

SPEECH BY MS SIM ANN, SENIOR MINISTER OF STATE, MINISTRY OF TRADE AND INDUSTRY, AT SIAS' 18TH INVESTORS' CHOICE AWARDS PRESENTATION DINNER CEREMONY ON TUESDAY, 19 SEP 2017 AT 8.00PM, MANDARIN ORCHARD, SINGAPORE

Mr David Gerald, Founder, President & CEO, Securities Investors Association (Singapore)

Distinguished Guests,

Ladies and Gentlemen,

Good evening

1. I am delighted to join you at the Securities Investors Association (Singapore) ("SIAS") 18th Investors' Choice Awards presentation ceremony.

2. Corporate governance is an issue that is important to many of us. It facilitates the long term success of a company, while safeguarding the interests of stakeholders. Every company needs to develop a structure and processes to provide greater accountability and transparency to its stakeholders.

Beginnings of SIAS

3. SIAS was started in 1999 to protect the interests of Singaporeans whose shares were frozen in the investment on the Central Limit Order Book, Securities, Malaysia (CLOB). This incident made the public realise that they needed a voice to protect the interests of minority shareholders in Singapore.

4. Today, SIAS has grown to about 72,000 members, including a Youth Chapter with 2,500 members. Its initial aim remains - that is to protect and improve the financial well-being of Singaporeans and raise the standard of Singapore's capital markets.

Championing Investor Rights

5. Market risks, political risks and global economic uncertainty are some of the external factors that affect investment decisions and outcomes. We are unable to foresee all the potential risks, and sometimes, investments do not perform as well as expected.

6. One recent example is the prolonged downturn in the Oil and Gas industry, whereby some of the industry players were unable to fulfil bond payments due to depressed oil prices. To help individual investors who were unsure of their rights and had difficulties coming together to discuss their concerns, SIAS aggregated bond holders and provided a platform for them to better understand their rights and to further engage with the relevant parties.

SIAS Investor education programmes

7. Singapore has established itself as a thriving financial hub in the region with deep and liquid capital markets. The bond market has grown over the past decade with an extensive range of Singapore government securities and foreign corporate bonds. The Singapore Exchange (SGX) has listed close to 800 companies from diverse sectors and we are one of the largest Real Estate Investment Trusts (REIT) markets in Asia.

8. Singapore is also growing to be a major global and treasury hub. We house major global foreign exchange dealers and enjoy one of the highest volumes of foreign exchange daily turnover in the Asia Pacific.

9. While Singaporeans benefit from the wide range of investment opportunities, they must be mindful of the risks involved, and do their due diligence to understand the features and risks of each investment that they undertake. In this regard, I commend SIAS for their ongoing efforts in organising investor education programmes. These programmes allow their members to be introduced to the basics of investing and help them understand the various investment strategies and products. I am happy to know that to date, about 200,000 members have attended SIAS' investor education programmes.

10. Despite all that it has accomplished, SIAS is still looking for new ways to reach out to more people. This year, SIAS partnered the Monetary Authority of Singapore (MAS) and MoneySense to launch a series of campaigns, targeting different groups of investors and addressing their needs. The campaigns educated investors on how to avoid investment scams and highlighted the red flags and important considerations for every investment.

11. Together with the Accounting and Corporate Regulatory Authority (ACRA) and the Institute of Singapore Chartered Accountants (ISCA), SIAS also issued a new guide earlier this year to help investors understand how they can take

advantage of the enhanced disclosures in audit reports to better evaluate a company.

Corporate governance and Investors' Choice Awards

12. Businesses are increasingly recognising that a focus on sustainability can help them manage their social and environmental impact, while improving their overall governance and operating efficiency. At the same time, enhancing transparency and stakeholder engagement helps to foster public trust and may provide firms with better access to capital. To reflect this mind-set shift, SIAS has introduced two new Investors' Choice Awards for listed companies this year. The Sustainability Award recognises companies who put effort in environmental, social and government issues, while the Shareholder Communications Excellence Award will be given to companies with exemplary stakeholder engagement.

Conclusion

13. Tonight, we recognise companies which have demonstrated good corporate governance practices and contributed to the development of our capital markets. In the face of global economic uncertainty, we must continue our efforts in developing an informed and educated investor community. This will lead to a stronger investor voice and spur companies to upgrade their products and services. Congratulations to all the award winners and I wish everyone a pleasant evening ahead.

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