

PRESS RELEASE

Dr. Philip Pillai, Director, Monetary Authority of Singapore Addresses Concluding Session of Conference on Corporate Governance in Pakistan: Regulation, Supervision and Performance

LAHORE – 31 May 2004: Dr. Philip Pillai, Director, Monetary Authority of Singapore, has advised that Pakistan should develop a holistic system of corporate governance in relation to accountability/checks and balances between management, board of directors and shareholders so as to achieve greater shareholder value.

Dr. Pillai was addressing the concluding session of the two-day conference on “Corporate Governance in Pakistan: Regulation, Supervision and Performance” arranged by the Securities and Exchange Commission of Pakistan (SEC) and the Lahore University of Management Sciences (LUMS) in Lahore.

He shared Singapore’s corporate governance experience with the audience and highlighted the various approaches to adapt good governance practices. He urged the conference participants, which were largely from the corporate sector, to not just to restrict themselves to the Code of Corporate Governance but also adapt the inherent infrastructure and culture. He also highlighted some of the issues and limitations that Singapore is faced with respect to non-executive directors and explained that these were prevalent in most emerging markets. He informed the participants that an Institute of Directors had been set up in Singapore to cater to the need of independent, non-executive directors in companies.

Dr. Pillai, who is also a member of the Demutualization Committee set up by the SEC earlier this year, also met other members of the Committee to deliberate on the issue of demutualization of Pakistan’s stock exchanges. The Committee has already submitted its interim report, which is currently being evaluated by the SEC. The final report is due to be submitted in June.