

# Singapore Board Diversity Report: A Focus on the Female Factor

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# Centre for Governance, Institutions and Organizations

- Established by NUS Business School in 2010
- Aims at promoting impactful research on governance issues relevant to Asia
- Organizes public lectures, industry roundtables and academic conferences on topics related to governance
- Issues rankings and indices such as the Governance and Transparency Index

# Boardroom Diversity

- Boardroom diversity is increasingly part of corporate governance discussions and metrics
- Diversity encompasses issues such as education, expertise, gender, minorities, industry experience, etc.
- General idea: more diverse boards are more effective and responsive

*“the greater the variety within a system, the greater its ability to reduce variety in its environment through regulation.”*

## **The law of requisite variety**

W. Ross Ashby

“It is imperative for boards to comprise an appropriate mix of skills and mindsets. Our listed companies are encouraged to review their Boards’ composition and balance of gender diversity, to meet the increasing demands from investors on good governance and corporate sustainability. An effective board allows independence and diversity of thought.”

**Magnus Bocker**  
**CEO, Singapore Exchange Ltd (SGX)**



# Focus on the Female Factor

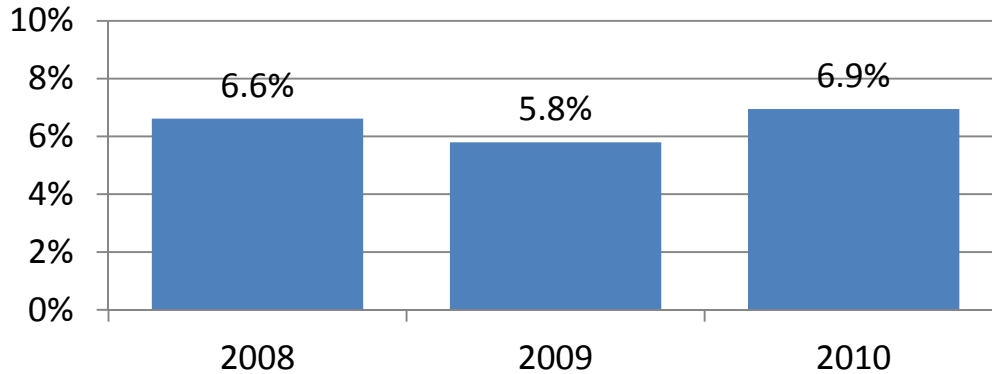


# About this study

- Focuses on gender diversity
- Based on a comprehensive study of all SGX-listed firms (2008-2010)
  - Over 5,000 directorships
  - Over 730 companies
- Topics:
  - Gender diversity by company and industry
  - Board composition and leadership roles
  - Director profiles

# Gender diversity in Singapore-listed firms

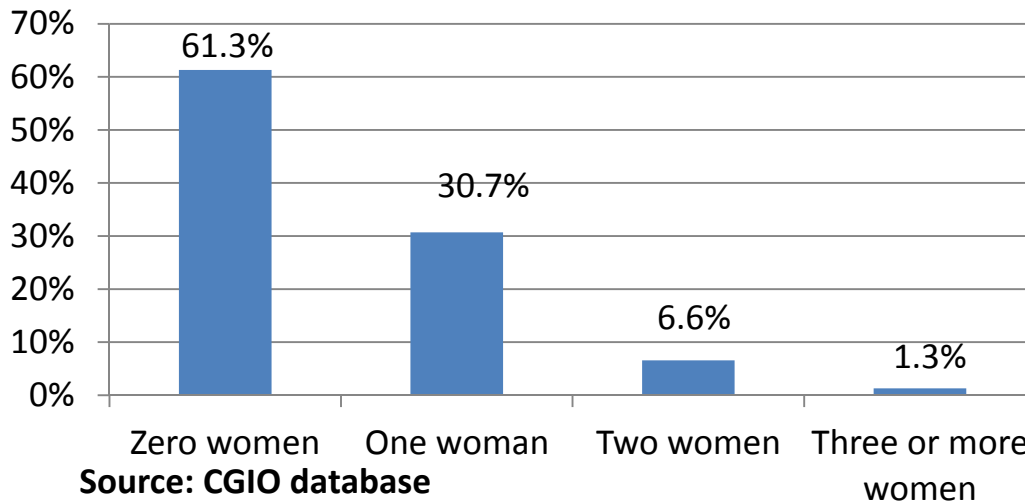
Singapore directorships held by women



Source: CGIO database

- Women held 6.9% of all boardroom positions

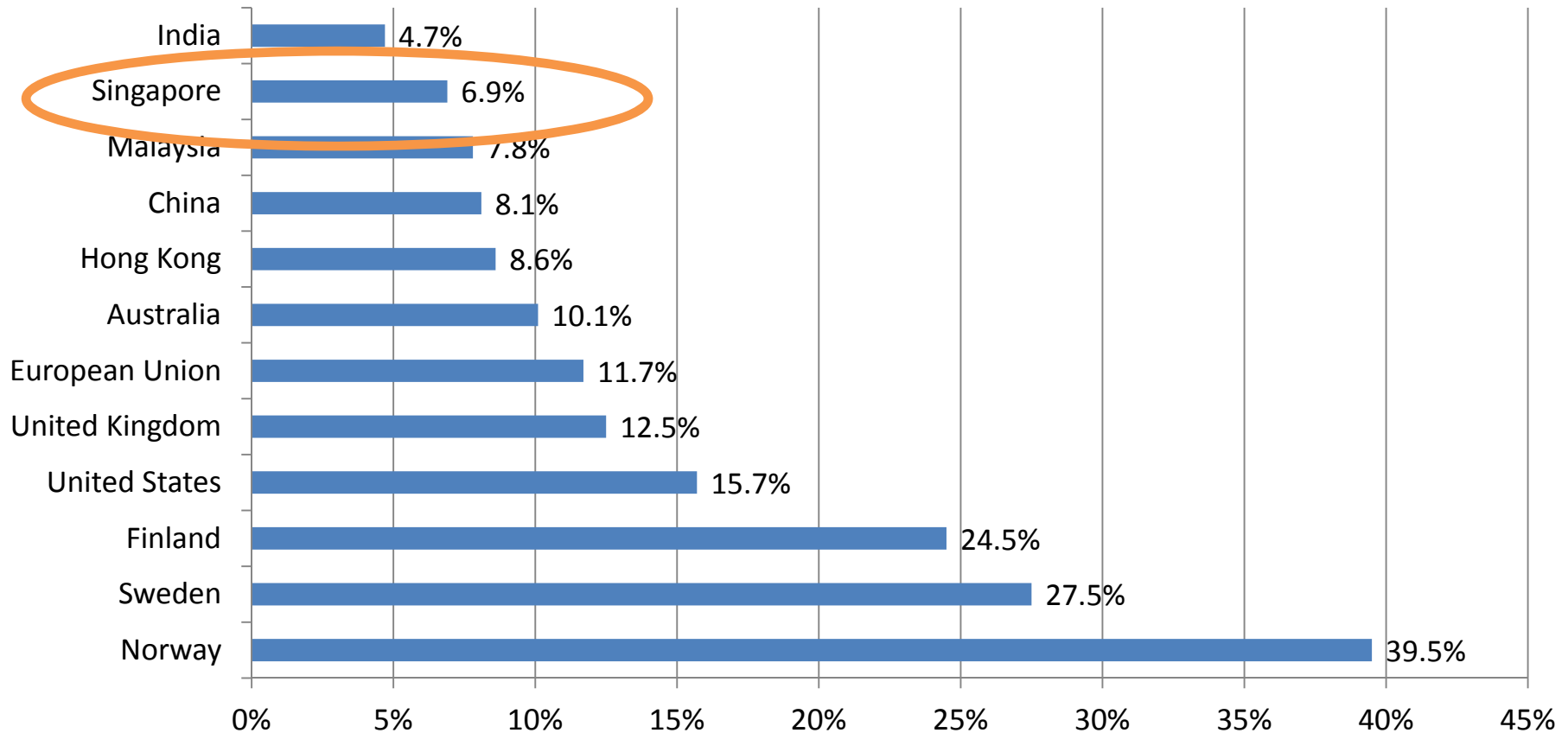
Female directors by company (2010)



- Over 60% of SGX-listed firms did not have a single woman on their board



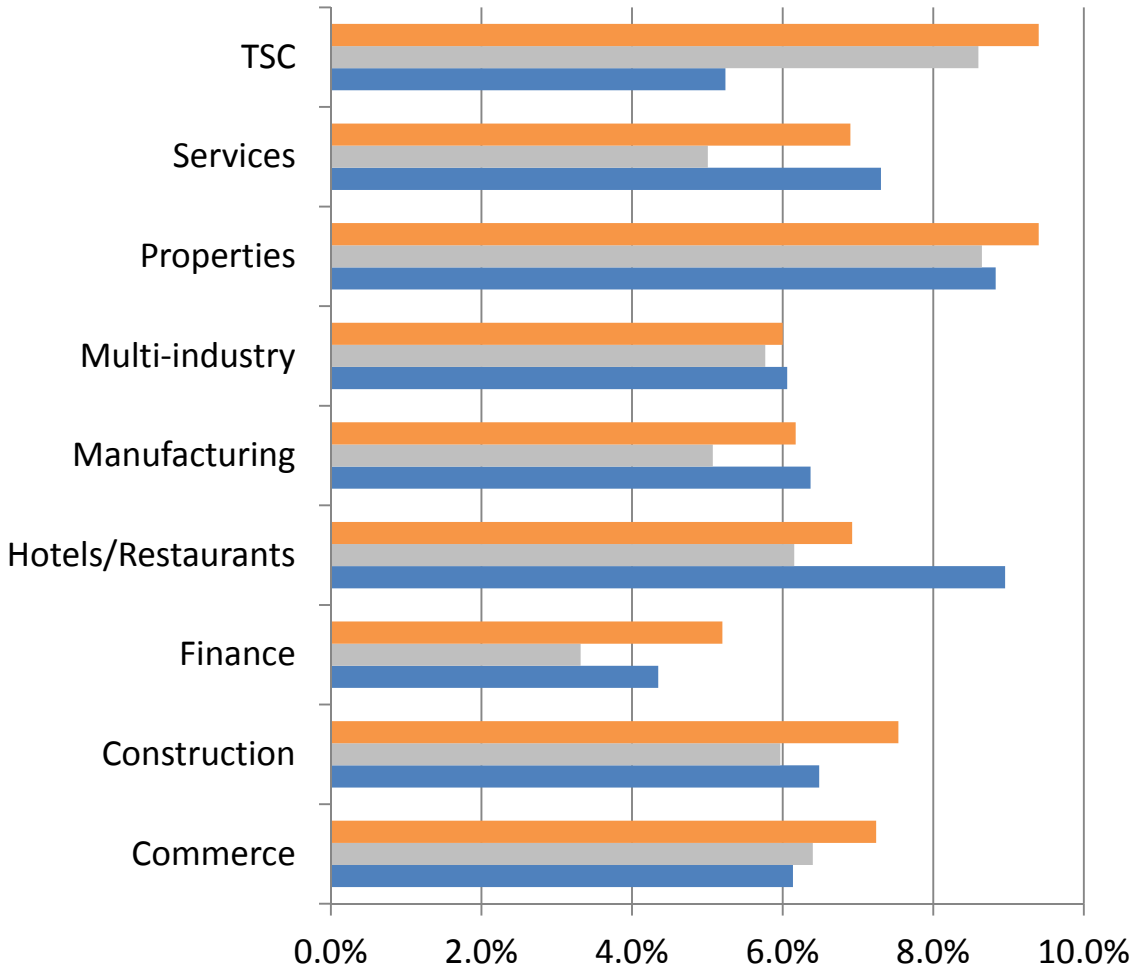
# Boardroom gender diversity globally



Sources: CGIO (Singapore); Korn Ferry Institute (India, Malaysia, China, Hong Kong); Women on Boards (Australia); Cranfield University School of Management (UK); European Professional Women's Network (EU); Catalyst (US, Finland, Sweden, Norway)

# Female directors by industry

Source: CGIO database



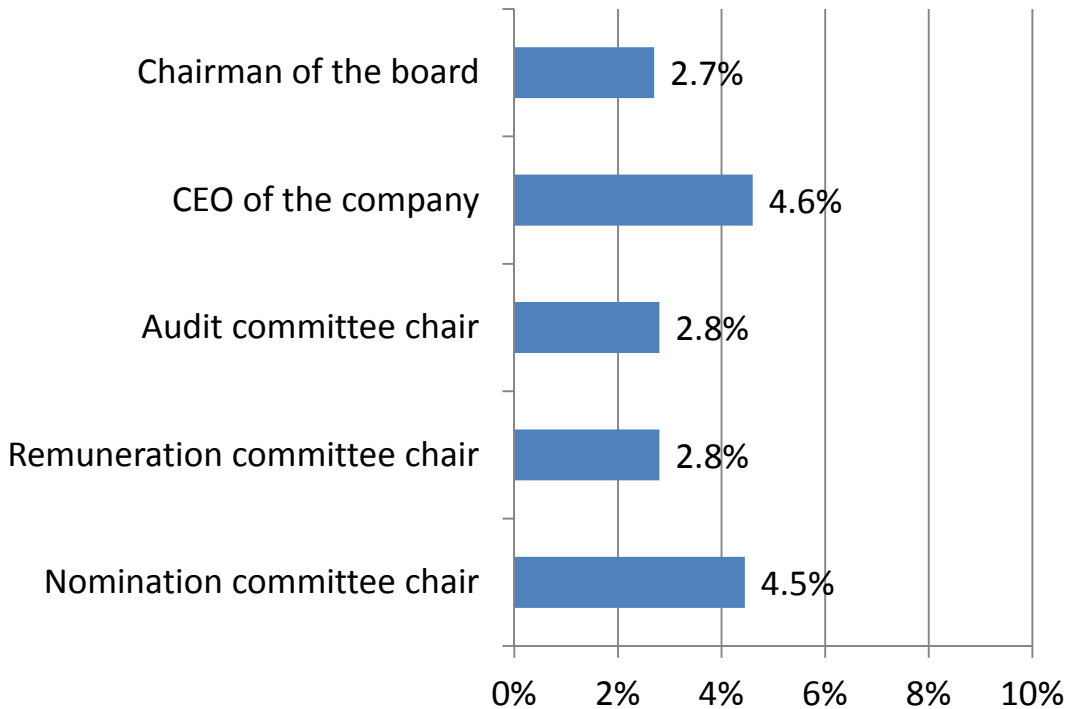
- Finance sector scored lowest with 5.2%

- Best scoring industries:

- TSC (9.4%)
- Properties (9.4%)

# Boardroom diversity in Singapore

## Women's share of board leadership (2010)

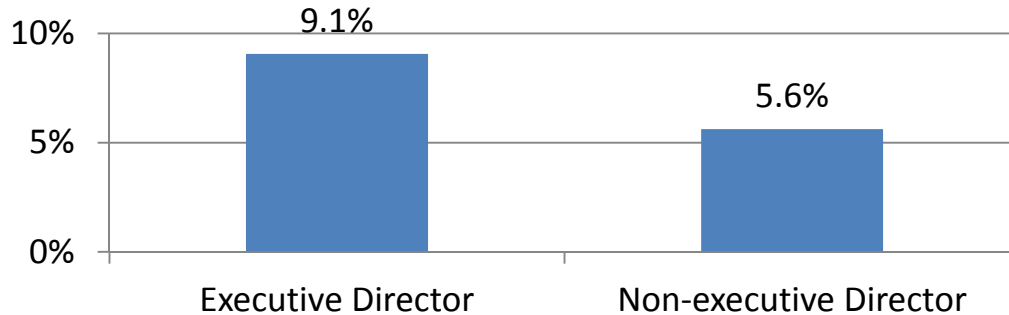


Source: CGIO database

- Leadership positions for women in boardrooms remain low
- 2.7% of board Chairmen and 4.6% of CEOs being women for SGX-listed companies

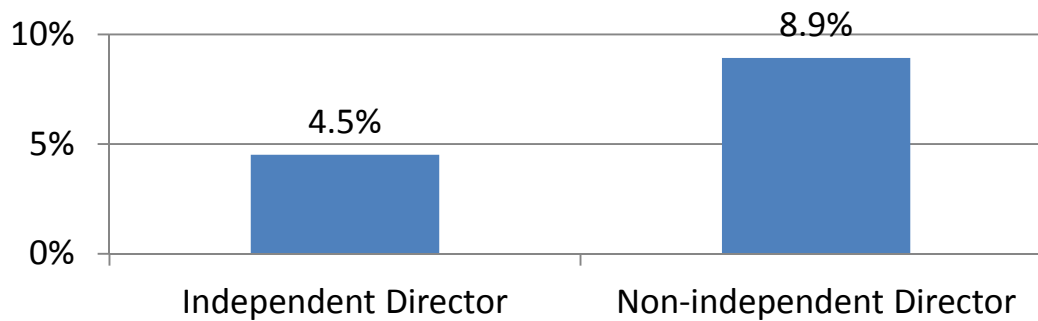
# Type of directorships women hold

**Female executive & non-executive directors  
(2010)**



Source: CGIO database

**Female independent & non-independent  
directors (2010)**

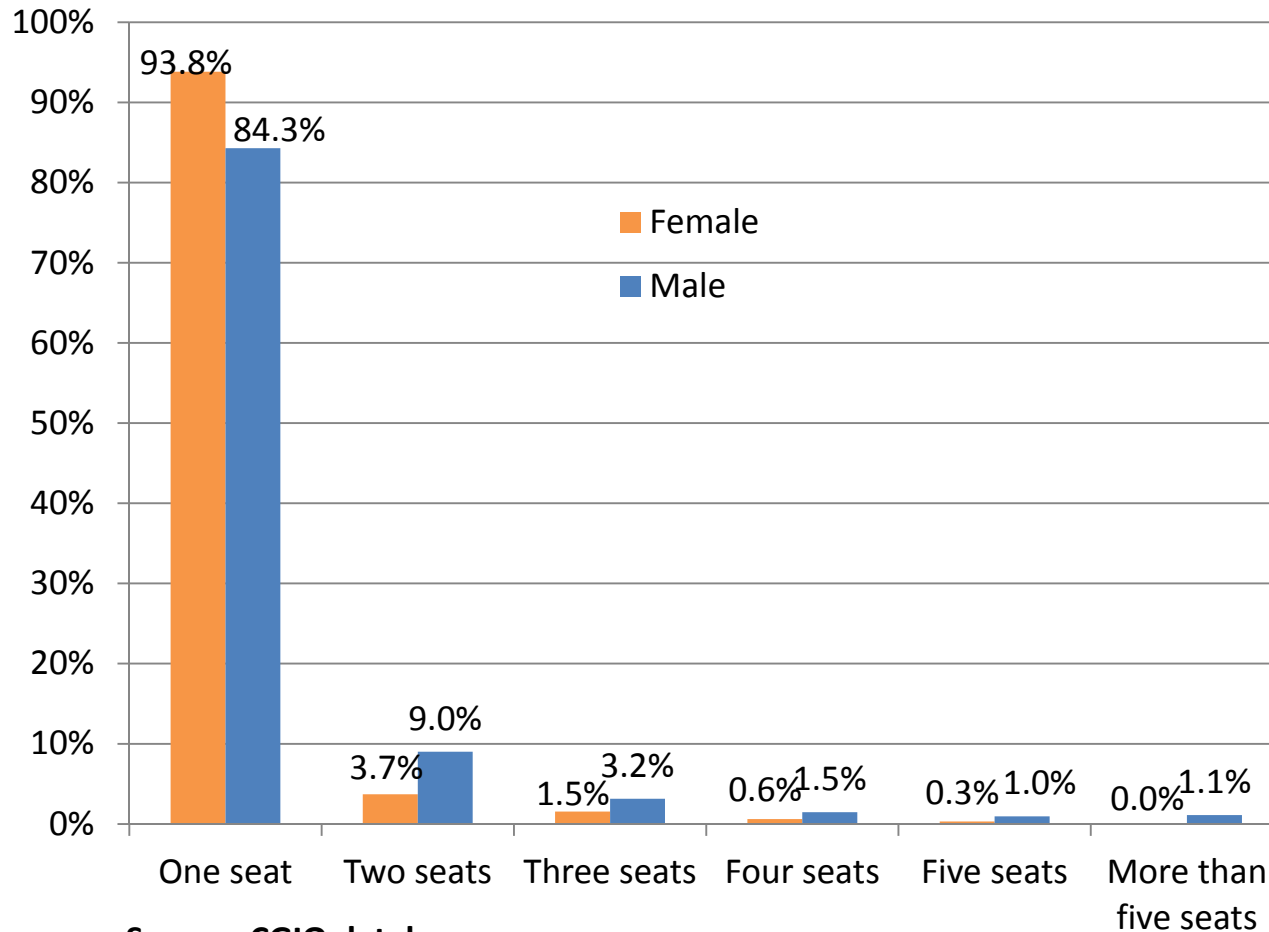


Source: CGIO database

- Difference between the percentage of women holding executive and non-executive directorships

# Concentration of power

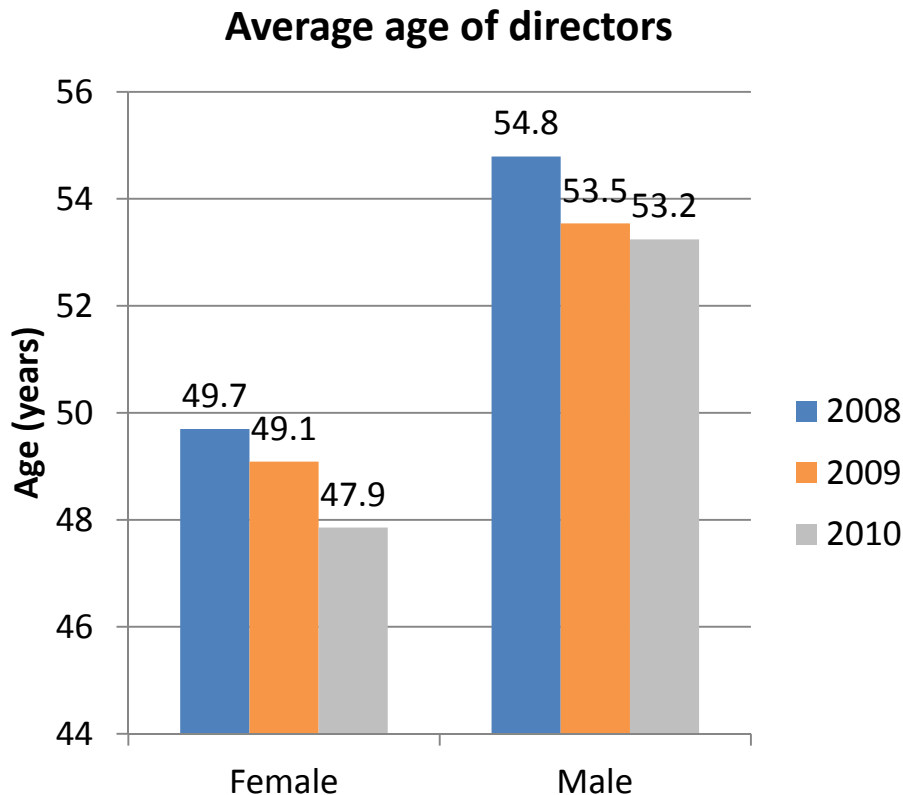
Quantity of board directorships held (2010)



Source: CGIO database

- Women held fewer board directorships
- None held >5 directorships in SGX-listed companies

# Age of directors

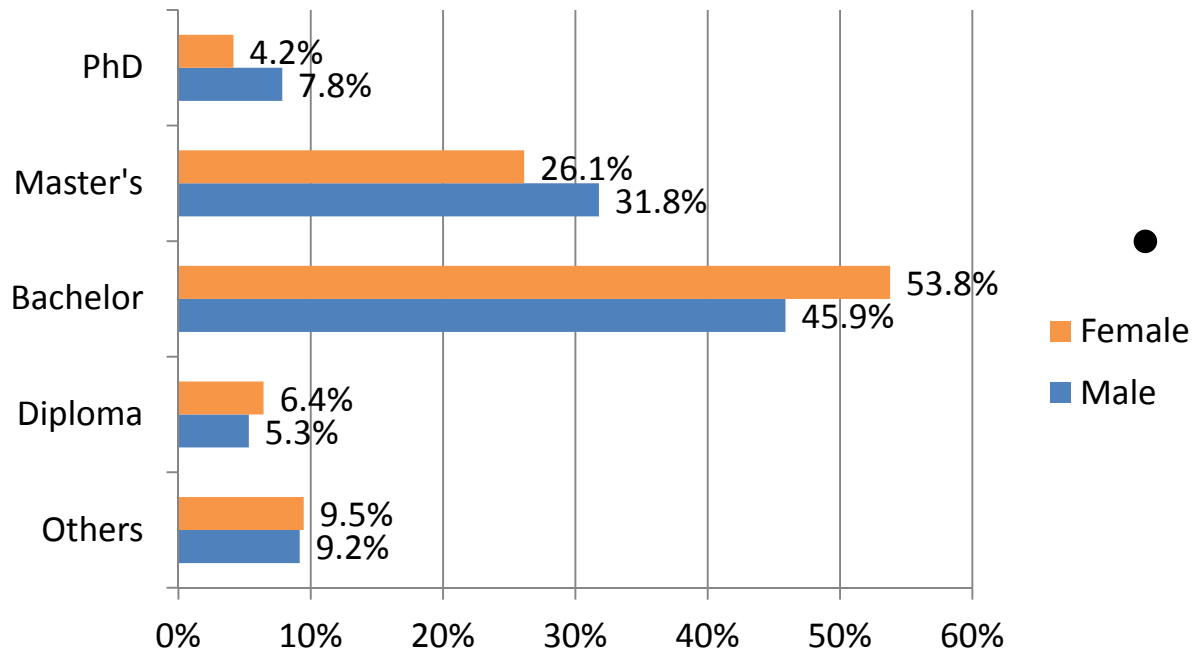


Source: CGIO database

- Women directors are younger
- More female directors under 40: 16%
- Women retire: among directors of 65 and above only 1.5% are women

# Education of directors

Educational qualifications (2010)



Source: CGIO database

- Women directors show different educational profile
- Male directors: 40% above bachelor level; female directors 30%

# Conclusions

- Singapore has relatively few female directors
  - Compared to developed countries and regional peers
  - Trend data do not suggest that this will rapidly change
- It will take 158 more board seats held by women to reach 10% female representation on SGX Boards.
- Differences between male and female directors in:
  - Roles: Executive and non-executive
  - Number of board positions
  - Age
  - Formal education



# Future

- Continue to issue the Singapore Board Diversity Index annually
- Collect more data on the profiles of women directors and their career paths
- Identify best practices and document relevant case studies
- Find one or more partners to ensure continuation of this research on a sustainable basis

Thank you for your attention

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