



Corporate Governance, Risk Management And Directors' & Officers' Liability Survey Of Listed Companies In Singapore 2006/2007

Commissioned by:
Jardine Lloyd Thompson Asia

Conducted by:
**Corporate Governance & Financial Reporting Centre
NUS Business School, National University of Singapore**



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Executive Summary

The "Corporate Governance, Risk Management and Directors' and Officers' Liability Survey of Listed Companies in Singapore (2006/2007)" was commissioned by Jardine Lloyd Thompson Asia and conducted by the Corporate Governance and Financial Reporting Centre, a unit of the NUS Business School, National University of Singapore. The survey was designed to assess the awareness of corporate governance, risk management and directors' and officers' (D&O) liability issues in Singapore. 66 valid responses were received.

The major conclusions, reflecting the perceptions held by the respondent Singapore companies, are:

1. 4 in 10 companies still do not have a formal enterprise-wide risk management process in place while less than a third have a formally-approved risk management policy.
2. Almost half the respondents indicated that there is no formal reporting of the risk measurements, such as key risk indicators and standards, to the board of directors.
3. Two-third of the respondents said they report the risks faced by companies in their annual report. However, a majority also indicated that their annual reports do not contain a separate risk management report, disclose the risk management policy or describe the strategic risk management approach of the company.
4. Despite calls for greater transparency in director remuneration, nearly 40% of the respondents indicated that their companies have no plans for disclosing detailed director remuneration.
5. More than two-fifth of the respondents said that the link between the pay of executive directors to shareholder value has been increased while 35% of the respondents said their companies have no plans for doing so.
6. Nearly two-third of the respondents said their companies provide continuous education to their directors and officers on corporate governance issues and their legal duties and liabilities. However, around a fifth of respondents from companies which have D&O insurance said that directors are not briefed on key features and the extent of the coverage provided by the D&O policy.
7. Almost all the respondents were of the view that practising good corporate governance provided the best defence against liability for directors and officers. 85% of the respondents also said that D&O liability insurance is an essential part of a listed company's insurance programme.



8. Around three-fourth of the respondents were of the view that having D&O liability insurance helps attract and retain experienced directors while a similar proportion reported an increased interest in the scope of D&O insurance coverage by their directors and officers.



About the Survey

Objectives

The survey had three objectives:

1. To assess perceptions held by senior executives of companies regarding the current state of corporate governance in Singapore.
2. Assess the risk management practices and controls in place at companies in Singapore
3. Assess awareness levels i) among directors and officers about their personal liabilities and related issues ii) of the existence of D&O liability insurance to cover such risks.

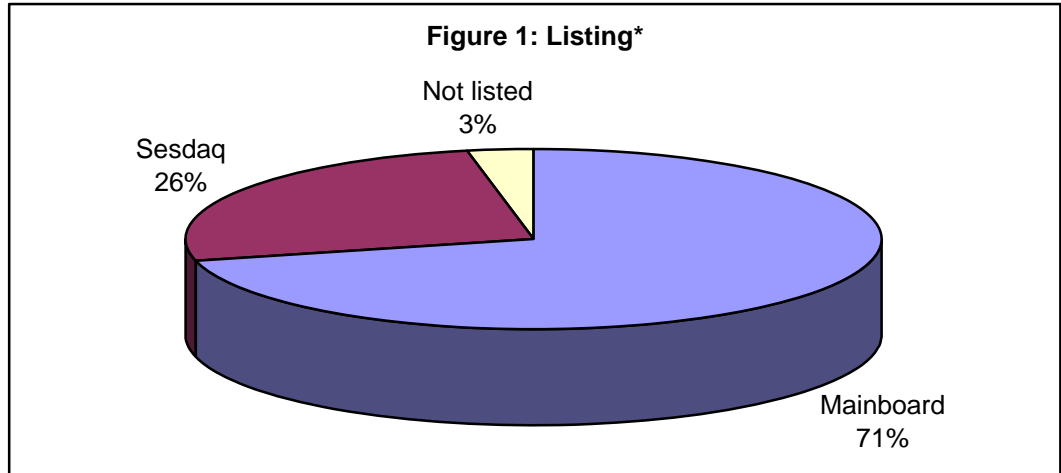
A separate section on risk management was added to this year's survey, due to the increased attention it has been receiving in the wake of several corporate scandals in Singapore and overseas. Changes in awareness of the corporate governance and D&O insurance issues since the previous survey conducted in 2005 are also reported.

Survey Methodology

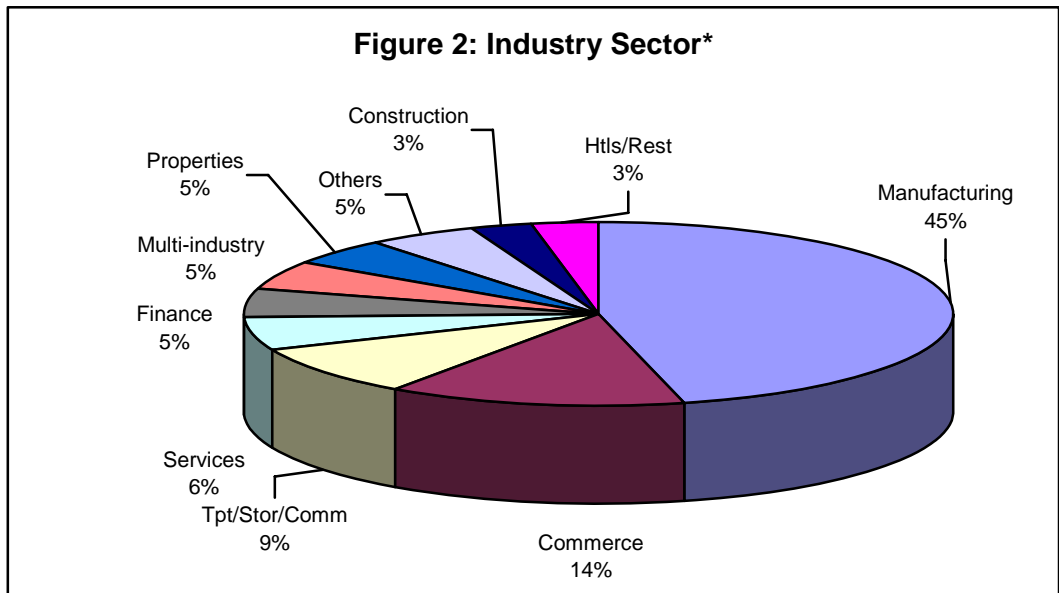
The survey was commissioned by Jardine Lloyd Thompson Asia, a leading provider of insurance broking and risk management expertise, and conducted by the Corporate Governance and Financial Reporting Centre (CGFRC), a unit of the NUS Business School, National University of Singapore. The survey questionnaire was based on the "Corporate Governance and Directors and Officers Liability Survey of Listed Companies in Singapore" which was conducted by the CGFRC in collaboration with JLT in 2005. The survey was administered from October 2006 to March 2007 with an option of postal or online response. Respondents had the choice of not disclosing their identity.

Respondents

The survey was sent out to all the companies listed and incorporated in Singapore, which either had an email address or a local postal address. The survey was addressed to chief executive officers based on the view that they are best-suited to respond on the issues covered. A total of 66 valid responses were received; 47 were from companies listed on the main board and 17 from companies listed on the Sesdaq (**see Figure 1**). Two of the respondents were from companies that were not listed. Almost half the respondents were from companies in the manufacturing industry (**see Figure 2**).



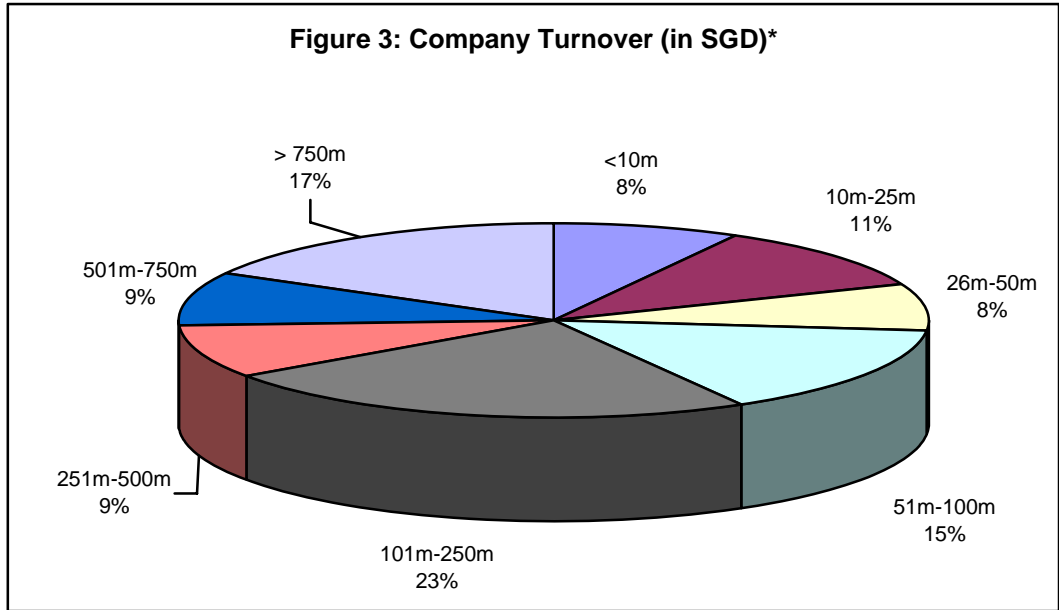
* Based on 66 responses



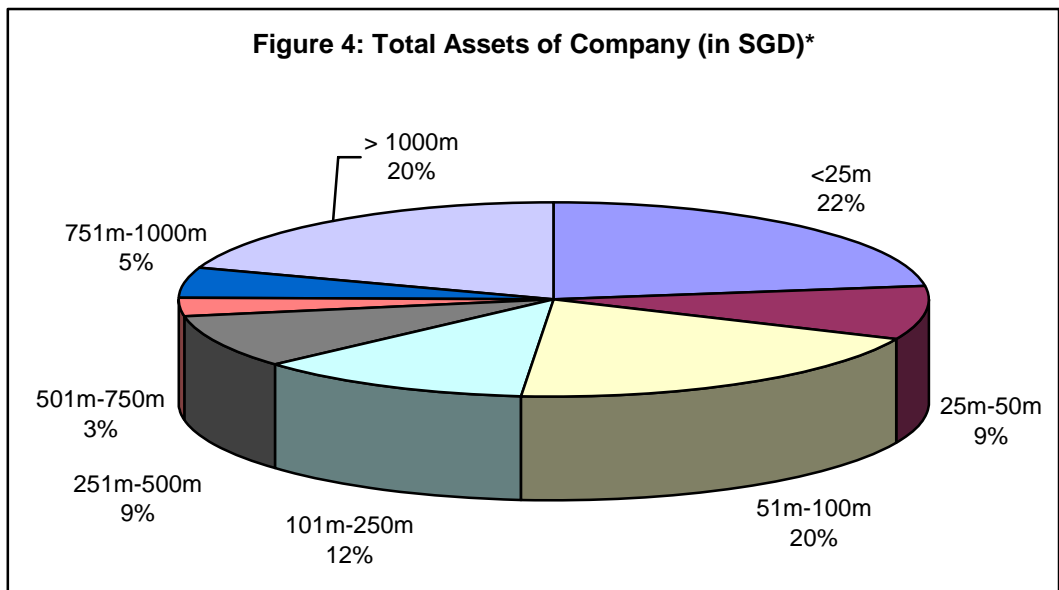
Note: Tpt/Stor/Com means Transport/Storage/Communications; HtIs/Rest means Hotels/Restaurants

* Based on 66 responses

26% of the respondents were from companies with turnover greater than S\$500 million (compared to 14% in the previous survey) while 32% of the respondents were from companies with a turnover of between S\$101 million and S\$500 million (see Figure 3). Figure 4 shows that 20% of the respondents (compared to 10% in the previous survey) were from companies that had total assets exceeding S\$1 billion while 8% had total assets between S\$500 million and S\$1 billion (compared to 11% in the previous survey).



* Based on 66 responses

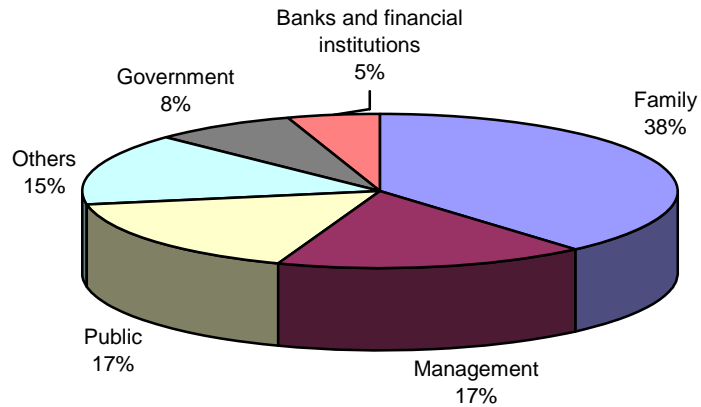


* Based on 66 responses

38% of the responding companies reported family as being the largest controlling shareholder (compared to 41% in the previous survey) while 17% reported management as the largest controlling shareholder (see Figure 5).



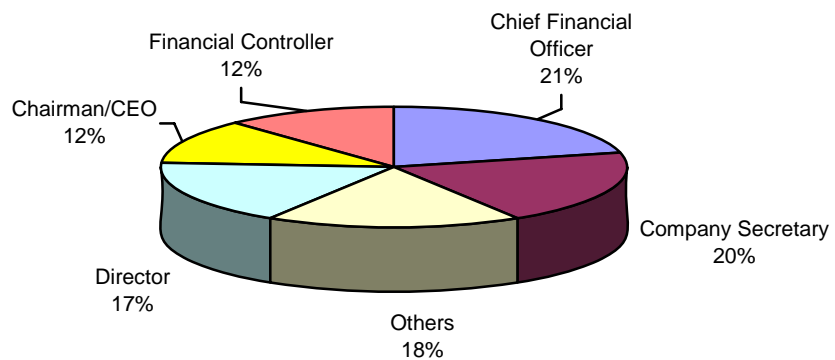
Figure 5: Controlling Shareholder*



*** Based on 66 responses**

The survey was sent to chief executive officers but they were given the option of nominating someone else, who may be better suited, to respond to the survey. Figure 6 shows the position of the respondents in their respective companies. 21% of the respondents were chief financial officers while a similar proportion comprised of company secretaries. Of the 20% of respondents who were company secretaries, 3 were also legal advisors or compliance officers of their companies.

Figure 6: Position of Respondents*



*** Based on 66 responses**



Corporate Governance

This section reports the findings on corporate governance issues.

Strengthening Corporate Governance

All the companies reported taking some measures to increase their standard of corporate governance (see Table 1). 91% of the companies had spelt out clearly the roles of the Board, Chairman and non-executive directors while a similar proportion had clarified the terms of reference of board committees.

Only 43% of the companies reported increasing the link between the pay of executive directors and shareholder value. 22% reported that they are planning to do so in the future while more than a third indicated that they have no such plans. 38% indicated their companies have no intention to disclose detailed director remuneration.

51% of the respondents said their company issues formal letters of appointment for directors setting out their duties and obligations, with 37% had done so more than 12 months ago. 72% of the respondents indicated that their companies have strengthened the code of conduct for directors and officers while 45% said they have a whistleblowing policy in place.

Almost half the respondents (48%) said they had no plans to increase the percentage of independent directors on their company boards while 71% said they have tightened the criteria and/or process for determining the independence of directors. 72% also reported that they have enhanced the independence of key board committees.

36% of the respondents indicated that their company has no plans to use the results from director appraisals when deciding whether to re-appoint a director. 27% of the respondents also indicated that their companies have no plans of increasing the use of long-term incentives for their executive directors.

	Done more than 12 months ago	Done in past 12 months	Planning to do so	No plans to do so
Spell out more clearly the roles of the Board, Chairman and the non-executive directors	70%	21%	4%	5%
Clarify the terms of reference or charters of board committees with regards to their authority and accountability	68%	23%	6%	3%
Tighten the criteria and/or the process for determining the independence of directors [^]	51%	20%	4%	25%



Require the Board as a whole to decide on the appointment and removal of the company secretary	50%	14%	4%	32%
Enhance the independence of key board committees^	43%	29%	6%	22%
Strengthen the risk management systems in the company	41%	24%	30%	5%
Strengthen the board oversight over risk management in the company	41%	21%	30%	8%
Increase the use of long-term incentives for executive directors	38%	14%	21%	27%
Issue formal letters of appointment for directors setting out their duties and obligations^	37%	14%	24%	25%
Strengthen the code of conduct for directors and officers	36%	26%	24%	14%
Increase the link between the pay of executive directors to shareholder value (e.g., stock price performance, economic value added)^	35%	8%	22%	35%
Use the results of director appraisals in deciding whether to re-appoint a director	35%	15%	14%	36%
Enhance the roles of the company secretary in corporate governance	35%	18%	15%	32%
Provide more access to training for directors	33%	24%	29%	14%
Increase the percentage of independent directors on the Board	30%	17%	5%	48%
Improve disclosure of details of directors' remuneration^	29%	20%	13%	38%
Appoint a lead independent director with clearly defined roles and responsibilities*	22%	11%	13%	54%
Introduce a whistleblowing policy	15%	30%	42%	13%

^ Based on 65 responses; * Based on 63 responses; rest are based on 66 responses



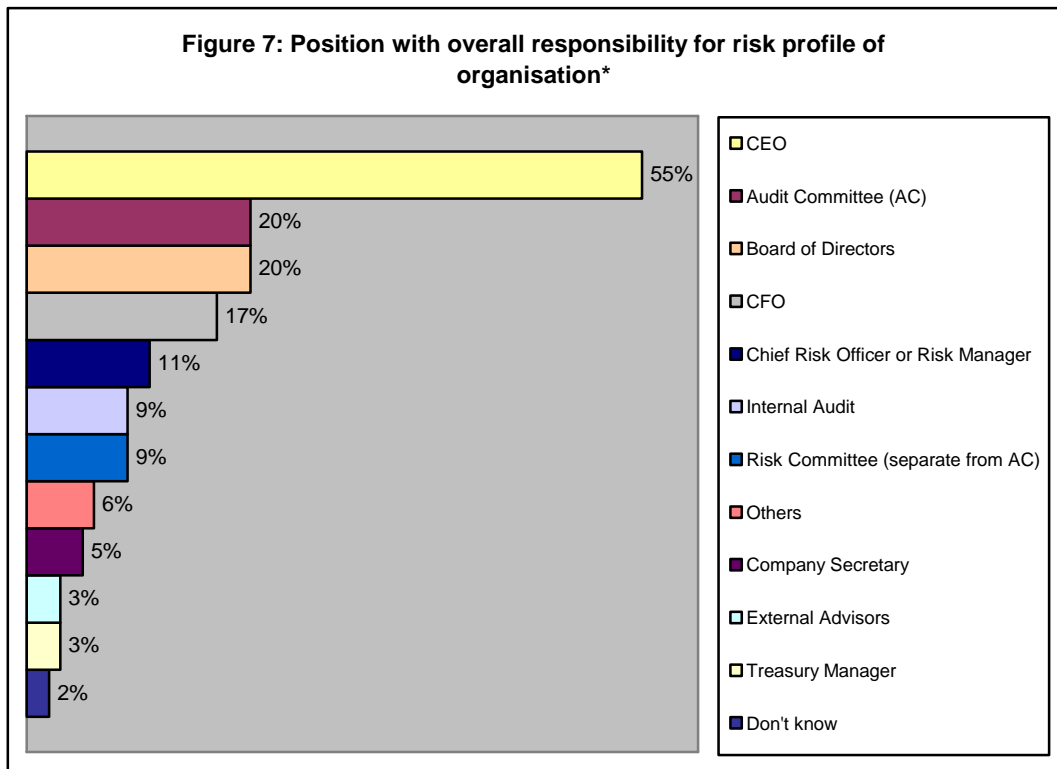
Risk Management

This section reports the findings on risk management issues. Definitions of key terms used in this section can be found in Appendix A found at the end of the report.

Position to Oversee Risk Management

59% of the respondents said that they have a person formally appointed to oversee risk management, of which only 21% was a full-time position. 41% said that they do not have such a position in place. Of those who had a person overseeing risk management, 21% said that the position was created less than a year ago, 36% said it was between one year and three years while 41% had created the position more than three years ago. 2% did not disclose when the position was created.

55% of the respondents said that the chief executive officer has the overall responsibility for the risk profile of the entire organisation, while a fifth said the audit committee has been tasked with the responsibility in their organisation (see Figure 7). A similar proportion said that this task has been assigned to the board of directors.

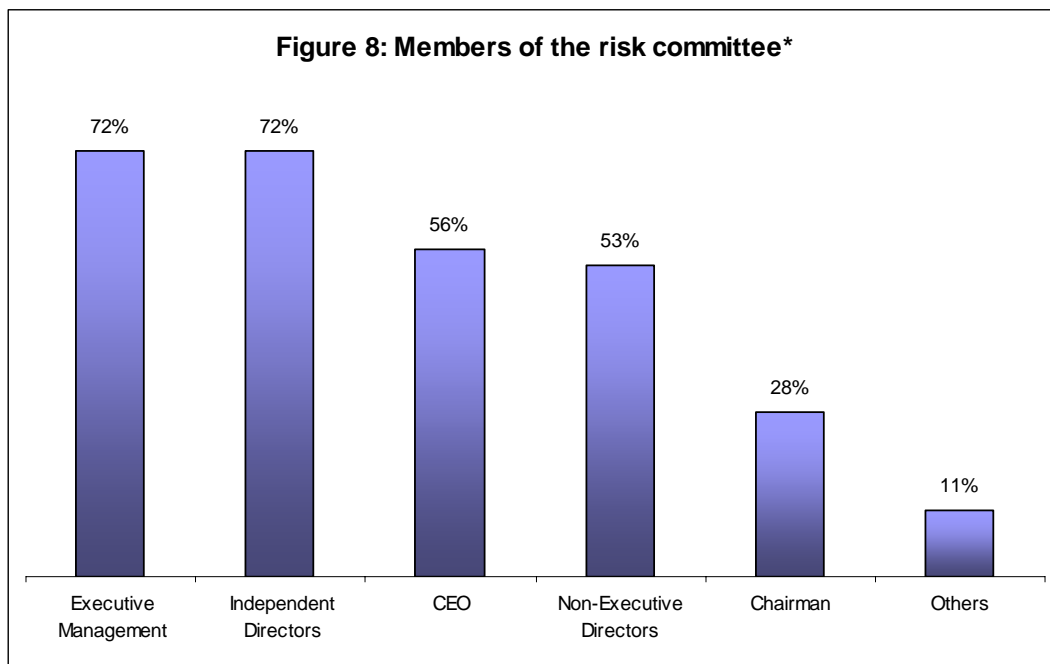


* Based on 66 responses. Some respondents had chosen more than one option; hence the total percentage is greater than 100%



Composition of the Risk Committee

Respondents were also asked on the composition of the risk committee, if such a committee existed in their organisation. Of the 36 companies that disclosed the composition of their risk committee, 72% had executive management on their risk committee while a similar proportion had independent directors sitting on the committee (see *Figure 8*).



*** Based on 36 responses; Respondents were allowed to choose more than one option; hence the percentages do not necessarily add up to 100**

Enterprise-Wide Risk Management and Risk Management Policy

17% of the respondents said their company has a formal enterprise-wide risk management process while 20% said they have such a process but it can be improved. 23% said they are in the process of developing such a process while 40% indicated they do not have one in place.

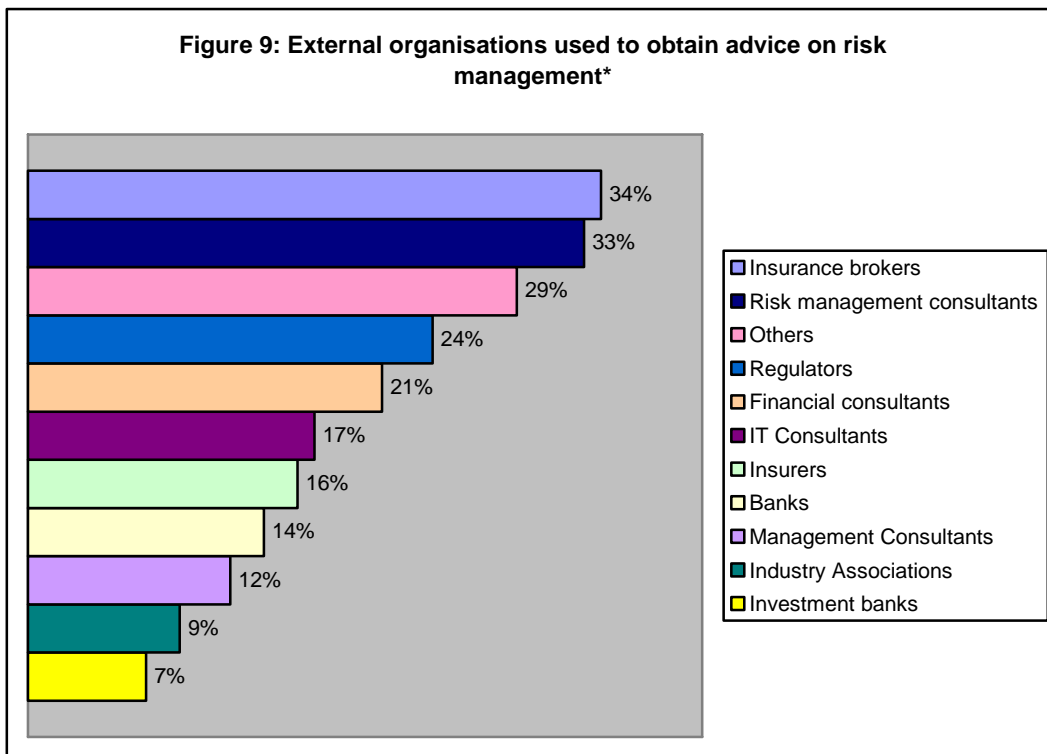
29% of the respondents said their company has in place a formally-approved risk management policy (in the form of a policy statement) while 24% said they are in the process of developing one. Almost half (47%) said they do not have one.

Use of External Organisations for Risk Management Advice

Insurance brokers and risk management consultants are the commonly used external organisations by companies to obtain advice on risk management (See *Figure 9*). 24% of the respondents said their companies obtain risk management advice from regulators.



Figure 9: External organisations used to obtain advice on risk management*



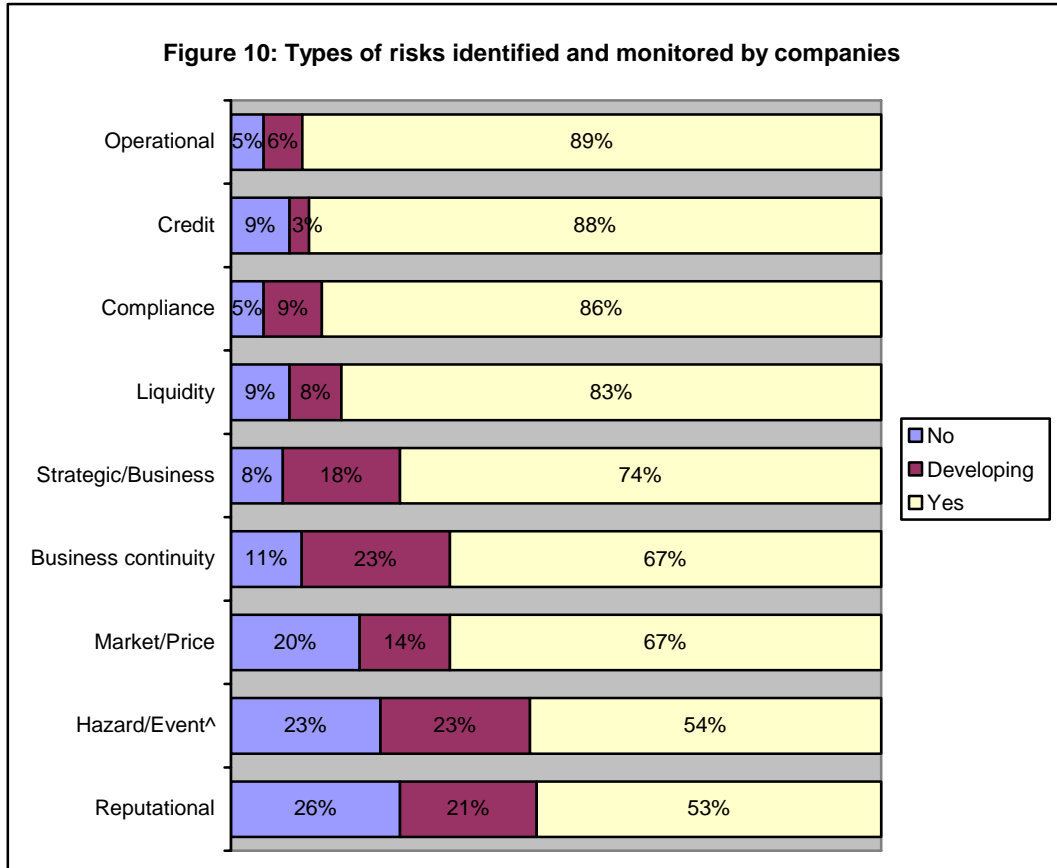
* Based on 58 responses

Types of Risks Identified and Monitored

More than 85% of the respondents said their companies identify and monitor operational, credit and compliance risks (see *Figure 10*). 83% said they identify and monitor liquidity risk while slightly more than half indicated that hazard or event risk and reputational risk are identified and monitored by their companies.



Figure 10: Types of risks identified and monitored by companies



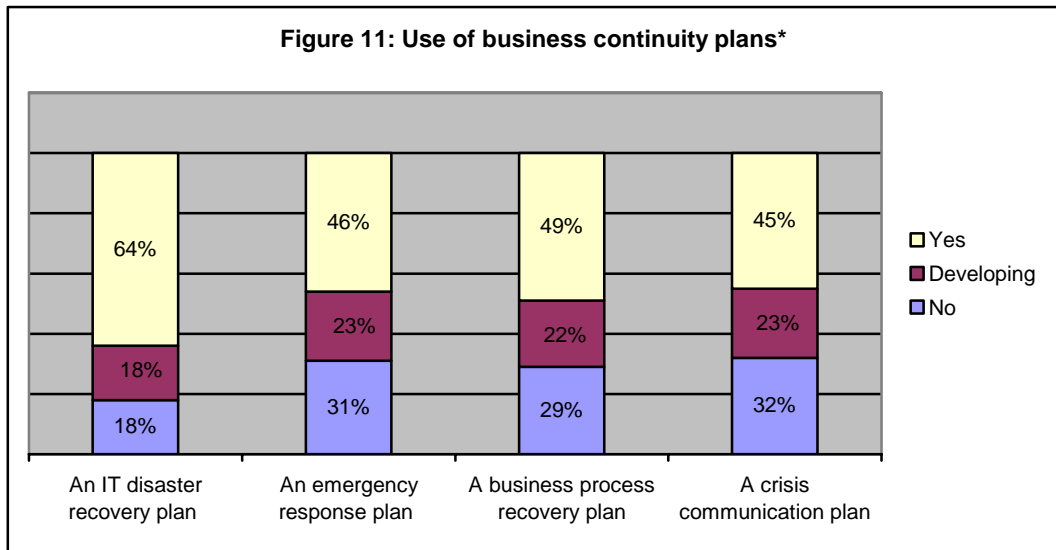
[^] Percentages for hazard/event risk are based on 65 responses; Percentages for the other risks are based on 66.

Use of Business Continuity Plans

Most companies in Singapore seem to be placing a high emphasis on ensuring the protection of their IT resources. Almost two-third (64%) of the respondents said their company has an IT disaster recovery plan while 18% said they are in the process of developing one (see *Figure 11*). Around 30% of the respondents indicated that their company does not have an emergency response plan, a business process recovery plan or a crisis communication plan.



Figure 11: Use of business continuity plans*



* Based on 65 responses

Risk Management Culture

It is encouraging to note that 85% of the respondents were of the view that their board and senior management were enthusiastic and supportive of risk management. 75% of the respondents said that an awareness of risk pervades their organisation while 73% said that the company's risk management strategy and the organisation's goals, objectives and strategies are in tandem.

Risk Management and Fraud

There has been a slight increase to 73% (from 70% in the previous survey) in the number of respondents who said recent trading and fraud losses that have been uncovered in Singapore have led their companies to review their risk management functions to ensure sufficient controls were in place. 8% said there is a high possibility that they will be reviewed in the future (compared to 14% in the previous survey) while 14% (similar to previous survey) said that the scandals have no effect on their company's risk management functions. 5% did not venture any opinion.

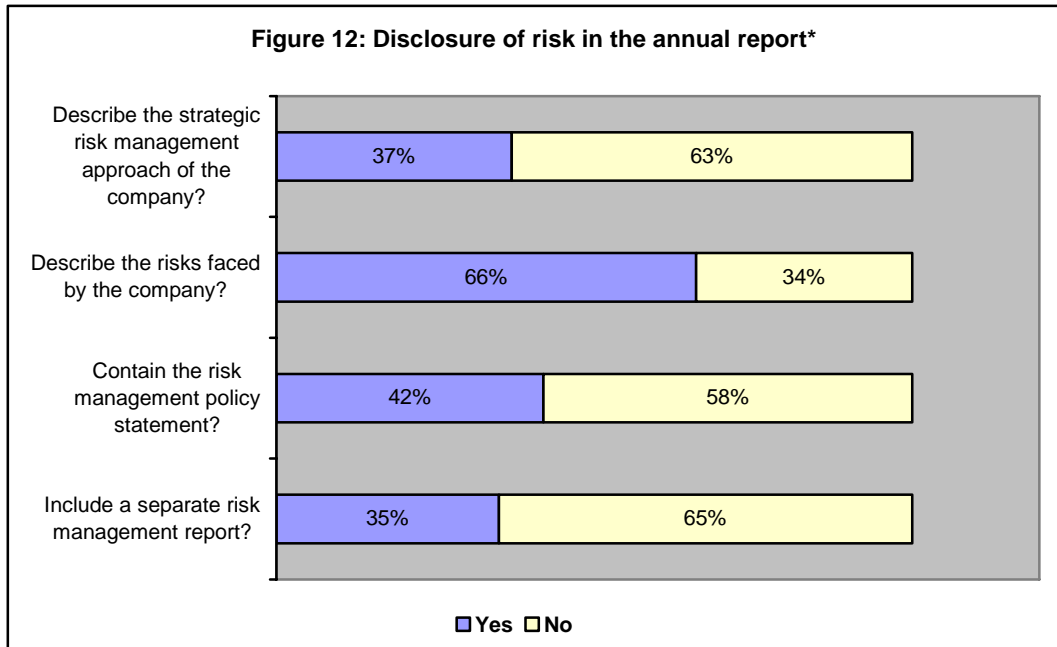
Reporting of Risk

Interestingly, almost half the respondents (45%) said that there is no formal reporting of the risk measurements, such as key risk indicators and standards, to the board of directors. 23% of the respondents said that this information is reported to the board quarterly while 12% said it is reported semi-annually. 11% indicated that the information is provided to the board at every board meeting while 9% said they report it to the board once a year.

30% of the respondents indicated that the various departments in their company inform decisions involving strategic, operational and financial changes to the risk management function regularly



while 52% said they do so but not regularly. 9% said they rarely report such decisions to the risk management function while a similar proportion said it is not done at all.



* Based on 65 responses

Two-third of the respondents said that they describe the risks faced by the company in their annual report (see *Figure 12*). However, a majority of the respondents said they do not disclose their risk management policy statement, include a separate risk management report or describe the strategic risk management approach of the company in their annual reports. At a time when investor concern has increased regarding the internal controls and risk management functions of companies, the survey findings indicate that companies are not taking sufficient steps to disclose this information to the public.

Respondents were also asked to indicate the role played by the Internal Audit (IA) function in reporting risks of the company. Interestingly, 12% of the respondents said they do not have an internal audit function. Of the remaining companies, 53% said the IA is involved in the preparation of the risk report, which includes taking and monitoring of risk measurements while almost half (48%) said the IA is involved in ensuring compliance with risk policies. 7% reported that the IA is not involved at all in reporting risks of the company.

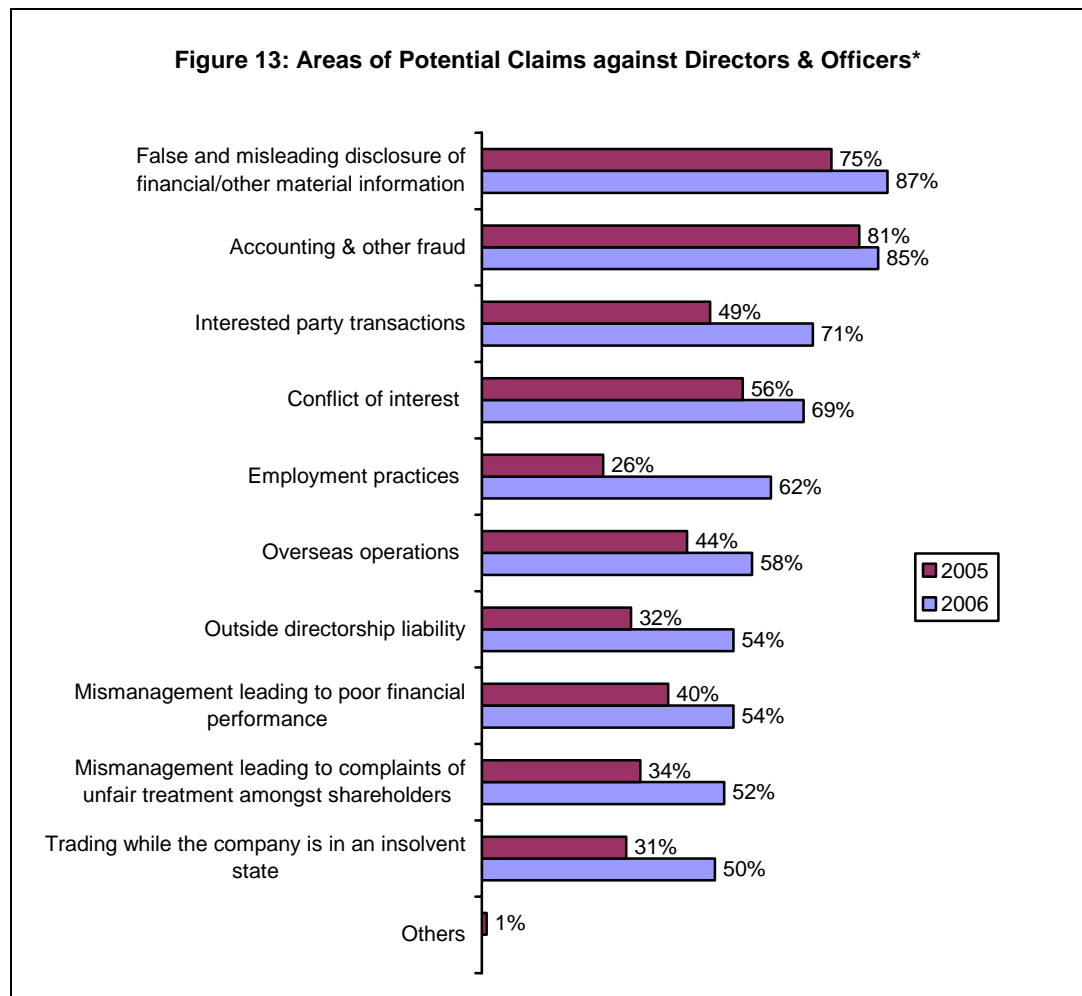


Directors' and Officers' (D&O) Liability

This section reports the findings on D&O liability issues.

Areas for Claims against Directors and Officers

In general, there has been a significant increase in the number of respondents who felt their directors and officers could be subject to claims compared to the previous survey. False and misleading disclosure of financial or material information and accounting and other fraud were cited as the top two reasons why potential claims may arise against directors and officers (see *Figure 13*). There has been a significant increase in the number of respondents who felt that there may be claims against their directors and officers due to employment practices such as redundancies, dismissals and discrimination (62% compared to 26% in previous survey).

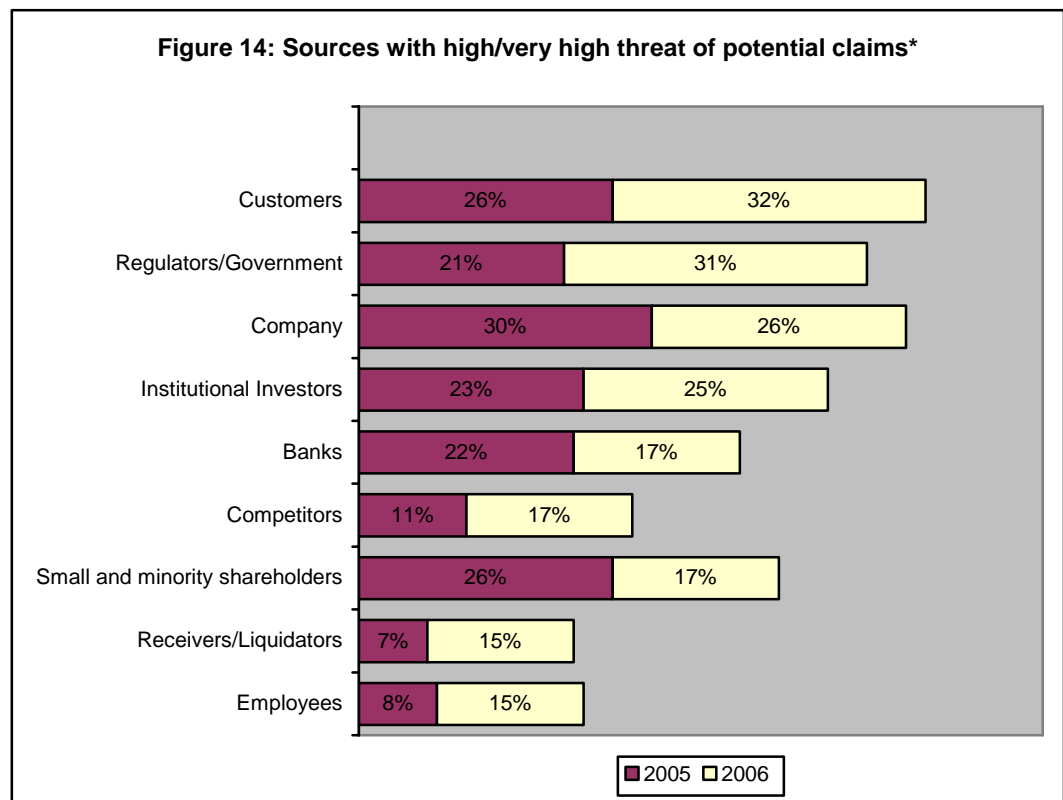


* Percentages for 2006 are based on 52 responses; percentages for 2005 are based on 68 responses. Percentages do not add up to 100 as the respondents were allowed to choose more than one option.



Respondents were also asked to indicate if there have been any actual claims or complaints against their directors and officers. 6 respondents said there have been complaints against directors and officers of their company, of which 67% said that it was due to employment practices. Half said it was due to conflict of interest while a similar proportion said that it was due to mismanagement leading to poor financial performance and complaints of unfair treatment among shareholders. Only a few companies said that actual claims have been made against any director or officer and the main reasons cited were false and misleading financial information and accounting fraud.

Sources of Claims



The values are the percentage of respondents citing the source as having high/very high threat of potential claim.

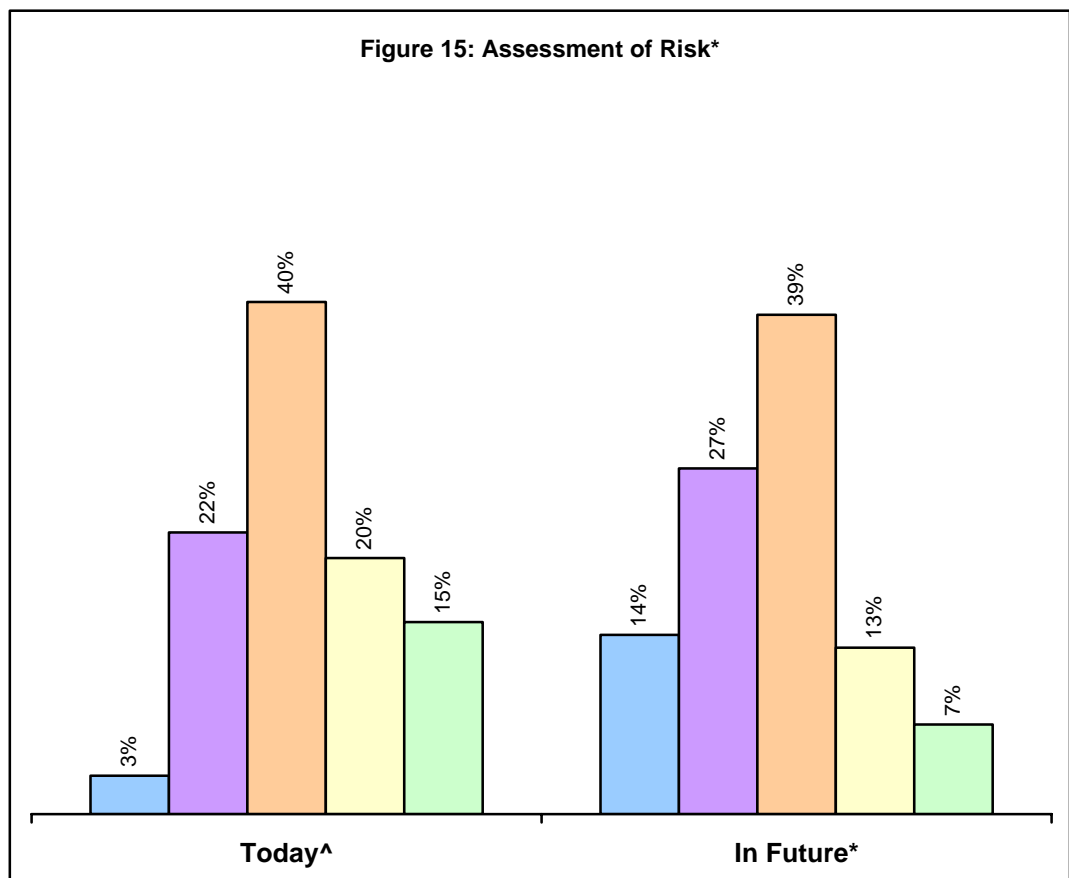
*** Percentages for 2005 are based on 78 responses; percentages for 2006 are based on 66 responses.**

Figure 14 shows that about a third of the respondents felt that customers were a source of potential claims against directors or officers of their company (compared to 26% in the previous survey). 31% felt that regulators or the government posed a threat of high concern (compared to 20% in the previous survey). There has been a decrease in the number of respondents who felt that small and minority shareholders posed a threat of high concern for the company with regards to claims against their officers and directors (from 26% in the previous survey to 17%).



Risk of Potential Claims against Directors and Officers

35% of the respondents (compared to 39% in the previous survey) felt that there is little or no threat of potential claims against their directors and officers at present while 40% perceived the threat to be moderate (see *Figure 11*). There is a significant increase in the number of respondents who felt the risk of potential claims is high today and in the future when compared to the previous survey. 25% said there is a high or very high risk of potential claims against directors and officers today (compared to 10% in previous survey) while 41% said there's a higher chance in the future (compared to 30% in the previous survey).



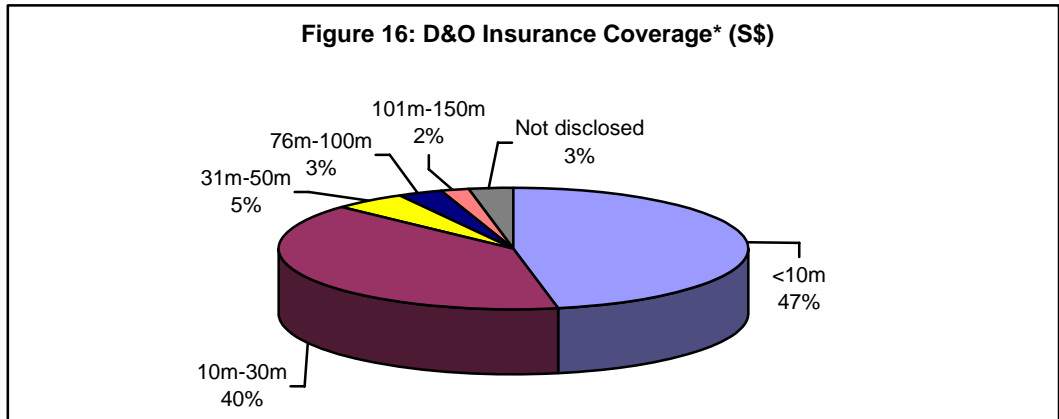
[^] Percentages based on 65 responses; * Percentages based on 64 responses

D&O Liability Insurance

There has been an increase in the number of respondents (88%) who said their company has D&O liability insurance (compared to 79% in the previous survey). Of those who said they do not have D&O insurance, the main reason cited for not buying any was that there were fewer claims against directors and officers.



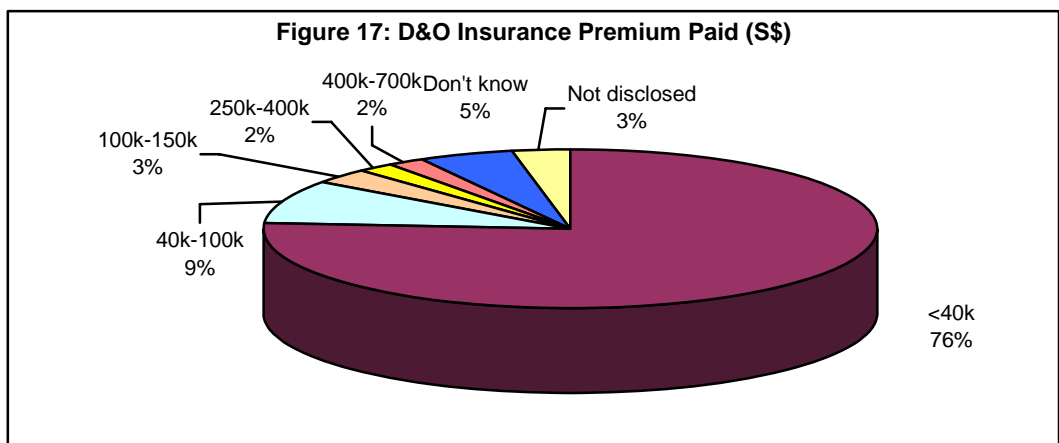
Of the companies with D&O insurance, nearly half (47%) have a coverage of less than S\$10 million (see *Figure 16*). 40% of the respondents said their D&O insurance coverage is between S\$10 million and S\$30 million.



* Based on number of respondents with D&O insurance, i.e. 58

Premiums Paid

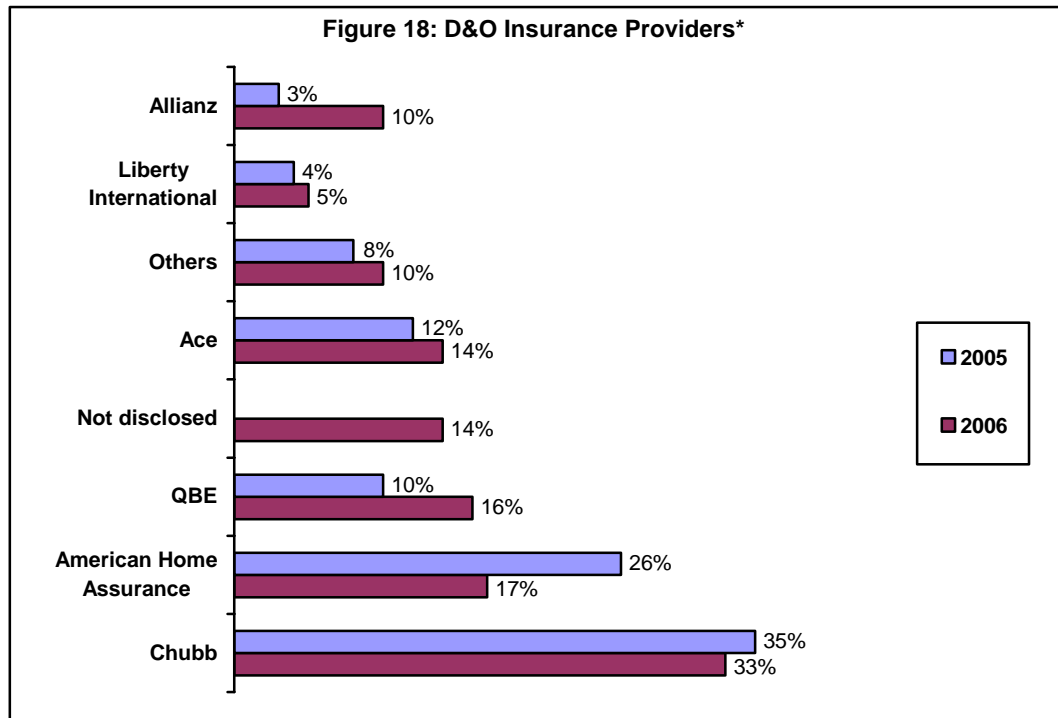
76% of the companies with D&O insurance reported paying an annual premium of less than S\$40,000 (see *Figure 17*). Only a few companies said they pay higher premiums.



* Based on number of respondents with D&O insurance, i.e. 58

Insurance Providers of the Respondents

33% of the respondents reported Federal Insurance Company (Chubb Group of Insurance Companies) as the D&O liability insurance provider for their company (see *Figure 18*). American Home Insurance (AIG) covered 17% of the companies while QBE Insurance was close behind covering 16% of the companies.



Note: The values for American Home Assurance include responses for AIG and AIU as all three are part of the AIG group.

** The 2006 figures are based on respondents who have D&O insurance while the figures for 2005 are based on total number of responses. Percentages add up to more than 100 as some companies had more than one insurance provider.*

Use and Value of Insurance Brokers

88% of the respondents who have D&O insurance said they use insurance brokers to buy D&O insurance. 9% said they do not use any insurance brokers while 3% did not disclose if they use an insurance broker or not.

74% of the respondents (compared to 76% in the previous survey) felt that insurance brokers add value to their insurance programme as the broker is able to advise them on various types of coverage available, present risk to underwriters, negotiate favourable terms from the insurance company and assist them in settling claims with insurers. 19% did not venture any opinion.

Briefing Directors on D&O Policy

83% of the respondents with D&O insurance said that directors of their company are briefed on key features and extent of the coverage provided by the D&O policy. Interestingly, about 17% said that directors are not provided with such information.

Individual D&O Coverage for Each Director

In general, the amount of insurance coverage provided by D&O liability policies is applicable to the directors and officers of the company in total. The respondents were asked whether there should



be separate amounts of coverage provided for each director under their respective categories, such as for executive directors, non-executive directors and independent directors, so that claims on other directors and officers would not erode an individual director's coverage. 62% of the respondents felt that an overall coverage is adequate (compared to 67% in previous survey) while 26% (compared to 23% in previous survey) agreed that each director should have individual coverage. 12% did not venture any opinion on this issue.

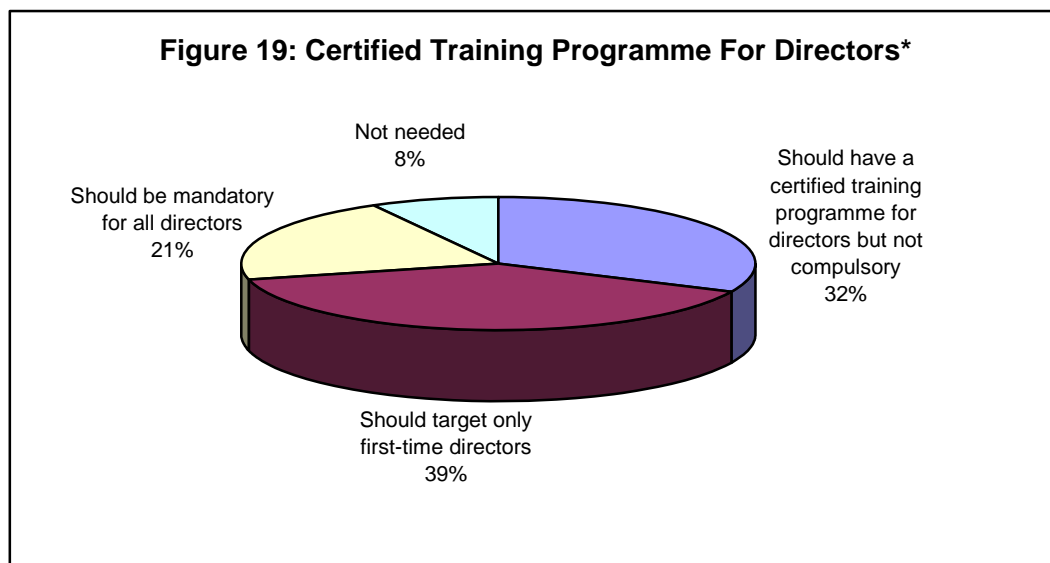
Director Education on Legal Duties and Liabilities

There has been a significant increase in the number of companies (62%) that provide continuous education to their directors and officers on corporate governance issues and their legal duties and liabilities (compared to 42% in the previous survey). Of these, 59% (compared to 45% in the previous survey) said they send their directors and officers for external training courses at least once a year and 17% (compared to 30% in the previous survey) reported employing external consultants to conduct in-house courses. 39% of the respondents (similar to previous survey) cited other actions taken by the company to educate their directors, such as updating them of recent developments through circulars, having internal discussions and sending directors for training on an ad hoc basis as and when the need arises.

29% of the respondents said that they do not provide such education at present but intend to do so in the near future. The number of respondents who said that they do not see the need to provide such education has decreased significantly from 22% in the previous survey to 9%.

Certified Training Programme for Directors

Almost all the respondents agreed that there should be a certified training programme for directors (see *Figure 19*). There has been an increase in the number of respondents who felt that it should be mandatory only for first-time directors (39% compared to 26% in previous survey). Consistent with the previous survey, more than a fifth (21%) said that it should be compulsory for all directors. The number of respondents who felt that a certified training programme should not be compulsory for any director decreased significantly from 48% in previous survey to 32%.



* Based on 66 responses

Other Views on D&O Liability Insurance

Almost all the respondents (97%) agreed or strongly agreed that practising good corporate governance is the best defence against liability for directors and officers, an increase of 13% from the previous survey (see *Table 2*). 88% of the respondents also felt that higher standards of corporate governance demanded by shareholders and regulatory authorities have increased liability for directors and officers (compared to 76% in the previous survey).

85% of the respondents (compared to 83% in the previous survey) also indicated that they consider D&O liability insurance to be an essential part of a listed company's insurance programme while 65% (compared to 57% in the previous survey) considered it be an essential component of corporate governance.

77% of the respondents supported the view that having D&O liability insurance will help to attract and retain experienced directors (compared to 74% in the previous survey). More directors seem to be interested in D&O insurance coverage in recent times with 74% of the respondents saying that their directors are very interested in the scope of D&O insurance coverage at present (compared to 59% in the previous survey).

Table 2: Views on D&O Liability Insurance*

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Companies should inform non-executive directors of their insurance cover before they are appointed.	18%	53%	24%	3%	2%
Having D&O liability insurance helps attract and retain experienced directors.	24%	53%	17%	6%	0%



D&O liability insurance premium is good value for money (premium paid versus risk covered).	9%	53%	31%	5%	2%
D&O liability insurance is an essential part of a listed company's insurance programme.	26%	59%	11%	2%	2%
D&O liability insurance is an essential component of corporate governance.	15%	50%	28%	5%	2%
Policy wordings are too restrictive and contain many exclusions.	9%	47%	41%	3%	0%
Our directors and officers are very interested in the scope of D&O insurance cover these days.	8%	67%	19%	6%	0%
Practising good corporate governance is the best defence against liability for directors and officers.	44%	53%	1%	2%	0%
Higher standards of corporate governance demanded by shareholders and regulatory authorities have increased liability for directors and officers.	35%	53%	6%	6%	0%

*** Percentages based on 66 responses.**



Key Conclusions

1. More companies are taking steps to improve their standard of corporate governance.
2. Appointing a lead independent director, increasing the proportion of independent directors on the board, more detailed disclosure of director remuneration, and using the results of director appraisal for re-appointment, are areas where fewer companies have taken action or have plans to take action to improve.
3. Companies still do not have proper risk management systems in place.
4. Companies have to take steps to improve disclosure of risks to their board of directors and other stakeholders.
5. Operational, credit and compliance risks are the main risks that are identified and monitored by most companies.
6. More companies are purchasing insurance for their directors and officers.
7. Inaccurate and misleading disclosure of financial information and fraud are the two most likely reasons for claims against directors and officers, although companies are now more aware of the claims in the area of interested party transactions and improper employment practices.
8. Companies perceive that customers and the government are the two main sources of potential claimants against the directors and officers.
9. More companies are now providing continuous education to their directors and officers on corporate governance issues and their legal duties and liabilities.
10. The perceived threat of claims being made against directors and officers at present and in the future has increased.
11. Practising good corporate governance is the best defence against liability for directors and officers.
12. The interest in D&O liability insurance has increased with more directors and officers inquiring about the scope of coverage.
13. The large majority of the companies surveyed who have D&O insurance use insurance brokers to buy D&O insurance. Most of them feel that insurance brokers add value to their insurance programme.



Appendix A: Glossary

Enterprise-wide risk management process: A process that is practised throughout the organisation that involves identifying and analysing risks/loss exposures, selecting and implementing risk treatment/risk management techniques, and monitoring results.

Risk management policy statement: A formalised statement communicating the goals of the risk management programme and the roles that people throughout the organisation have in achieving the organisation's risk management goals.

Risk Categories

Strategic / business risks: Arises from adverse outcomes of business decisions or the improper implementation of those decisions; associated with the organisation's overall *long-term* goals and management.

Operational risks: Uncertainties within an organisation's ongoing operations that affect its ability to meet objectives. Such uncertainties can arise from raw materials/supply chain logistics, assets, people or processes.

Hazard/Event risks: Uncertainties associated with the organisation's reduction in value resulting from the effects of accidental losses, arising from events commonly called accidents.

Market/Price risks: Uncertainties associated with the ability to buy or sell goods or services the organisation needs or provides in its customary markets at the usual prices and terms.

Credit risks: The likelihood that credit customers or borrowers will not repay the whole or portions of amounts owing on time.

Liquidity risk: The likelihood that your organisation will not have sufficient cash or liquid assets to function normally.

Business continuity risks: Uncertainties relating to your organisation's ability to continue to operate its essential functions and to protect its reputation following a disaster or disruptive event, such as a major fire.

Reputational risks: Uncertainties relating to a situation, occurrence, business practice or event that has the potential to adversely affect the public and other stakeholders' perceived trust and confidence in the organisation.



Compliance risks: The likelihood that an employee, manager or Board member will fail to follow an internal policy or procedure or an external law, rule or regulation relating to the activity in which they are engaged.

Business Continuity Plans

An IT disaster recovery plan: A document that defines the resources, tasks and data required and actions for the protection of your organisation's computer hardware, software and storage media, including timely reconstruction and retrieval of information following a disaster or disruptive event.

An emergency response plan: A document that defines the resources, tasks, data required and actions, including detailed instructions for employees on how to react, focusing on the protection of human lives and crucial non-IT resources in the event of a disaster.

A business process recovery plan: A document that defines the resources, tasks, data required and actions for your organisation's **key business functions** following a disaster or disruptive event.

A crisis communication plan: A set of procedures and protocols on how to disseminate and respond to requests for pre-crisis, during crisis, and post-crisis information, including procedures to provide information to internal and external audiences, such as the media.





About Corporate Governance and Financial Reporting Centre

The Corporate Governance and Financial Reporting Centre is a unit of NUS Business School, National University of Singapore. The Centre's mission is to research, disseminate and promote best practices in corporate governance and financial reporting. It is one of the few centres in the world for the promotion and development of good corporate governance and better financial reporting.

A hallmark of the Centre is the strong industry orientation in its activities and projects. The current and proposed portfolio of activities of the Centre includes topics such as boardroom practices, executive compensation, creative accounting, quarterly reporting and investor relations. It encourages a convergence of academics and practitioners around some of the key challenges of corporate governance and financial reporting in organisations. Being research-led and industry-oriented, the centre is at the cutting edge of theory and practice and it helps to bridge the gap between leading academic work and the needs of practitioners.

The centre collaborates with reputed organisations like Standard and Poor's, Singapore Institute of Directors (SID), Securities Investors Association Singapore (SIAS), Institute of Certified Public Accountants of Singapore (ICPAS), Federal Insurance Company, Singapore (Chubb Insurance) and Jardine Lloyd Thompson Private Limited on various projects that seek to increase awareness on corporate governance issues. We welcome requests for collaboration from organisations within and outside Singapore to undertake projects that will further the cause of good corporate governance.

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