



ASIAN ROUNDTABLE ON CORPORATE GOVERNANCE

AGENDA

**Bangkok, Thailand
29-30 October 2015**

In partnership with the Government of Japan



The Asian Roundtable on Corporate Governance

Established in 1999, the Asian Roundtable on Corporate Governance (ARCG) has become a unique platform for engagement by senior officials, regulators, and practitioners - including international and regional institutions and academics - committed to improving corporate governance in Asia¹.

The objective of the ARCG is to support decision-makers in their efforts to improve corporate governance in the region. This is achieved through Task Forces, peer review of corporate governance policy frameworks and practices in the region, benefitting from international experience. Participants share major developments and challenges, evaluate implementation and enforcement as well as discuss and analyse policy options to support viable and effective corporate governance reforms.

The ARCG offers (i) evidence-based comparative policy analysis and advice in order to advance implementation of better corporate governance in the region, and (ii) consensus-building and real knowledge-sharing, including by providing a bridge between Asia and the OECD Corporate Governance Committee – the standard setter on corporate governance.

This meeting is timely as it takes place just after the new G20/OECD Principles of Corporate Governance newly launched in Turkey, providing an opportunity to share perspectives on their relevance to and implementation in Asia. Recent developments in terms of market structure, investment strategies and ownership have raised questions about the conditions for equity-financed growth and the need to adapt corporate governance requirements and practices to changing circumstances. These are some of the questions and issues that were discussed during the revision of the Principles of Corporate Governance, emphasising that corporate governance is not an end in itself rather the means to strengthen competitiveness.

In addition, the Roundtable sessions will address: family-controlled businesses, institutional investors, disclosure of beneficial ownership and control, and how corporate governance policies and practices have evolved or should be adjusted to respond to recent challenges and opportunities.

Guidance for moderators, introductory speakers, panellists and participants

Moderators are invited to provide a brief introduction outlining the key issues for their session, to maintain the focus on the theme of their session, manage time strictly and encourage open discussion among participants to draw out specific country experiences and conclude with agreed points.

Introductory speakers are invited to present the key findings from their background reports in less than 10 minutes, to leave ample time for the debate sessions that follow.

Panellists will be invited by the moderator of each session to make a 2 minute introduction with their key messages. The moderator will then kick off the discussion with questions. There will be no presentations, so that we can facilitate an interactive discussion. The sessions will primarily be organised as debates.

Roundtable participants are invited to react, express their views and discuss the issues raised by speakers that are related to the issues provided in the agenda. They are encouraged to actively and openly participate in discussions to share their country experience.

For the small group discussions, moderators are invited to encourage open discussion during the break-out sessions and to summarise the discussion the next day, with the help of note takers.

¹ The participating Asian economies include: Bangladesh, China, Hong Kong (China), India, Indonesia, Korea, Malaysia, Mongolia, Pakistan, the Philippines, Singapore, Chinese Taipei, Thailand and Viet Nam.

DAY 1

8:30 – 9:00	Registration
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9:00 – 9:30	Welcoming remarks
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- **Mr. Somchai Sujjapongse**, Permanent Secretary of Ministry of Finance, Thailand
- **Mr. Rintaro Tamaki**, Deputy Secretary General, OECD

9:30 – 10:30	Session 1: Recent Corporate Governance Developments in Thailand
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Moderator: **Ms. Pornanong Budsaratragoon**, Board Member, Capital Market Supervisory Board, Securities and Exchange Commission, Thailand, and Associate Professor of Banking and Finance, Faculty of Commerce and Accountancy, Chulalongkorn University

Panel Discussion:

- **Mr. Rapee Sucharitakul**, Secretary-General, Securities and Exchange Commission of Thailand
- **Ms. Kesara Manchusree**, President, the Stock Exchange of Thailand
- **Mr. Bandid Nijathaworn**, President and CEO, Thai Institute of Directors
- **Mr. Chanin Vongkusolkrit**, Director, Banpu Plc.

Background: *The framework for corporate governance in Thailand has improved over recent years. Thailand's corporate governance code – known as the Principles of Good Corporate Governance for Listed Companies – was revised in 2012 and came into effect in 2013. In 2014, a group of Thai institutions announced a new set of proxy voting guideline. What are the initiatives that have had the most impact on corporate governance practices in Thailand to date? What are some of the notable gaps in the corporate governance framework that must be addressed?*

Open Discussion

10:30 – 11:00	Coffee/Tea break
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11:00 – 13:00	Session 2: Putting the G20/OECD Principles of Corporate Governance into Practice in Asia
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Moderator: Mr. John Plender, Columnist and Editorial Writer, Financial Times, United Kingdom

Introduction by Mr. Mats Isaksson, Head, Corporate Affairs Division, OECD

Presentation by Mr. Masato Kanda, Deputy Commissioner for International Affairs, Financial Services Agency, Japan

Panel Discussion:

- Ms. Selvarany Rasiah, Chief Regulatory Officer, Regulations, Bursa Malaysia Bhd
- Mr. Jesus Estanislao, Chairman Emeritus, Institute of Corporate Directors, the Philippines
- Mr. Dan Konigsburg, Chair Business and Industry Advisory Committee to the OECD on Corporate Governance, Managing Director, Deloitte
- Ms. Rosemary Wei Min Lim, Deputy Director & Head, Capital Markets Policy Division, Markets Policy & Infrastructure Department, Monetary Authority of Singapore (MAS)
- Ms. Christina Zhiying Yang, Deputy Secretary General, China Association for Public Companies (CAPCO)

***Background:** The G20/OECD Principles of Corporate Governance have been revised in 2015, aiming to ensure their continuing high quality and relevance, taking into account recent developments in the corporate sector and capital markets. The Principles are one of the key standards of the Financial Stability Board for sound financial systems and form the basis for the corporate governance component of the Report on the Observance of Standards and Codes (ROSC) of the World Bank Group. The revised Principles contain six chapters: (i) ensuring the basis for an effective corporate governance framework, (ii) the rights and equitable treatment of shareholders, and key ownership functions, (iii) institutional investors, stock markets and other intermediaries, (iv) the roles of stakeholders in corporate governance, (v) disclosure and transparency, and (vi) the responsibilities of the board. How are the revised Principles relevant to Asia? What are the opportunities and challenges for their implementation?*

Open Discussion

13:00 – 14:30	Lunch
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14:30 – 16:00	Session 3: Family-Controlled Businesses in Asia
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Moderator: Mr. Hasung Jang, Professor, Korea University Business School

Introduction by Mr. Mitchell Van der Zahn, Managing Consulting Partner, WolfBar ESG Research Partners, Singapore

Panel Discussion:

- **Ms. Varunee Pridanonda**, Partner, PwC, Thailand
- **Mr. Rolf Skog**, Bureau Member, OECD Corporate Governance Committee, Company Law Expert, Ministry of Justice, Sweden
- **Mr. Joseph P.H. Fan**, Co-director, Institute of Economics and Finance, and Professor, Department of Finance & School of Accountancy, The Chinese University of Hong Kong
- **Mr. Carmine Di Noia**, Deputy Director General & Head of Capital Markets and Listed Companies Assonime (Associazione fra le Società Italiane per Azioni), Italy
- **Mr. Makarand M. Lele**, Council Member, Institute of Company Secretaries of India, India

Background: Family ownership is prevalent in Asia. Family-controlled firms account for 85% of all companies in Asia and 32% of total market capitalisation, according to a recent survey by EY. However, family firms in Asia remain predominantly small to medium-sized compared to their international counterparts. In order to grow, Asian family-firms must compete for capital in internationalised markets, creating incentives to improve their corporate governance practices and opportunities with regard to strategy, risk appetite and innovation. At the same time, family firms face specific challenges, with regard to family governance issues, such as succession planning. A literature review and case studies will provide background for the discussion. What are the implications of the high degree of family ownership in Asia for policy makers and regulators? What can be learned from the corporate governance practices of family firms? How do they contribute to value creation and growth?

Open Discussion

16:00 – 16:15	Coffee/Tea break
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16:15 – 18:00	Session 4: Breakout Sessions on Monitoring the Implementation of Asian Roundtable Policy Recommendations
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Introduction by Ms **Fianna Jurdant**, Senior Policy Analyst, Corporate Affairs Division, OECD

Group 1: Related Party Transactions

Moderator: Mr. **Lee Kha Loon**, Independent Director, VCAP Asset Managers, Malaysia

Rapporteur: Ms. **Le Thu Ha**, Deputy Director, Securities Issuance Department, State Securities Commission (SSC), Viet Nam

Group 2: Board Nomination and Election

Moderator: Mr. **John Lim**, Immediate Past Chairman, Singapore Institute of Directors

Rapporteur: Mr. **Fuad Hashimi**, President & CEO, Pakistan Institute of Directors

Background: These breakout sessions will provide a platform for participants to discuss progress made towards the implementation of agreed OECD Asian Roundtable recommendations as outlined in: (i) the 2009 Guide on Fighting Abusive Related Party Transactions in Asia, and (ii) the 2013 report Better Policies for Board Nomination and Election in Asia. A background note on recent developments will be circulated to structure the discussion. What

initiatives have taken place recently by Asian jurisdictions to improve corporate governance practices in line with these recommendations regarding related party transactions and board nomination/election?

19:00

Cocktail and Dinner hosted by SET at 22 Kitchen & Bar, Dusit Thani Hotel

DAY 2

9:30 – 10:30

Session 5: Feedback from Breakout Sessions

Moderator: Mr. Takahiro Yasui, Head, Special Projects and Outreach Unit, OECD

Discussants:

- Mr. Lee Kha Loon, Independent Director, VCAP Asset Managers, Malaysia
- Mr. John Lim, Immediate Past Chairman, Singapore Institute of Directors

Open Discussion

10:30 – 11:00

Coffee/Tea break

11:00 – 12:30

Session 6: Institutional Investors in Asia

Moderator: Ms. Anne Molyneux, International Corporate Governance Network Board Member

Introduction by Mr. Austin Tyler, Junior Policy Analyst, Corporate Affairs Division, OECD

Panel Discussion:

- Mr. Amit Tandon, Managing Director, Institutional Investor Advisory Services (IIAS)
- Mr. Huo-Dang (Michael) Lin, President, Taiwan Stock Exchange, and CEO of the Corporate Governance Center, Chinese Taipei
- Ms. Pru Bennett, Director of Corporate Governance in Asia-Pacific, Blackrock
- Mr. Gerard Fehrenbach, Senior Advisor, PGGM Investments, Netherlands
- Mr. Toshiaki Oguchi, Representative Director, Governance for Owners, Japan

Background: Institutional investors hold an increasing amount of assets in Asia. By 2020 assets under management in Asia Pacific are expected to rise to USD 16.2 trillion, from USD 7.7 trillion in 2012, according to research by PwC. While expectations are high, engagement by institutional investors with investee companies still lags behind. Some countries have begun to address this with stewardship codes for institutional investors, which aim to improve the relationship between investors and the companies they invest in through enhanced participation in general meetings and monitoring of company affairs, for example. In 2014, Japan was the first Asian country to develop a Stewardship Code, followed by Malaysia. A background paper will be provided to help guide the discussion. What are the specific challenges for institutional investors in Asia, depending on their business models, and how can they be addressed? How effective have stewardship codes been in improving the corporate governance of Asian companies?

Open Discussion

12:30 – 14:00	Lunch
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14:30 – 16:00	Session 7: Disclosure of Beneficial Ownership and Control in Asia
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Moderator: **Mr. Tony Tan**, CFA, Head, Standards & Advocacy Division, CFA Institute for the Asia Pacific Region, Hong Kong China

Introduction by Mr. Erik Vermeulen, Professor, Business & Financial Law, Tilburg University, The Netherlands

Presentation by Mr. Li Bing, Director General, Enterprise Restructuring Bureau, SASAC, People's Republic of China

Panel Discussion:

- **Ms. Ety Wulandari**, Senior Specialist to the Chairman, Indonesia Financial Services Authority
- **Mr. David Robinett**, Senior Private Sector Development Specialist, Corporate Governance, World Bank Group
- **Mr. Shaswat Das**, Associate Director, Office of International Affairs, Public Company Accounting Oversight Board, United States of America
- **Ms. Christine Uriarte**, Counsel, Asia Key Partners, Directorate for Financial and Enterprise Affairs, OECD
- **Ms. Pan Miaoli**, Researcher, Capital Market Research Centre, Shanghai Stock Exchange, People's Republic of China

Background: *It is well-accepted that a disclosure regime that encourages transparency in the beneficial ownership and control structures of companies is an important factor for investor confidence in financial markets. It is also necessary to ensure that the demand for capital by Asian firms is met. Key findings from an OECD survey of Asian Roundtable jurisdictions will be presented to help structure the discussion. What progress has been made recently in developing an effective and enforceable framework for the disclosure of beneficial ownership and control in Asia? What good practices can be identified and shared?*

Open Discussion

16:00 – 16:30	Closing Remarks
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- **Mr. Chalee Chantanayingyong**, Deputy Secretary-General, Securities and Exchange Commission of Thailand
- **Mr. Mats Isaksson**, Head, Corporate Affairs Division, OECD
- **Ms. Fianna Jurdant**, Senior Policy Analyst, Corporate Affairs Division, OECD
- **Mr. Hee-man Chae**, prosecutor, Ministry of Justice, Korea, host of the Asian Roundtable on Corporate Governance event in 2016