



Ohio Public Employees Retirement System

Via e-mail: listingrules@sgx.com

April 17, 2017

CEO Loh Boon Chye
Chief Regulatory Officer Tan Boon Gin
Singapore Exchange Limited
11 North Buona Vista Drive
#06-07, The Metropolis Tower 2
Singapore 13859
Attn: Listing Policy & Product Admission

Re: *Proposed Dual-Class Structure for Singapore Exchange Listing Standards*

Dear Messrs. Loh and Tan:

I am writing on behalf of the Ohio Public Employees Retirement System (OPERS) in response to the February 16, 2017 public consultation regarding whether a dual-class share structure where certain shares have higher voting rights than others should be introduced, and if introduced, what safeguards might be appropriate.¹ OPERS believes that permitting a dual-class share structure would erode investor confidence and undermine the quality of the listings on the Singapore Exchange, and as a result, we urge the SGX to preserve its existing “one-share, one-vote” listing standard.²

Founded in 1935, OPERS is a public pension fund based in Columbus, Ohio. With assets of nearly \$90 billion, OPERS is the largest state pension fund in Ohio and the 12th largest public retirement system in the United States. OPERS is a long-term institutional investor with holdings in more than 9,300 companies. We regularly engage with our held companies in an effort to improve sustainability and long-term shareowner value because we believe that is in our mutual best interest. OPERS strives to manage its assets and risks in a prudent, timely, and cost-effective manner within its investment objectives and legal authority. As an investor in the U.S. and international equity markets, OPERS acts as a fiduciary for its members and exercises its shareowner rights solely in the economic interests of the System’s participants and beneficiaries.

¹ The SGX notice of public consultation is available at http://www.sgx.com/wps/wcm/connect/sgx_en/home/highlights/news_releases/sgx_consults_public_on_dual_class_share_structure. The SGX consultation paper, “Possible Listing Framework for Dual Class Share Structures”, is available at <http://www.sgx.com/wps/wcm/connect/71f41364-8584-4da0-b8a5-7891dd16e52e/DCS+Consultation+Paper+%28SGX+20170216%29%28Final%29.pdf?MOD=AJPERES>

² An independent analysis of Singapore’s recent advancements is available on p. 194 – 206 at CG Watch 2016: Ecosystems matter: Asia’s path to better home-grown governance, produced by CLSA in collaboration with the Asian Corporate Governance Association, September 2016.

We believe that the principle of one-share, one-vote is a core value of corporate governance best practices, ensuring that all shareowners are treated equally. Corporate boards and management should be accountable to all shareowners. While we understand that the Listings Advisory Committee has endorsed a dual-class structure with certain safeguards, we believe that permitting a dual-class structure introduces opaqueness into the relationship between companies and their shareowners with the potential to harm long-term performance and shareowner value.

The OPERS Board of Trustees has adopted proxy voting guidelines that reflect our position on the principle of shareowner's right to "one-share, one-vote."³ As a long-term investor with fiduciary responsibility to protect the retirement savings of our members, OPERS supports a single-class structure as the most effective means of supporting a long-term investment strategy, providing sustained investment performance and optimizing returns. A decision to allow companies to go public with the reported dual-class structure will undermine the quality and confidence of public shareowners in the market. Independent boards accountable to shareowners should be empowered to actively oversee management and make course corrections when appropriate. The adoption of a dual-class structure would leave shareowners at risk of entrenchment, expropriation, poor quality listings and lack of clarity.⁴ We respectfully urge the Singapore Exchange to uphold Singapore's long-standing position of one-vote, one-share.

OPERS appreciates the opportunity to express its views on the proposed dual-class structure for Singapore's Exchange. Thank you for your consideration. Please do not hesitate to contact Patti Brammer, OPERS Interim Corporate Governance Officer, if you have any questions.

Sincerely,



Karen Carraher
Executive Director



Patti Brammer
Interim Corporate Governance and Employer
Services Officer

³ OPERS Proxy Voting Guidelines, Guideline V, Section A(ii) – Principles of Shareowner Rights, Page 17, <https://www.opers.org/pdf/governance/proxy-voting-guidelines.pdf>, last revised December 2016.

⁴ See SGX Consultation p. 23