineering and mathematics (or STEM) education pathways. We're still tackling stereotypes about STEM careers being a male domain – based on the perception that boys are better than girls in these fields. It's not surprising therefore that operationally, women are under-represented in our engineering and technical departments, particularly technical leadership roles in Singtel - but over represented in our corporate functions. This is why we have initiatives such as our Women in Leadership Series which gives female employees networking, coaching and mentoring opportunities. Our leaders – whether male and female – are being educated on inclusive leadership and mentoring. Having more women at the top will serve as inspiration for middle management and junior executives. And in time, we hope to build up an even stronger pool of female talent and leaders across the Group.

## **Diversity at large**

Beyond Singtel, we continue to do more to hopefully shift the corporate mindset in Singapore. Simon serves on the Council for Board Diversity while I work with the International Women's Forum which is dedicated to bringing women together to learn, inspire each other and build female leadership.

There is clearly so much more that we can do to close the gender gap. While board diversity is an important factor for board effectiveness and high-performing boards - that is only part of the gender equation. Women themselves, must actively step up to more board roles. My hope is that successful women will recognise how much more they can contribute to the business world and also take that much-needed leap of faith.

Thank you.