

## **Corporate Governance Statement**

Woodbridge Hospital Charity Fund (herein called “The Fund”) recognises the importance of having a well-defined corporate governance system and processes, and is fully committed to upholding high standards of transparency and accountability within The Fund and to our stakeholders. The following policies are in place within the Fund:

### **1. Policy on Board Selection Recruitment, Induction & Training**

A Board of Directors (BOD) shall be appointed to exercise stewardship over The Fund. The Chairman of The Fund shall be appointed and re-appointed by the Chief Executive Officer of National Healthcare Group Pte Ltd (NHG). Members of the BOD of The Fund and the Chief Executive Officer of Institute of Mental Health (IMH) shall be appointed and re-appointed as Director of The Fund by the Chairman of The Fund. The number of Directors shall not be less than three (3), and (i) at least two (2) Directors must be Singapore Citizens or Permanent Residents; (ii) at least half of the Board must be independent (determined in accordance with the Charities (Institutions of a Public Character (IPC)) Regulations); and (iii) not more than one third of the Board shall be related to the executive management of the Company. Subject to the foregoing, a Board member may be a person in the executive management of the Company. The term of each appointment shall not exceed 2 years. Except for the treasurer which has a maximum term limit of four consecutive years, other Directors are expected to serve for no more than 5 terms, totalling no more than 10 years. The reason for retaining any Director(s) who have served for more than 10 consecutive years should be properly documented in the Annual Report.

New Directors shall be given an induction at IMH to familiarise them with the mental health sector, the work of IMH, The Fund and its governance practices.

The BOD will be provided with regular updates on IMH key mental health initiatives to keep the Directors current with the sector. The BOD will also be invited to attend board governance, risk management and strategy related courses and workshops to keep abreast of the latest recommended practices that are consistent with the Code of Governance for Charities and IPCs.

### **2. Policy on Remuneration and Benefits received by the Board**

The BOD of the Fund does not receive any remuneration or benefits from the Fund. The Fund also does not have any employed staff (and therefore there is no remuneration paid out) as it is supported by IMH under NHG at no consideration.

### **3. Policy on Related Party Transactions and Conflict of Interest**

All members of the BOD shall disclose to The Fund any related party transactions and conflict of interest at the earliest opportunity. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. (Refer to Annex A on the Policy on Conflict of Interest for full details).

#### 4. Policies on Accounting and Internal Control of The Fund

The Fund shall comply with all applicable laws and regulations to put in place accounting policies, disclosure practices and internal control system that are reliable and with high integrity.

In alignment with the above principles, the documented policies and procedures of The Fund, NHG and IMH shall be applicable.

An internal audit shall be conducted at least once every three years to focus on internal control in key areas, such as donations, procurement and payments, etc. Any material non-compliance or lapses together with corrective measures are to be reported to the BOD on a timely basis. An internal audit conducted by MOH Holdings was done on The Fund covering the period between 1 Nov 2018 and 31 Dec 2020. The overall audit was rated “Satisfactory” and no major concern was noted.

#### 5. Policy on Disbursement of The Fund

- a) All donations received shall only be used in the following manner:
  - i. Where the donor has specified an intention that the donation should be used for any specified lawful purpose in alignment with the purpose of The Fund, for that purpose; or
  - ii. Where the donor has not specified an intention, donation will have to be used in line with the purpose of The Fund.
- b) The BOD shall approve the annual budget of The Fund.
- c) No loan or donation shall be made to external parties.

#### 6. Policy on Reserves

The Fund aims to hold adequate funds to meet its operational needs of its on-going programmes. Thus it targets to maintain a reserve ratio of two years’ expenditures which is deemed sufficient to fund its operation in the short term while it explores opportunities to raise fund on an ad hoc basis to meet its medium to long term needs.

#### 7. Policy on Investment of The Fund

The investment policy of The Fund shall be guided by the principles of generating returns while protecting capital. As such, all investment of reserves and surplus funds must be in low risk, safe and conservative instruments. Hence, The Fund shall be placed in fixed deposits and/or government bonds. The interest income derived from the fixed deposit placement, bonds and investment instruments shall be credited back to The Fund.

**Woodbridge Hospital Charity Fund (hereinafter called The Fund) - Policy on Conflict of Interest****1. Introduction**

As the Board of Directors (BOD) holds the ultimate responsibility and is always accountable to public trust, it is important that the BOD should uphold and maintain a standard of conduct such as the avoidance of conflict of interest to fulfil public trust responsibilities. This policy on “Conflict of Interest” will be read by the Director upon hiring, appointment or election to the Board as an acknowledgement of having understood the policy and that he/she will fully disclose to the Board when a conflict of interest situation arises.

**2. Situation of Conflict of Interest**

Such conflict of interests situations include but not limited to the following:

a) Contract with vendors

Where Directors, staff or volunteers have personal interest in business transactions or contracts that The Fund may enter into.

b) Vested interest in other organisations that have dealings/relationship with The Fund.

Where Directors, staff or volunteers who have vested interest in other organisations that have dealings/relationship with The Fund, and when matters involving the interests of both The Fund and the other organisation are discussed.

c) Joint Ventures

The BOD’s approval should be sought before The Fund enters into any joint venture with external parties. A conflict of interest may arise, where Directors, staff or volunteers have interest in such ventures.

d) Recruitment of staff with close relationship

Recruitment of staff with close relationship (i.e. those who are more than just mere acquaintances) with current Directors, staff or volunteers should go through the established human resource procedures for recruitment. The Director, staff or volunteer should make a declaration of such relationships and should refrain from influencing decision on the recruitment.

e) Remuneration

Directors and volunteers should serve without remuneration for their voluntary service to The Fund so as to maintain the integrity of serving for public trust and community good instead of personal gain. However, charities may reimburse Directors or volunteers for out-of-pocket expenses directly related to the service.

f) Paid staff on board

Paid staff, including the executive head and senior staff employed by The Fund, should not serve as a member of the BOD as it can pose issues of conflict of interest and role conflicts, and may raise doubts on the integrity of board decisions. The executive head and senior staff can attend board meetings, ex-officio, to provide information and facilitate necessary discussion but should not take part in the decision-making of the board.

g) Major donors/ representatives from major donor companies being on The Fund's Board. Potentially conflicting situations may arise where a major donor sits on The Fund's Board, such as the following:

- Conflict of loyalty: Directors may not have the overall best interests of The Fund due to their vested interests/ priorities. This may influence decisions relating to allocation of resources/ setting the organisation's directions.
- Use of information to influence donor decisions: Information accessible to Directors may be used to influence donors' decision on allocations or the corporation they represent. This may result in staff not highlighting certain issues for fear that the donation may be affected. Issues of transparency and disclosure can arise.
- Pressure to release additional information to donor: Director may expect additional information from staff on how donations were used and the details of users.
- Personal benefit/ gain/ recognition: The Director may expect greater recognition for financial support given, than is usually done. Staff may feel beholden to this Director in case the donor relationship is threatened.

h) Others

- A Director's organisation receives grant funding from the organisation he/she is serving.
- Prohibition on gifts, entertainment and other favours from any persons or entities, which do or seek business with the organisation.

### **3. Disclosure Procedure**

a) Disclosure of conflict of interest will be undertaken as follows:

- All Directors shall be asked to disclose any general information about themselves that leads to actual or potential conflicts, at the start of their term of office; and
- As and when actual conflicts occur the Director makes a declaration of his/her interest for that specific instance either verbally or in writing and excuses himself/ herself from decision making (please refer to "Conflict of Interest Disclosure Form").

b) All disclosures shall be circulated to the BOD as and when it arose or at the next practical BOD meeting.

c) Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

- The conflicting interest is fully disclosed;

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- The person with the conflict of interest is excluded from the discussion and approval of such transaction;
  - A competitive bid or comparable valuation exists; and
  - The BOD has determined that the transaction is in the best interest of the organisation.
- d) The BOD shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorised as just, fair and reasonable to The Fund. The decision of the BOD on these matters will rest in their sole discretion, and their concern must be the welfare of The Fund and the advancement of its purpose.
- e) All decisions made by the BOD on such matters shall be minuted and filed.
- f) This policy document must be read and understood by all Directors upon the start of office.

**Woodbridge Hospital Charity Fund  
Conflict of Interest Disclosure Form**

To: The Secretariat  
Woodbridge Hospital Charity Fund  
c/o Institute of Mental Health  
Buangkok Green Medical Park  
10 Buangkok View  
Singapore 539747

1. I hereby confirm that I have read and understood the "Policy on Conflict of Interest" of the Woodbridge Hospital Charity Fund appended in Annex A and that I have nil disclosure / I have made full disclosure\* of interests, relationships and holdings that could potentially result in a conflict of interest.
2. Please find my full disclosure as follows / in the attached list\* :

**Table 1: Declaration of Shares in Private or Public Companies\*\***

Type of Company	Name of Company	Number of Shares	Name of Owner(s):
Private Company			
Non-Listed Public Company			

\* Please delete whichever is not applicable.

\*\*Declarations need only be made for substantive holdings of 30% or more.

**Table 2: Table of Interest in Business Firms\*\***

Type of Business Firm	Name of Business Firm	% of Ownership	Name of Owner(s):	Specify the Role in Business Firm
Sole Proprietorship				
Partnership				

\*\*Declarations need only be made for substantive holdings of 30% or more.

**Table 3: Table of Directorship & Board Representations**

Directorship / Board Representations	Name of Company

**Table 4: Others (Please Specify)**

Nature of Interest	Description

- 3. Please arrange for this disclosure to be brought up and recorded at the next Board of Directors meeting.
- 4. I will also make full disclosure to the Board when a conflict of interest situation arises or if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with the conflict of interest policy, I will notify the Board immediately.

Name:

Designation:

\_\_\_\_\_  
Signature / Date