

Singtel claws back governance and transparency crown



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BY ANGELA TENG • AUGUST 18

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Singtel, which topped the annual Governance and Transparency Index from 2009 to 2012, beat out its competitors this year with an overall score of 118 points, according to a report published today.

The GTI, jointly published annually by CPA Australia and NUS Business School's Centre for Governance, Institutions and Organisations (CGIO), is a scorecard that assesses the financial transparency of companies based on their public announcements.

Singtel's competitors StarHub, placed 20th with 86 points, while M1 was not included in the top 20 rankings.

Singtel was lauded for consistently upholding high corporate governance standards, such as engaging professional consulting firms to independently evaluate remuneration packages for its directors and key management, as well as disclosing the detailed policy on payment of dividends, the report said.

SGX took the second spot with 114 points, followed by Keppel Corporation with 112 points. CapitalLand and DBS Group tied at fourth place with 111 points each.

This year's index ranked a total of 639 SGX-listed companies which had released their 2014 annual reports by the end of May.

"Standards of corporate governance among Singapore-listed companies have reached an all-time high since the GTI was conceived — a fine tribute to how companies have strived to improve their governance and transparency practices. While there is always room to be better, the performance so far is a significant step in the right direction on this journey," said Mr Melvin Yong, Singapore Country Head at CPA Australia.

Associate Professor Lawrence Loh, Director of CGIO and leader of the GTI project said: "Over the last five years, the governance of our listed companies has improved steadily. The GTI has provided a strong foundation for companies to level up to the standards required to compete more effectively in the connected international business setting. It is critical for our companies to be in line with global best practices."

Due to the changing business operating environment, companies will be assessed under an enhanced framework from next year.

Under the Singapore Governance and Transparency Index (SGTI), companies will continue to be assessed on matters relating to board, remuneration, accountability and audit, and transparency and investor relations. Additional factors such as how they handle a broader range of stakeholders, including employees, customers, suppliers, regulators and the community, will also be taken into account.

In the coming months, the producers of SGTI will also examine existing models of corporate governance assessments across the world and apply the relevant lessons to the new index.