

# PANORAMIC **CORPORATE GOVERNANCE**

Singapore



LEXOLOGY

# Corporate Governance

Gibson, Dunn & Crutcher LLP

**Generated on: May 22, 2026**

The information contained in this report is indicative only. Law Business Research is not responsible for any actions (or lack thereof) taken as a result of relying on or in any way using information contained in this report and in no event shall be liable for any damages resulting from reliance on or use of this information. Copyright 2006 - 2026 Law Business Research

# Contents

## Corporate Governance

### SOURCES OF CORPORATE GOVERNANCE RULES AND PRACTICES

Primary sources of law, regulation and practice  
Responsible entities

### RIGHTS AND EQUITABLE TREATMENT OF SHAREHOLDERS AND EMPLOYEES

Shareholder powers  
Shareholder decisions  
Disproportionate voting rights  
Shareholders' meetings and voting  
Shareholders and the board  
Controlling shareholders' duties  
Shareholder responsibility  
Employees

### CORPORATE CONTROL

Anti-takeover devices  
Issuance of new shares  
Restrictions on the transfer of fully paid shares  
Compulsory repurchase rules  
Dissenters' rights

### RESPONSIBILITIES OF THE BOARD (SUPERVISORY)

Board structure  
Board's legal responsibilities  
Board obligees  
Enforcement action against directors  
Care and prudence  
Board member duties  
Delegation of board responsibilities  
Non-executive and independent directors  
Board size and composition  
Board leadership  
Board committees  
Board meetings  
Board practices  
Board and director evaluations

### REMUNERATION

Remuneration of directors  
Remuneration of senior management

Say-on-pay

#### **DIRECTOR PROTECTIONS**

D&O liability insurance  
Indemnification of directors and officers  
Advancement of expenses to directors and officers  
Exculpation of directors and officers

#### **DISCLOSURE AND TRANSPARENCY**

Corporate charter and by-laws  
Company information

#### **UPDATE AND TRENDS**

Recent developments  
Shareholder engagement and activism  
Sustainability disclosure

# Contributors

## Singapore

[Mark Lee Chambers Law Corporation](#)



[Sarah Yeo](#)

[sarah.yeo@mlclaw.com.sg](mailto:sarah.yeo@mlclaw.com.sg)

[Mark Lee](#)

[mark.lee@mlclaw.com.sg](mailto:mark.lee@mlclaw.com.sg)

## SOURCES OF CORPORATE GOVERNANCE RULES AND PRACTICES

### Primary sources of law, regulation and practice

What are the primary sources of law, regulation and practice relating to corporate governance? Is it mandatory for listed companies to comply with listing rules or do they apply on a "comply or explain" basis?

There is no one agreed definition of the term "corporate governance" in Singapore. The Monetary Authority of Singapore (MAS), for instance, defines it as "having the appropriate people, processes and structures to direct and manage the business and affairs of the company to enhance long-term shareholder value, while taking into account the interests of other stakeholders" (MAS Code of Corporate Governance 2018 (the MAS Code), which applies on a "comply or explain" basis). Consequently, there is no single source that encapsulates all corporate governance rules and regulations. Apart from the MAS Code, there are several laws dealing with corporate governance, the most important of which is the Companies Act 1967. Other sources include the Securities and Futures Act 2001; directives; and non-legislative regulations including the Singapore Exchange's (SGX) Listing Manuals, By-laws, etc.

Law stated - 2 February 2026

### Responsible entities

What are the primary government agencies or other entities responsible for making such rules and enforcing them? Are there any well-known shareholder or business groups, or proxy advisory firms, whose views are often considered?

In Singapore, the primary regulatory authorities responsible for making such rules and enforcing them include the MAS, the Securities Industry Council, the SGX (which primarily deals with listed companies) and the Accounting and Corporate Regulatory Authority. Depending on the particular industry or business that a company is involved in, other regulatory authorities may also be involved. There are also other institutions involved in the wider corporate governance conversation, including the Singapore Institute of Directors (Singapore's national association for company directors, established in 1998) and the GDInstitute (launched in January 2026), which aims to enhance board excellence in Singapore and South-east Asia and contribute informed views on governance practice and standards.

Law stated - 2 February 2026

## RIGHTS AND EQUITABLE TREATMENT OF SHAREHOLDERS AND EMPLOYEES

### Shareholder powers

What powers do shareholders have to appoint or remove directors or require the board to pursue a particular course of action? What shareholder vote is required to elect or remove directors?

Shareholders can make arrangements among themselves regarding the power to appoint and remove directors, through either the company's constitution or a shareholders' agreement. That said, sections 152(1) and 152(9) of the Companies Act 1967 do stipulate that a director of a private or public company may be removed by ordinary resolution, provided various conditions are met. In certain circumstances, directors may also be removed as a result of shareholders seeking remedies pursuant to sections 216 (oppression claims) and 216A (derivative actions) of the Companies Act 1967.

**Law stated - 2 February 2026**

### **Shareholder decisions**

**What decisions must be reserved to the shareholders? What matters are required to be subject to a non-binding shareholder vote?**

While shareholders own the company, the directors manage and run the company's day-to-day operations. Generally, if no management power is reserved for the shareholders, they may not give instructions to the directors or override their decisions. Enshrined in the Companies Act 1967 is the principle/rule that directors are empowered to manage the affairs of the company. Except for certain provisions in the Companies Act 1967 and powers expressly reserved in the company's constitution or set out within a shareholders' agreement, this rule has few exceptions. Powers reserved for the shareholders include amendments to the constitution of the company, alteration of share capital, issuance of shares, reduction of share capital, disposal of the whole or substantially the whole of the company's undertaking or property, etc. Shareholders may also have certain residual management powers, but these are limited solely to decisions to resolve an impasse of the board of directors and may only be used under certain conditions.

**Law stated - 2 February 2026**

### **Disproportionate voting rights**

**To what extent are disproportionate voting rights or limits on the exercise of voting rights allowed?**

A company can issue different classes of shares (eg, preference shares, ordinary shares, etc) ascribing different rights for different classes of shareholders. This differentiation may be expressed in terms of voting rights (or the complete lack thereof), rights to dividends and rights to surplus capital on a winding up.

If a company has various classes of shares and wants to vary the rights of one class, section 74 of the Companies Act 1967 provides protection for minority shareholders. Section 74 makes clear that even if the requisite resolutions are passed by the majority of members of that particular class, the holders of 5% or more of the total number of issued shares of that class may apply to the courts to have the variation or abrogation cancelled and, if any such application is made, to request that the variation or abrogation does not have effect until confirmed by the courts.

**Law stated - 2 February 2026**

### **Shareholders' meetings and voting**

**Are there any special requirements for shareholders to participate in general meetings of shareholders or to vote? Can shareholders act by written consent without a meeting? Are virtual meetings of shareholders permitted?**

Shareholders who hold ordinary shares generally have the right to attend and vote at any general meeting, although a mere equitable or beneficial interest in shares would ordinarily not entitle a shareholder to such rights. General meetings are convened for shareholders, the two most common of the which are annual general meetings (AGMs), which a company must convene after the end of each financial year, and extraordinary general meetings (EOGMs), which can be requisitioned by shareholders holding at least 10% of the total number of paid-up shares or by directors of the company (if permitted under the company's constitution).

Sections 184B and 184F of the Companies Act 1967 permit only shareholders of private companies and unlisted public companies to pass resolutions by written means, but these are subject to various requirements being strictly complied with. If such requirements are not met, any resolutions so passed may be invalid.

General meetings can be conducted through virtual meetings, provided that the company's constitution allows for this. Virtual meetings have increasingly frequently been adopted for AGMs held across jurisdictions. It is contended that holding general meetings virtually has the advantage of encouraging and increasing shareholder participation.

**Law stated - 2 February 2026**

### **Shareholders and the board**

**Are shareholders able to require meetings of shareholders to be convened, resolutions and director nominations to be put to a shareholder vote against the wishes of the board, or the board to circulate statements by dissident shareholders?**

Shareholders holding at least 10% of the total number of paid-up shares (or, in the case of a company without share capital, members representing at least 10% of the total voting rights of all members with a right to vote at general meetings) can requisition for EOGMs to be convened. The agenda that may be tabled for EOGMs and put to a vote against the wishes of the board depends on the company's constitution, shareholders' agreement (if any) and the Companies Act 1967.

Shareholders can also requisition the company to circulate resolutions to other shareholders, provided the requirements of section 183 of the Companies Act 1967 are satisfied. The Monetary Authority of Singapore's Code of Corporate Governance 2018 also makes clear that companies must "treat all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company".

**Law stated - 2 February 2026**

### **Controlling shareholders' duties**

**Do controlling shareholders owe duties to the company or to non-controlling shareholders? If so, can an enforcement action be brought against controlling shareholders for breach of these duties?**

Controlling shareholders generally do not owe duties to the company or to non-controlling shareholders beyond what is set out in the company's constitution or the shareholders' agreement. Unlike company directors, who must strictly act in the best interests of the company, shareholders need only act in their own personal interest.

That said, controlling shareholders may find themselves embroiled in litigation if non-controlling shareholders commence an action for oppression under section 216 of the Companies Act 1967, or if controlling shareholders also have seats on the board and have breached their directors' duties. In these circumstances, the non-controlling shareholders can commence a derivative action (stepping into the shoes of the company) against errant directors under section 216A of the Companies Act 1967.

**Law stated - 2 February 2026**

### **Shareholder responsibility**

**Can shareholders ever be held responsible for the acts or omissions of the company?**

A company exists as a separate legal entity, is distinct from its owners, and can acquire rights and incur liabilities in its own name. Shareholders do not own the company's rights and assets, and are therefore not personally liable for its liabilities. On that note, because a company exists as a separate legal entity, only the company itself (and not the shareholders) can seek redress for a wrong or loss suffered by it. This is known as the "proper plaintiff rule".

Shareholders are typically only liable for the amount that they have invested in the share capital. For example, if a company limited by shares becomes insolvent, shareholders are not required to make further contributions to the company unless there are amounts unpaid on the shares held by them. In certain exceptional circumstances, a shareholder may be held responsible if the company's separate existence is disregarded by the courts (ie, where the corporate veil is lifted).

**Law stated - 2 February 2026**

### **Employees**

**What role do employees have in corporate governance?**

Employees are the heart of every company and are crucial stakeholders in all corporate governance conversations. Employees are often the first touch points for a company's customers, suppliers, partners, etc, and must act with integrity in these interactions. The authors of the second edition of *Corporate Governance* from the *Law Practice* series suggest that a "suitable code of conduct should be put in place for employees to comply with so that

they execute all functions on behalf of the company in the best interests of the company”, which should be regularly updated.

Law stated - 2 February 2026

## CORPORATE CONTROL

### Anti-takeover devices

#### Are anti-takeover devices permitted?

Take-overs in Singapore are largely governed by the non-statutory rules set out in the Singapore Code on Take-overs and Mergers (the Take-over Code), which is supervised by the Securities Industry Council.

While anti-takeover devices are not expressly forbidden, the Take-over Code makes clear that a board cannot “take any action on the affairs of the offeree company that could effectively result in any *bona fide* offer being frustrated or the shareholders being denied an opportunity to decide on its merits”.

Law stated - 2 February 2026

### Issuance of new shares

#### May the board be permitted to issue new shares without shareholder approval? Do shareholders have pre-emptive rights to acquire newly issued shares?

Unless provided for in the company’s constitution or shareholders’ agreement, shareholders do not automatically have pre-emptive rights to acquire newly issued shares. Such pre-emptive rights are typically crucial to prevent share dilution.

Section 161 of the Companies Act 1967 makes clear that “without the prior approval of the company in general meeting”, the board cannot issue any new shares. Any new share issued in breach of section 161 is void, and directors may incur personal liability to pay compensation under section 161(7).

For listed companies, the Singapore Exchange Listing Rules also make clear that the company must obtain the approval of shareholders in general meeting for the issuance of shares or convertible securities, or the grant of options carrying rights to subscribe for shares.

Law stated - 2 February 2026

### Restrictions on the transfer of fully paid shares

#### Are restrictions on the transfer of fully paid shares permitted and, if so, what restrictions are commonly adopted?

Restrictions on the transfer of fully paid shares are permitted, and are typically provided for in the company’s constitution or shareholders’ agreement. Section 18(1)(a) of the Companies

Act 1967 mandates that restrictions on share transfers must be included in the constitution of private companies. Restrictions commonly take the form of pre-emption rights, board approval being required for the transfer of shares, drag-along rights and tag-along rights.

**Law stated - 2 February 2026**

### **Compulsory repurchase rules**

#### **Are compulsory share repurchases allowed? Can they be made mandatory in certain circumstances?**

Compulsory share repurchases are generally not allowed unless provided for in the company's constitution or shareholders' agreement. Prior to 1998, as a general rule under section 76 of the Companies Act 1967, a company could not repurchase its own shares.

The Companies (Amendment) Act 1998 altered this general position, however, allowing for share buy-backs under various scenarios (off-market acquisitions on equal access schemes, selective off-market acquisitions or market acquisitions) so long as specific conditions (including shareholder resolutions) set out in the newly introduced sections 76B to 76G of the Companies Act 1967 were met. Ordinary shares that are repurchased are "deemed to be cancelled immediately on purchase or acquisition".

**Law stated - 2 February 2026**

### **Dissenters' rights**

#### **Do shareholders have appraisal rights?**

In Singapore, shareholders do not have automatic blanket statutory appraisal rights unless provided for in the company's constitution or shareholders' agreement. Such rights typically take the form of remedies, the right of a minority shareholder to object to a scheme of arrangement (section 210 of the Companies Act 1967) or amalgamation (section 215 of the Companies Act 1967), and the right to be bought out at fair value, subject to the court assessing whether a scheme is fair. A minority oppression claim under section 216 of the Companies Act 1967 also allows the court to order a share buy-out at fair value.

**Law stated - 2 February 2026**

## **RESPONSIBILITIES OF THE BOARD (SUPERVISORY)**

### **Board structure**

#### **Is the predominant board structure for listed companies best categorised as one-tier or two-tier?**

In Singapore, private and listed companies predominantly have a one-tier board structure where both executive and non-executive sit on the same board (ie, a unitary board), as opposed to a two-tier governance structure where the board is split into a management board and a supervisory board. That said, the Singapore Exchange (SGX) Listing Rules (Mainboard) and the SGX Listing Rules (Catalist) do require listed companies to establish

as many committees as are necessary to the perform audit, nominating and remuneration functions.

**Law stated - 2 February 2026**

## **Board's legal responsibilities**

### **What are the board's primary legal responsibilities?**

The board of directors is charged with managing the company's business; section 157A of the Companies Act 1967 expressly stipulates that the business of a company is to be managed by or under the direction of the directors. The board and its directors owe fiduciary duties and a duty of care, skill and diligence to the company.

**Law stated - 2 February 2026**

## **Board obligees**

### **Whom does the board represent and to whom do directors owe legal duties?**

The board represents and owes duties to the company, and is bound to act in its best interests. The "best interests" of a company are generally understood as being the interests of its shareholders (who are the primary risk bearers when a company is solvent). The Singapore Court of Appeal, however, has made clear that the evaluation of a company's best interests "does not admit of a single and unchanging answer". For instance, where a company is insolvent, its directors also have a duty to consider the interests of its creditors, who become the main economic stakeholders of the company.

**Law stated - 2 February 2026**

## **Enforcement action against directors**

### **Can an enforcement action against directors be brought by, or on behalf of, those to whom duties are owed? Is there a business judgement rule?**

The board represents and owes duties to the company. In turn, only the company itself can seek redress for a wrong or loss suffered by it (ie, a corporate wrong) – this is known as "the proper plaintiff rule". This becomes an issue if the company's board is unable to resolve to take action against errant directors. In such circumstances, section 216A of the Companies Act 1967 provides shareholders with the ability to commence a derivative action in order to: (1) overcome an unwilling or uncooperative board of directors; (2) step into the shoes of the company; and (3) seek redress for a corporate wrong committed against the company (as opposed to a wrong committed the shareholder personally). Section 216A is not available only to shareholders, however, being accessible to "any other person who, in the discretion of the Court, is a proper person to make an application".

In Singapore, the courts accept that "it is the role of the marketplace and not the function of the court to punish and censure directors who have in good faith, made incorrect

commercial decisions...*Bona fide* entrepreneurs and honest commercial men should not fear that business failure entails legal liability...Undue legal interference will dampen, if not stifle, the appetite for commercial risk and entrepreneurship" (*Vita Health Laboratories Pte Ltd v Pang Seng Meng* (2004) 4 SLR 162).

Law stated - 2 February 2026

## Care and prudence

### Do the duties of directors include a care or prudence element?

The board and its directors owe fiduciary duties and a duty of care, skill and diligence to the company.

In terms of fiduciary duties, the company is entitled to the single-minded loyalty of its directors, including:

- the duty to act honestly and in good faith in the best interests of the company;
- the duty not to exercise their powers for an improper purpose, such as to profit personally from their office; and
- the duty not to place themselves in a position that will result in a conflict of interest between their duties to the company and their personal interests.

In terms of the duty of care, skill and diligence, it has been made clear that "a director must meet the minimum objective standard of care which entails the obligation to take reasonable steps to place oneself in a position to guide and monitor the management of the company" (*Ho Yew Kong v Sakae Holdings Ltd and other appeals and other matters* (2018) 2 SLR 333), a standard that applies to all directors. Section 157(1) of the Companies Act 1967 reflects this duty, expressly providing that a "director must at all times act honestly and use reasonable diligence in the discharge of the duties of his or her office".

Law stated - 2 February 2026

## Board member duties

### To what extent do the duties of individual members of the board differ?

The functions of individual members of the board are largely dependent on the daily roles that they carry out within the company. In listed companies, for example, individual directors may perform different roles as a result of being a member of different committees, such as an audit committee, a nominating committee or a remuneration committee.

Notwithstanding the different functions that they may perform within a company, all directors are held to a "minimum standard" of care and diligence that requires them to acquire and maintain sufficient knowledge and understanding of the company's business. This "minimum standard" is assessed objectively, and "will not be lowered to accommodate any inadequacies in the individual's knowledge". It will also be raised if the director "held himself out to possess or in fact possesses some special knowledge or experience" (*Lim Weng Kee v Public Prosecutor* (2002) 2 SLR(R) 848).

Law stated - 2 February 2026

### **Delegation of board responsibilities**

**To what extent can the board delegate responsibilities to management, a board committee or board members, or other persons?**

In Singapore, the courts recognise that it would not be commercially sensible to expect directors to personally perform all functions of the board and to run the company by themselves, acknowledging that the "larger the business, the greater the commercial need for delegation" and that "the more specialised functions [there] are, the greater the need for independent operations and powers" (*Vita Health Laboratories Pte Ltd v Pang Seng Meng* (2004) 4 SLR 162). As such, the courts adopt a pragmatic approach to assessing a director's delegation of duties. A director is entitled to delegate their functions and powers so long as they do so to a competent party and in good faith. A distinction must be drawn between delegation and abdication, however, the latter of which is not permissible.

Law stated - 2 February 2026

### **Non-executive and independent directors**

**Is there a minimum number of "non-executive" or "independent" directors required by law, regulation or listing requirement? If so, what is the definition of "non-executive" and "independent" directors and how do their responsibilities differ from executive directors?**

In Singapore, at least one-third of the boards of listed companies must comprise independent directors, with at least two non-executive directors who are independent and "free of any material business or financial connection" with the company (the SGX Listing Rules). It is also recommended that, at its core, a board ought to have "an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company" (the Monetary Authority of Singapore (MAS) Code of Corporate Governance 2018).

Executive directors are generally on the company's payroll and in an employment relationship with the company. They actively manage and run the company on a daily basis.

Non-executive directors do not partake in the day-to-day running of the company. Instead, they typically play a supervisory function and help to chart the general policy and strategy of the company. Non-executive directors also sit on the audit, nominating and remuneration committees of listed companies.

An independent director is not synonymous with a non-executive director; not all non-executive directors are independent. The MAS Code defines an independent director as "one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company".

Law stated - 2 February 2026

### **Board size and composition**

How is the size of the board determined? Are there minimum and maximum numbers of seats on the board? Who is authorised to make appointments to fill vacancies on the board or newly created directorships? Are there criteria that individual directors or the board as a whole must fulfil? Are there any disclosure requirements relating to board composition?

The company's constitution or shareholders' agreement determines who is authorised to make appointments to the board, the size of the board and its composition. There are no maximum number of seats on the board, though Singapore incorporated companies must have at least one director who is ordinarily resident in Singapore (section 145(1) of the Companies Act 1967). In Singapore, the law only prescribes two qualifications: that the director must be a natural person and that they must be at least 18 years old.

For listed companies, the MAS Code encourages "board and board committees [to be] of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate". The MAS Code also advises that "the board diversity policy and progress made towards implementing the board diversity policy, including objectives, [should be] disclosed in the company's annual report".

**Law stated - 2 February 2026**

### **Board leadership**

Is there any law, regulation, listing requirement or practice that requires the separation of the functions of board chair and CEO? If flexibility on board leadership is allowed, what is generally recognised as best practice and what is the common practice?

The role of the chairman is to lead the board, and is described as being the "face of the board". The CEO's role is to run the business and to execute the policies and strategies that are formulated and decided by the board.

For private companies, there are no laws that mandate the separation (or joining) of the functions of board chair and CEO. For listed companies, however, the MAS Code recommends that the chairman and the CEO ought to be "separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the board for independent decision making".

**Law stated - 2 February 2026**

### **Board committees**

What board committees are mandatory? What board committees are allowed? Are there mandatory requirements for committee composition?

Listed companies are required to establish as many committees as are necessary to perform the audit, nominating and remuneration functions (the SGX Listing Rules).

A nominating committee makes recommendations to the board on all board appointments. The MAS Code proposes that a nominating committee should have at least three directors, the majority of which should be independent, and that its chairman should “be independent of management, business relationships as well as of substantial shareholders”.

Section 201B of the Companies Act 1967 specifically mandates that every listed company must have an audit committee. The audit committee assists the board of directors by making recommendations to establish an adequate, effective and independent internal audit function. Section 201B(5)(a) and (b) of the Companies Act 1967 sets out the functions of an audit committee. The Companies Act 1967 also mandates that the audit committee must be composed of three or more members, of which a majority must not be:

- an executive director of the company or any related corporation;
- a spouse, parent, brother, sister, son, adopted son or adopted daughter of an executive director of the company or of any related corporation; or
- any person having a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgement when carrying out the functions of the audit committee.

A remuneration committee reviews and makes recommendations to the board on the remuneration framework for the board and key management personnel, as well as the specific remuneration packages for each director and each member of key management. The MAS Code recommends that a remuneration committee should be entirely composed of independent non-executive directors, to minimise the risk of conflicts of interest.

**Law stated - 2 February 2026**

### **Board meetings**

**Is a minimum or set number of board meetings per year required by law, regulation or listing requirement?**

There is no minimum or set number of board meetings per year required by law. The company’s constitution determines how regular board meetings should be called, with the model constitution under the Companies (Model Constitutions) Regulations 2015 prescribing that “directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit”. For listed companies, the number of board meetings and the attendance of each director should be disclosed in the company’s annual report.

**Law stated - 2 February 2026**

### **Board practices**

**Is disclosure of board practices required by law, regulation or listing requirement?**

Listed companies must detail their corporate governance practices in their annual reports, with reference to the principles of the MAS Code. Listed companies have specific disclosure obligations regarding various matters, including but not limited to the delegation of authority to any board committee to make decisions on certain board matters; the number of meetings of the board and of board committees that were held; the attendance of each board member at these meetings; the names of the members of the audit, nominating and remuneration committees; and the respective key terms of reference for each committee, etc.

**Law stated - 2 February 2026**

### **Board and director evaluations**

**Is there any law, regulation, listing requirement or practice that requires evaluation of the board, its committees or individual directors? How regularly are such evaluations conducted and by whom? What do companies disclose in relation to such evaluations?**

The board of listed companies is required to make annual evaluations of itself, of each of its board committees and of individual directors. The nominating committee is tasked with proposing an objective performance criteria and process for this evaluation. These assessments and evaluations are disclosed in the company's annual report, including how they have been conducted.

**Law stated - 2 February 2026**

## **REMUNERATION**

### **Remuneration of directors**

**How is remuneration of directors determined? Is there any law, regulation, listing requirement or practice that affects the remuneration of directors, the length of directors' service contracts, loans to directors or other transactions or compensatory arrangements between the company and any director?**

Directors are not entitled to any directors fees. Directors fees are distinguished from salary or remuneration paid pursuant to an employment relationship, however, whereby any such payment is premised on the director's employment contract or service agreement with the company.

Directors are only entitled to fees or emoluments if passed by a resolution at a meeting of the shareholders. Furthermore, companies (except exempt private companies) may not make a loan or quasi-loan to a director, which would constitute a restricted transaction.

For listed companies, the Monetary Authority of Singapore's Code of Corporate Governance 2018 states that "the level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company".

**Law stated - 2 February 2026**

### **Remuneration of senior management**

**How is the remuneration of the most senior management determined? Is there any law, regulation, listing requirement or practice that affects the remuneration of senior managers, loans to senior managers or other transactions or compensatory arrangements between the company and senior managers?**

A remuneration committee reviews and makes recommendations to the board on a framework of remuneration for the board and key management personnel, as well as the specific remuneration packages for each director and each member of key management.

Factors commonly considered when determining compensation include the roles and responsibilities of the individual, benchmarking against peers and the results achieved, the individual's skills and expertise, and the effort committed by them.

The remuneration packages of senior managers are typically governed by their employment contracts or service agreements. These packages should be regularly re-evaluated to ensure that "the design of the remuneration policy and packages remain consistent with the company's policies and strategies".

**Law stated - 2 February 2026**

### **Say-on-pay**

**Do shareholders have an advisory or other vote regarding remuneration of directors and senior management? How frequently may they vote?**

In Singapore, unless expressly allowed for in the company's constitution or shareholders' agreement, shareholders have very little say on the pay of directors and senior management (except for directors' fees and emoluments under section 169 of the Companies Act 1967).

**Law stated - 2 February 2026**

## **DIRECTOR PROTECTIONS**

### **D&O liability insurance**

**Is directors' and officers' liability insurance permitted or common practice? Can the company pay the premiums?**

D&O liability insurance protects a company's directors and officers from a range of civil, criminal and regulatory proceedings arising from the potential exposures associated with their role, except in cases of criminal, fraudulent or dishonest conduct. Section 172A of the Companies Act 1967 expressly allows companies to purchase and maintain insurance for the benefit of its officers.

**Law stated - 2 February 2026**

### **Indemnification of directors and officers**

**Are there any constraints on the company indemnifying directors and officers in respect of liabilities incurred in their professional capacity? If not, are such indemnities common?**

Section 172 of the Companies Act 1967 renders void any provision (whether contained in a company's constitution or in any contract with the company or otherwise) that exempts or indemnifies an officer from or against any liability in connection with negligence, defaults, breaches of duty or breaches of trust in relation to the company.

However, the company is permitted to purchase and maintain insurance against such liability for the benefit of its officers. The company is also allowed to indemnify officers against liability to third parties (ie, a person other than the company) except against:

- liability to pay fines and penalties,
- liability incurred in defending criminal proceedings in which they are convicted,
- liability incurred in defending civil proceedings brought by the company or a related company in which judgment is given against the director; or
- liability incurred in connection with an application for relief referred to in sections 76A(13) or 391 of the Companies Act 1967, in which the court refuses to grant the director relief.

**Law stated - 2 February 2026**

### **Advancement of expenses to directors and officers**

**To what extent may companies advance expenses to directors and officers in connection with litigation or other proceedings against them or in which they will be a witness?**

Insofar as a company is allowed to indemnify its directors against liability to third parties (ie, a person other than the company), there is nothing that strictly prohibits a company from advancing expenses to directors and officers in connection with litigation or other proceedings against them or in which they will be a witness (if they are part of defending the company's interests), as long as the spirit of section 172 of the Companies Act 1967 is not circumvented. It is also considered reasonable to expect the director to reimburse such advances should they eventually be found liable or if they are convicted of wrongdoing.

**Law stated - 2 February 2026**

### **Exculpation of directors and officers**

**To what extent may companies or shareholders preclude or limit the liability of directors and officers?**

Through a resolution in a general meeting, a company may give advance consent to a transaction that would otherwise constitute a breach of directors' duties. In such instances, there is technically no breach because the company has given its consent to the transaction.

It is also possible for the company to forgive or ratify a breach that has already occurred. In such scenarios, the company decides not to sue and to waive its rights as against the errant director.

However, shareholders are unable to ratify or consent to an *ultra vires* act (one that exceeds the objects in the company's constitution), since the act is void to begin with.

**Law stated - 2 February 2026**

## DISCLOSURE AND TRANSPARENCY

### Corporate charter and by-laws

**Are the corporate charter and by-laws of companies publicly available? If so, where?**

A company's constitution is publicly available and can be purchased through the Accounting and Corporate Regulatory Authority's Bizfile online platform.

**Law stated - 2 February 2026**

### Company information

**What information must companies publicly disclose? How often must disclosure be made?**

Singapore adopts a disclosure-based regulatory environment, with both private and listed companies subject to mandatory disclosure requirements, one of which is the legal requirement for a company's accounts to provide a true and fair view of its financial position. The company must provide all shareholders with its financial statements prior to each annual general meeting. Companies are also required to maintain their own register of charges at their registered offices, which must be kept open to inspection by any creditor or shareholder.

Appendix 7.1 of the Singapore Exchange's Mainboard Listing Rules details the corporate disclosure policy required for listed companies. Rule 703(1), for example, requires listed companies to disclose any information concerning them or any of their subsidiaries or associated companies that is necessary to avoid a false market in their securities, or that would be likely to have a material effect on the price or value of their securities.

**Law stated - 2 February 2026**

## UPDATE AND TRENDS

### Recent developments

**Identify any new developments in corporate governance over the past year.**

In March 2026, the Singapore Academy of Law's Law Reform Committee issued its Report on the Codification of Directors' Duties in Singapore, which considers whether Singapore should amend the Companies Act 1967 to codify directors' duties, or whether steps may

be taken to ensure that directors have more clarity and guidance regarding the nature and scope of their duties. Among other things, it was suggested that directors' duties under the Companies Act 1967 could be listed more comprehensively, and it was recommended that a civil penalty regime for breaches of duties should be introduced, to run in parallel with the existing criminal liability framework.

**Law stated - 2 February 2026**

### **Shareholder engagement and activism**

**Do companies engage with shareholders? If so, who typically participates in the company's engagement efforts and when does engagement typically occur?**

Companies should engage with and encourage active participation from shareholders. Such engagements are typically undertaken between the board and shareholders, and commonly occur at annual general meetings (which a company must convene after the end of each financial year) and extraordinary general meetings (which can be requisitioned by shareholders). That said, shareholder engagement ought to be regular and continuous. The Monetary Authority of Singapore Code of Corporate Governance 2018 prescribes that a company should "communicate[] regularly with its shareholders and facilitate[] the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company". Recently, shareholders have increasingly demonstrated a willingness to exercise their vote not merely for the maximisation of shareholder value, but regarding environmental, social and governance related concerns.

**Law stated - 2 February 2026**

### **Sustainability disclosure**

**Are companies required to provide disclosure with respect to corporate social responsibility matters?**

Singapore requires mandatory sustainability reporting for all listed companies. Every listed company must prepare an annual sustainability report, which must describe the company's sustainability practices. Among other things, the sustainability report should contain disclosures related to climate-related risks and opportunities.

The Singapore Exchange describes these disclosure requirements as follows:

Sustainability reporting complements the financial reporting of listed issuers. Statements of financial position and comprehensive income provide a snapshot of the present and an account of the past year, while sustainability reports of environmental, social and governance factors show the risks and opportunities within sight, managed for future returns. Taken together, the combined financial and sustainability reports enable a better assessment of the issuer's financial prospects and quality of management.

Law stated - 2 February 2026