

S'pore trusts fare well in new index

Real estate investment trusts (Reits) and business trusts in Singapore scored well in a new corporate governance ranking but like other listed firms, disclosure was the poorest when it came to remuneration details.

Keppel DC Reit, Parkway Life, Soilbuild Business Space, AIMS AMP Capital Industrial and Starhill Global were the top five in the new Governance Index For Trusts unveiled yesterday. SPH Reit was 13th.

This is the first league table for the 45 Reits and business trusts listed here. They have a total market capitalisation of about \$85 billion.

The index was developed by corporate governance expert Mak Yuen Teen and active investor Chew Yi Hong, with the support of accounting body CPA Australia.

“Existing governance indices in Singapore exclude this class of assets because their governance structures and practices, and applicable rules and regulations, are different from that of listed companies,” Professor Mak said. He noted that the 43 trusts assessed did “quite well”, with an average score of 65 out of 100.

Singapore Exchange chief regulatory officer Tan Boon Gin hopes that the index will not only “increase transparency, but also act as a catalyst for Reits and business trusts to benchmark themselves against one another and to raise overall corporate governance standards of the sector”. —**THE STRAITS TIMES**