

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

MINUTES OF 20th ANNUAL GENERAL MEETING

HELD ON : 30 October 2019

VENUE : SGX Auditorium, SGX Centre 1
2 Shenton Way, Singapore 068804

TIME : 3.30 pm

Meeting called to order : 3.30 pm

Attendance : 46 members

Chairman of the Meeting : President, Mr David Gerald J.

Committee Members

Present : **Mr Loh Uantchern** Vice President
Mr Lawrence Leow Hon. Secretary
Mr Robson Lee Asst. Hon Secretary
Mr Robin Chin Sin Beng Committee Member
Mr Ang Hao Yao Committee Member
Ms Emily Goh Committee Member

1. The meeting was called to order by Chairman at 4.00pm with the Hon. Secretary advising Chairman that there were 46 members in attendance, constituting a quorum.

2. **Minutes of the last AGM**

Chairman introduced the agenda and called for a proposer to confirm the minutes of the last AGM on October 30, 2018 which was posted on the website. Quek Loo Ming proposed that the minutes be passed with I A Angullia seconding the motion. There being no objection, the minutes were confirmed.

3. **Annual Report 2018/19**

Chairman presented the Annual Report.

Chairman informed that SIAS was indeed honoured to have the congratulatory messages on the event of SIAS 20th Anniversary from many distinguished leaders, including Prime Minister Lee Hsien Loong, DPM Heng Swee Keat, SIAS Chief Patron and Former President of Singapore, Dr Tony Tan, Senior Minister Mr Tharman Shanmugaratnam, Mr JY Pillay, Mr Ravi Menon, MD of MAS and Mr Kwa Chong Seng, Chairman of SGX.

Chairman summarised the activities for the year with the following breakdown:

Description	No.of Activities	No.of Attendees
Investor Education Programme	69	6601
Investor Rights	40	3252
Corporate Governance	7	2255
Roadshow	14	26292
TOTAL	130	38400

This year, as SIAS prepared for the 20th Anniversary celebrations, SIAS organised a total of 130 activities reaching out to 38,400 participants. While SIAS continues to drive investor education as its core activity helping investors make informed decisions, however we saw an increase in the number of dialogue sessions held. This was primarily caused by the restructuring of Hyflux, which has affected almost 50,000 retail investors who had invested in their Preference shares, Perpetual securities, MTN bonds and shares.

While the number of events held in the last financial year came down from 147 to 130, the number of attendees increased by over 80% to reach 38,400. We have been organising larger events to cater to the demands of investors.

This year, being the 20th Anniversary, SIAS also focused on new initiatives like the inaugural Master Series Investment Conference held in July 2019. This and other activities kept the Association very busy. Let me now run through briefly the three areas of activities: Investor Education, Investor Rights and Corporate Governance.

SIAS conducted 69 investor education programmes and participated in 14 investor education roadshows reaching out to a total of almost 33,000 participants. SIAS investor education programmes cater to all ages and investing sophistication, with the bulk getting people started and being confident in investing.

For Youths, SIAS has adopted the investment clubs of the 4 local universities and support their programmes with speakers. We also encourage youths to also participate in our organised investor education programme. Today we can see more youth participation at our investment seminars. Last year, the My Money @ Campus extended to Polytechnics, further extending our reach to the youths.

We continue to collaborate with People's Association on the programme "Understanding Money for Senior Citizens". We also collaborate with MoneySense and ABS to organise the My Money seminars which is now in its 10th Year.

The Analysing Company and REIT Financials workshop run by resident trainer, Mr James Leong, continues to attract participants as they find him very engaging making the learning easy and insightful. We continue to bring investors and companies together, so that they better understand the companies, hearing directly from senior management on their business strategies, opportunities and risks at the Corporate Connect seminars.

At the Investment Chapter programme, we make investors confident

investors; taking investors through from understanding their risk appetite, to how to select stocks using various strategies, build a portfolio and monitor their investments. This intensive course is run over 8 sessions and is gaining attraction with the sessions running at full capacity. We continue to also provide updates on the market with weekly Market Updates and have organised several market outlook and stock pick seminars.

Moving forward we will be looking to make more of our content available on mobile and on the web. This will enable us to widen our reach, especially the millennials. Our objective is to grow the investor base and thus need to reach out to the younger people to make them informed investors.

Last year SIAS was extremely busy with 40 dialogue sessions conducted and providing numerous advisory opinions on corporate actions in the press. The main issue dominating the year was the Hyflux debt restructuring, which has affected about 50,000 retail investors. SIAS was instrumental in setting up the steering committees for the MTN noteholders as well as for the Perpetual and Preference shares holders, and appointing advisors for the committees. The steering committees, provided feedback through their advisors, on their views of restructuring so that it can be incorporated into the proposal by the company.

While SIAS maintains the stance of “in the boardroom and not the courtroom” approach to resolving issues, SIAS felt the need to issue and publish a letter with 34 probing questions to the Hyflux board as transparency and accountability for the state of affairs of the company was not forthcoming.

One notable trend today, is that a good number companies are approaching SIAS first to discuss the best way forward when there are contentious issues or undertaking corporate actions. There is a growing awareness by companies to consider the interests of minority stakeholders and to engage

them in corporate actions.

SIAS also worked with SGX and SID on the Guide to Best Practices for Shareholder Meetings of Listed Companies. This timely publication provides guidance not only to shareholders but to company directors too. This comes after the Stamford Land issue. We hope all stakeholders can use this guide for more productive meetings.

In September 2018, SIAS was invited by the Thai Securities and Exchange Commission (SEC) to jointly organise the inaugural Corporate Governance Conference in Bangkok in 2018. This was our first overseas invitation and it was very well received. We will continue to explore opportunities to export our programmes.

SIAS' Global Corporate Governance Conference continues to attract notable speakers, with Special Guest from the US SEC Commissioner, Mr Robert Jackson participating at our Conference last year. With over 19 speakers & panelists and attended by 354 delegates, with total a geographical distribution spanning across 7 countries, the Conference discussed issues relating to changing corporate governance landscape and how would investor rights be promoted. SIAS is also pleased to be asked, once again, by Charity Council to organise the Charity Governance Conference as part of the Singapore Corporate Governance Week.

SIAS organises conferences as a means to update companies and corporate governance professionals to adopt global best practice so as to raise the level of corporate governance practices in listed companies. In addition, we continue to recognise and reward companies that excel in corporate governance through the Investors Choice Awards. Based on past research on the winners of SIAS Investors Choice Awards by SMU, the winners outperformed the STI index.

SIAS continues to publish the quality of meetings and engagement with shareholders through the Q&A on Annual Reports initiative. Since we commenced this initiative, we have covered nearly 600 listed companies and issued over 1000 sets of questions. The questions focuses, thus far, have been on directors' responsibilities, remuneration, independence on the board, diversity, director training and questions on their business strategies. Accounting matters such as the adoption of SFRS (I), material variances and audit disclaimers; responses to changes in the listing rules and Code of Corporate Governance.

From our research SIAS observed that companies can do better at providing shareholders with more clarity on their business models. They should clearly demonstrate how they generate value for shareholders. The full findings are published in the annual report.

We also rate and track companies on the corporate governance practices. While there has been gradual improvement in the scores, the quality of disclosures can still improve. We continue to publish the rankings of the companies in 5 bands on our website.

Chairman reported the next step for SIAS.

He highlighted that MAS has come forward and offered to fund SIAS as SIAS' independence and existence are important for the Singapore capital markets. Now that the long term funding is secure, let me elaborate on three areas which will enable SIAS to stay relevant in the coming years:

Expanding corporate governance to embrace sustainability - Investor interests globally on environmental, social, and governance (ESG) issues have finally reached a tipping point. SIAS will do more by incorporating sustainability questions into our questions to companies on the annual reports and also help shareholders understand sustainability reports and ask

the right questions, especially in the areas of risk disclosures. Sustainability reporting should be an integral part of the annual report and no longer a side show.

SIAS will also do more by Embracing technology for investor education and re-start equity research for wider reach. Today, how the millennials consume information has changed. SIAS too must continue to evolve and develop the way we interact with and provide information to this new generation of investors. We are looking to develop digital tools to maximise our engagement with the investment community of all ages.

SIAS also plans to re-start equity research on companies, much needed by retail investors, and provide guidance to them. This will widen our reach to help more investors invest wisely. This will be independently funded.

Finally, SIAS aims to Advance investor rights by being more proactive. At inception of SIAS, we decided that resolving issues in the boardroom and not the courtroom would be our primary modus operandi to achieve success. We felt strongly that this approach would help Singapore's economy, its capital markets and its investors by focusing on value preservation and minimising disruption.

SIAS will increase interactions with companies so as to be more proactive in advancing investor rights in Singapore. We will commence by engaging companies to publish their responses to our questions on their annual report and track companies conducting corporate actions, for example general offers and delisting to ensure that rights of minority shareholders are advanced. Nevertheless, we will continue with our tripartite approach of resolving issues "in the boardroom, not the courtroom".

Chairman called for the annual report to be passed, with Simon Wong Kang Joo proposing the motion to pass the annual report with Patrick Tan

seconding the motion. There being no objections, the Annual Report was passed.

4. Adoption of Audited Accounts for July 2018 to June 2019

Vice President, Mr Loh Uantchern presented the Audited Accounts for July 2018 to June 2019. He highlighted that the auditors have provided a clean report of the SIAS financial position.

2017 was an exceptional year as SIAS benefited from the funding of MAS for the Investment Scam Campaign. Notwithstanding, SIAS' Gross Income this year (FY2019) increased by \$154,841 (6%) compared to last year (FY2018). The Surplus fell due to more activities specifically 20th Anniversary Celebration Activities.

The income drivers of SIAS are mainly revenue from Seminars, CGWeek, Sponsorship and Donations.

The increase is mainly due to Corporate Governance Week 2018, Investor Education Sponsorship due to SIAS' 3 Questions initiative and donations received due to SIAS 20th anniversary launch in June 2019.

Total expenditure increased by \$208,222 (9%). The increase is mainly due Operating expenses such as the 20th Anniversary launch in June 2019 and an increase in expenses related to SIAS 3 Questions Initiative.

Comparing this year with last year, Employee benefits expense increased by 4% due to staff salary adjustments. Nevertheless, SIAS continue to monitor expenses and manage to reduce services consumed.

Simon Wong Kang Joo proposed to pass the audited accounts I A Angullia seconded the motion. There being no objection, the Audited Accounts were passed.

5. Appointment of Auditors

I A Angullia proposed that RSM be appointed as auditors for the ensuing year and was seconded by Simon Wong Kang Joo. There being no objections, RSM was appointed as auditors for the ensuing year.

6. Elect members to the Management Committee

Chairman informed that all nominees have to file their nomination in a prescribed form and the nominees have to be approved by a Nomination Committee. The Nomination Committee comprises of three Committee Members, Mr Ng Siew Quan from Pricewaterhousecoopers, Mr Robert Yeo, former Singapore Training and Development Association Executive Director & CEO, and Mr Vincent Chen, a private investor. The Nomination Committee received the nomination 21 days before the election to review the candidates suitability to stand as officers for the Association.

Chairman informed that the Nomination Committee received all 10 candidates nomination forms on 11 October and approved all candidates on 14 October under clause 11.2 of SIAS Constitution. No objections were received so all 10 candidates were returned unopposed.

The nominees for Management Committee 2019 – 2021 are:

Mr. David Gerald	President
Mr. Loh Uantchern	Vice President
Mr. Ang Hao Yao, CFA	Honorary Secretary
Mr. David Toh	Honorary Treasurer
Mr. Robson Lee	Asst. Honorary Secretary
Ms. Emily Goh	Asst. Honorary Treasurer
Mr. Lawrence Leow	Committee Member

Mr. Melvin Yong	Committee Member
Mr. Robin Chin	Committee Member
Mr. Mervyn Lim	Committee Member

Chairman also informed that two additional Committee Members, Mr Luke Lim and Ms May Loh would be appointed to the committee following the AGM as allowed under the Constitution.

Chairman proposed that members to elect the management committee as a team. Patrick Tan proposed the election of the Management Committee 2019-2021 with Simon Wong Kang Joo seconding the motion. There being no objections, the new Management Committee was accepted.

7. Any Other Business

Chairman informed that SIAS has not received any request in writing for any item to be discussed or transact any other business with 7 days clear notice. That being the case, Chairman called the Annual General Meeting to a close.

The meeting was called to an end at 4.40pm.

Lawrence Leow

Hon. Secretary