



Report on the Management of
the Government's Portfolio
for the Year 2007/08

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THE GIC PRIMER

Our responsibility is to preserve and enhance Singapore's foreign reserves. People and talent are central to what we can do. We believe that the results we seek are best achieved through a culture founded on our five PRIME values of Prudence, Respect, Integrity, Merit and Excellence.

P

PRUDENCE

We exercise prudence and sound judgement and take a considered approach to managing risks as we seek to deliver sustainable, superior investment returns, always conscious of our overriding fiduciary responsibility.

As an institution and as individuals, we conduct ourselves with good sense and circumspection, even as we take the best advantage of our large asset base, global presence, multi-asset approach and long-term orientation.

R

RESPECT

All of us are united in a common endeavour, regardless of who we are, where we work or what we do. We respect people as individuals, care for their well-being, and welcome diversity in capability and background. We do not tolerate behaviour that works against the interests of our clients or of GIC.

We stress teamwork within and across departments, and with our clients and business partners. We expect everyone to be free, candid and constructive in their comments and suggestions, and always seek to help our colleagues and GIC do better.

I

INTEGRITY

Everything we do is founded on integrity. We expect the highest standards of honesty from everyone in GIC, both in our work and in our personal lives. This includes abiding by the laws of the countries we invest in, and observing our code of ethics in letter and in spirit.

We must never jeopardise the trust others have in us and in our reputation for professionalism.

M

MERIT

We recruit and develop our people solely on merit. We draw our talent from around the world and provide challenging and meaningful work. We grant recognition and reward based on performance and conduct consistent with our PRIME values. We develop our people to achieve their potential so that we may also perform to our potential.

We select business partners based on their capability. We believe in long-term relationships built upon high levels of performance and quality of service.

E

EXCELLENCE

We are relentless in our pursuit of excellence. In all that we do, we strive to be the best that we can be. This demands that we plan and anticipate well, so that we will always be in time for the future, fully able to take up the challenges and opportunities that come, pursuing improvements where they may be found, and economies where these may be gained.

We expect everyone to do his best in every situation. We harness the creativity and imagination of our people and our business partners for sustainable, superior results.

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FOREWORD BY THE DEPUTY CHAIRMAN & EXECUTIVE DIRECTOR

In 1981, the Government set up the Government of Singapore Investment Corporation Pte Ltd (GIC) with Mr Lee Kuan Yew as Chairman, a role he continues to fulfil today. GIC's mission is to invest Singapore's foreign reserves to earn reasonable returns within acceptable risk limits over the long term.

I have been a member of the GIC Board since its inception and have seen the company grow in size, breadth and depth over the years. Starting with a few officers seconded from the Monetary Authority of Singapore, our staff strength is now over 1,000. Where once we managed several billion dollars, investing in equities and bonds, we are today one of the largest investment management organizations in the world, investing well over US\$100 billion in multiple asset classes in more than 40 countries.

Recently, there have been increasing concerns expressed in the United States and Europe that sovereign wealth funds, or SWFs, might destabilise markets and financial systems. In this regard, there have been calls for the International Monetary Fund and the Organization for Economic Co-operation and Development to work with SWFs to develop codes of investment practices and principles for SWFs and recipient countries to abide by. GIC has participated actively in discussions on the codes, helping to clarify issues and urging objectivity and realism in the arguments.

There has also been much interest in how the company makes its investments and conducts its operations, especially in the wake of news reports on our investments in banks, infrastructure and real estate.

As the Government of Singapore is the owner of the funds that GIC manages, we take our lead from the Government regarding the disclosure of any information on the funds.

With the approval of the Ministry of Finance, we present a report on GIC's management of the Government's portfolio. In this first report, we highlight what the company has done in the last financial year and provide information on our portfolio management, governance and people.

Such information will assure the investment community and the countries in which we invest that our activities have only one purpose – financial return. This will also assure all our stakeholders that our governance and processes are sound and robust. However, we are not in a position to disclose the size of assets under our management, as the Government’s view is that this would not be in Singapore’s national interest.

Some of the information in this report is already available to the public from the company’s website and from media reports on our investment activities. Nevertheless, putting all this together in a report will let people better appreciate the scope of our investment activities and see them within the context of the objectives that the Government has set for managing Singapore’s foreign reserves.

I am heartened to see the company develop into a world-class organization, with professionals of different nationalities and diverse backgrounds working together to achieve reasonable and sustainable returns for the portfolio. Since its founding, GIC has turned in a creditable performance. I wish to express my heartfelt appreciation for the hard work, dedication and creativity of our staff, and also for the excellent support that we have received from our counterparts and business associates worldwide.



Dr Tony Tan Keng Yam
Deputy Chairman & Executive Director

September 2008

MESSAGE FROM THE GROUP MANAGING DIRECTOR

GIC is responsible for delivering good investment returns on the Government's foreign reserves. People, talent and good governance must be in place, in order that we can produce sustainable superior results over the long term. As we strive to be among the best, we need to improve constantly and move beyond best practices.

GIC invests purely for financial return. This is assured by our policy portfolio which seeks to diversify risk, an investment process for best returns within the risk parameters, a clear governance framework, and a professionally managed organization whose people are committed to doing their best for the company.

We recognise that with the growth in the number of sovereign wealth funds, there will not only be greater competition for investments, but even more intense competition for top talent. It is therefore vital that we develop and sustain a culture that encourages excellence in all that we do. It is also important for our people to espouse and live by a set of corporate values. These values – Prudence, Respect, Integrity, Merit and Excellence, or PRIME – define our character; we believe them to be critical in sustaining the company's success. They put the emphasis on people, underline the importance of prudence in how we manage the portfolio, and stress excellence in all that we do.

The following are some of the key organizational changes in the last financial year.

APPOINTMENTS

Several new appointments were made at the senior management level. Mr Lee Ek Tieng was appointed chairman of the board of directors of GIC Asset Management on 16 July 2007. I was appointed group managing director after he stepped down from this post on 21 September 2007.

Mr Ng Kok Song was appointed group chief investment officer of GIC on 16 July 2007, to oversee investments across the company. Dr Sung Cheng Chih was appointed chief risk officer to take overall charge of risk management. Mr Quah Wee Ghee was appointed president of GIC Asset Management.

GROUP COMMITTEES

With these new appointments, three additional committees were formed at the group level to coordinate and review the business, organizational development, investments and risks of the entire group. They look into issues that involve

people, operations, planning and policy. These three committees report to the Group Executive Committee, which is chaired by deputy chairman and executive director, Dr Tony Tan. They provide better collaboration and more coordination among the various specialised investment units within GIC. It prepares the company for the challenge of operating in a more demanding investment environment in the coming years.

OPERATIONS

We are making changes to our operations and information technology to align our investment support more closely with the various investment groups, so that we can take better advantage of new investment opportunities. On 1 April 2008, we merged the financial services department and the investment data and valuation department to form the investment operations department, which will be better able to handle the complex changes in organization and processes.

We relocated our London and New York offices to larger premises, and opened a Shanghai office in 2007.

MANAGING DIRECTORS OF GIC

We created the corporate appointment of “managing director of GIC” to recognise and identify the professional and business leadership of GIC. The managing directors come from all GIC companies, asset classes and departments. They are appointed based on a broad range of factors which reflect their professionalism, leadership, performance and potential. These are individuals who have reached a high level of expert knowledge and can contribute to the development of GIC as a whole, even while offering professional leadership in their respective fields. The group of managing directors makes up just over 5% of total GIC staff.

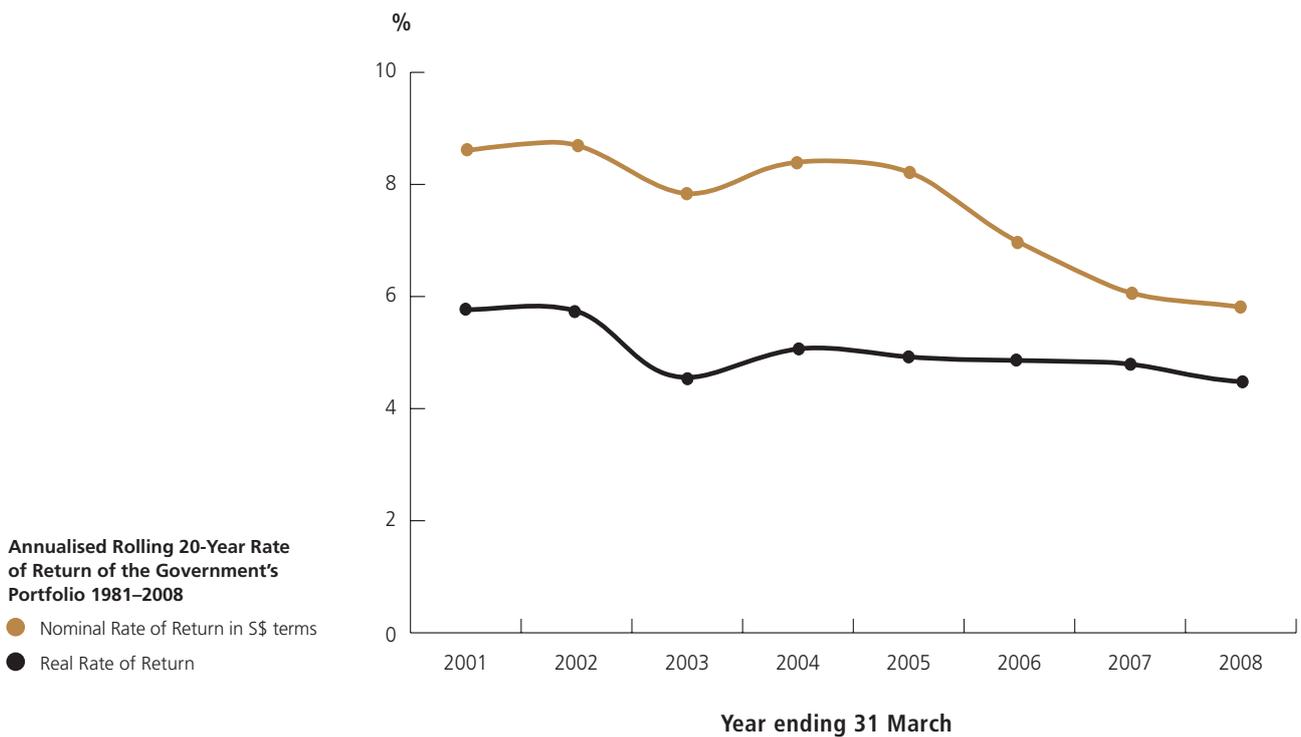


Lim Siong Guan
Group Managing Director

REPORT FROM THE GROUP CHIEF INVESTMENT OFFICER

OVERVIEW The mandate by the Government for the funds entrusted to our management is to enhance its global purchasing power. GIC’s investment objective is therefore to achieve a reasonable rate of return above global inflation.

Over the last 20 years to March 2008, the nominal annual rate of return of the portfolio was 5.8% in Singapore dollar terms. In real terms, the average annual rate of return was 4.5% above global inflation. In recent years, the portfolio’s returns were dampened by several episodes of market turmoil, including the 1997 Asian crisis, the 2000–2002 technology bubble, and the current credit crisis. The following chart shows the portfolio’s historical rolling 20-year performance in Singapore dollar terms and the portfolio’s real rate of return above global inflation.



Three favourable factors contributed to this long-term investment result. First, the returns from our bond and equity investments were boosted by an ideal economic environment of sustained growth and disinflation in the first 20 years of our history. Second, GIC progressively shifted the emphasis in asset allocation from fixed income instruments to public equity investments and alternative asset classes such as private equity and real estate. Third, active management within the asset classes generally added value against their respective benchmarks.

ASSET MIX

The actual asset class distribution of the portfolio as of 31 March 2008 was:



Asset Mix

- Public Equities
- Fixed Income
- Alternatives
- Cash & Others

		%	%
Public Equities	Developed Markets	34	44
	Emerging Markets	10	
Fixed Income	Nominal Bonds	20	26
	Inflation-Linked Bonds	6	
Alternatives	Real Estate	10	23
	Private Equity, Venture Capital & Infrastructure	8	
	Absolute Return Strategies	3	
	Natural Resources	2	
Cash & Others		7	7
Total		100	100

In recent years, we have accelerated the pace of real estate and private equity investments. We have also diversified public equities to include emerging markets and started to invest in hedge funds, natural resources and infrastructure. Fixed income investments have been reduced significantly from over three-quarters of the portfolio 25 years ago, to about one-quarter.

GEOGRAPHICAL DISTRIBUTION

The geographical distribution of the portfolio as of 31 March 2008 was:



Geographical Distribution

- Americas
- Europe
- Asia
- Australasia

		%	%
Americas	United States	34	40
	Others	6	
Europe	United Kingdom	8	35
	France	5	
	Germany	3	
	Ireland	3	
	Italy	3	
	Switzerland	3	
	Others	10	
	Asia	Japan	
China/Hong Kong	4		
South Korea	2		
Taiwan	2		
Others	4		
Australasia	Australia	2	2
Total		100	100

The portfolio is still substantially invested in the developed economies. However, in the last 10 years, we have increased our investments in the Asian region and also in many emerging economies which are classified under "Others" in the table.

RECENT DEVELOPMENTS

Early in 2007, GIC management observed that global stock and bond markets were being lulled into complacency by broadening economic growth worldwide and mild inflationary conditions. Unusually low market volatility, coupled with easy credit and a proliferation of derivative tools, had encouraged more and more market participants to assume increasing financial leverage in order to amplify returns. Our judgement was that such financial excesses were likely to be unwound sooner or later.

By mid-2007, our concerns about the likelihood of market dislocations led us to consider appropriate action to reduce the overall risk of the portfolio. We decided on a modest reduction in our exposure to public equity markets. Such tactical manoeuvres were abnormal for a long-term equity-oriented investor such as GIC, but the extent of market excesses convinced us that they were warranted. Still, we were surprised by the onset and magnitude of the market turmoil starting in July 2007. What seemed like a contained problem of delinquencies in the US sub-prime mortgages quickly spread to other segments of the credit markets and inflicted severe mark-to-market losses on many financial institutions.

Having raised cash as a preliminary measure, GIC was in a good position to respond to investment opportunities arising from the turmoil. In particular, we invested directly in convertible securities of UBS AG and Citigroup. We also participated in several external funds that invested in mortgage-related securities and corporate leveraged loans, where selling by distressed holders had created compelling value.

OUTLOOK Looking ahead, we see a more challenging investment environment than what we have experienced since GIC's formation in 1981. The powerful trend of disinflation that propelled the global capital markets over 25 years seems to have ended. In addition, there are risks stemming from severe macroeconomic imbalances in the world economy, the rising cost of energy and food, and continued de-leveraging of global financial institutions.

There are positive countervailing forces such as rising productivity and the potentially large domestic demand from the emerging economies, particularly China, India, Brazil and Russia.

These cross currents will determine the balance between future growth and inflation in the global economy, and shape the opportunity set for global investors like GIC.



Ng Kok Song
Group Chief Investment Officer



MANAGING THE PORTFOLIO

The investment objective is to achieve a reasonable rate of return above global inflation, with due regard to risks, over an investment horizon of 20 years. The GIC Board decides on a policy portfolio which specifies the allocation of funds to eligible asset classes.

GIC's investment professionals seek to add value and may deviate from the policy portfolio within pre-determined operating ranges, to achieve higher risk-adjusted returns.

MANAGING THE PORTFOLIO

INTRODUCTION The policy portfolio is the anchor of GIC's investment activities. It defines the asset classes that GIC invests in, and how it allocates funds to these asset classes. The purpose is to meet the investment return objective within the risk tolerance determined by the Government as owner of the funds.

The investment process starts with the design of the policy portfolio. Under the direction of the group chief investment officer, the ongoing analyses and ground work are performed by staff in the investment policy and strategy department and the economics and strategy department. Management reviews their recommendations before presenting them to the Board Investment Committee for endorsement and thereafter, to the GIC Board for approval.

THE POLICY PORTFOLIO The policy portfolio is the result of both quantitative analysis and qualitative judgement. Quantitative analysis of historical data generates an initial set of assumptions for key variables such as the expected long-term return and risk of various asset classes and their co-variance or correlation with one another. These assumptions must then be evaluated qualitatively. They are adjusted for perceived structural changes in the global environment and capital market behaviour, taking into account operating constraints such as liquidity and market capacity, and the probability of extreme risk events. Then this portfolio is stress-tested to ensure that it complies with the risk parameters that have been set out.

The aim of the policy portfolio is to optimise distribution of investment funds to the eligible asset classes. Operating ranges are specified to accommodate acceptable deviations arising from short-term market volatility and technical causes, and to allow management some latitude to operate tactically in response to changes in market conditions.

MANAGING PERFORMANCE At all levels of investment decision-making, the risks taken by our portfolio managers and their investment results are constantly monitored. Portfolio managers are fully accountable for the performance of their investments. Their decisions must comply with prescribed guidelines and limits to ensure that they keep within the Investment Mandate from the Government. As an investment management company, we evaluate our performance in three ways: whether we achieve a reasonable rate of return above global inflation for the total portfolio; how each investment professional or team performs against specific market benchmarks or absolute return targets; and how our investment professionals perform compared with their peers in the industry.

IMPLEMENTATION

It is the job of GIC's three asset management companies, namely GIC Asset Management, GIC Real Estate and GIC Special Investments, to implement the policy portfolio and translate the asset class allocations into actual investments. Together, the three companies manage a diversified portfolio of investments in more than 40 countries. GIC will exercise ownership rights in the investments, as appropriate, to protect the financial interests of the Government.

Public Markets

GIC Asset Management invests in publicly traded markets. These include equities (developed markets and emerging markets), fixed income, natural resources, absolute return strategies (hedge funds), cash and currencies. The performance of the investment professionals is evaluated against relevant market benchmarks such as the MSCI indices and Lehman Brothers Aggregate Bond indices.

The investment process emphasises decentralised risk taking, robust risk management and specialisation. A risk budgeting discipline allocates capital to investment professionals according to their track record of securing good returns from higher risk investments. The budget is monitored continuously to ensure that risk is properly diversified and managed.

Real Estate

GIC Real Estate handles real estate investments. Its investment universe includes traditional private real estate (such as brick-and-mortar assets), public equities (such as real estate operating companies), real estate investment trusts and real estate-related debt instruments.

The investment approach is governed by developing guidelines covering countries and regions, property asset types and sectors to ensure that the portfolio meets both investment and risk objectives. Asset-specific conditions and risks are among the factors that influence investment decisions. GIC Real Estate actively manages its assets to generate more income and enhance market value through tenant management, market positioning, leasing and capital expenditure.

Private Equity & Infrastructure

GIC Special Investments deals with investments in private equity and infrastructure. Its private equity universe includes buyouts, venture capital, and special situations such as mezzanine debt, growth capital and secondary fund investments. The infrastructure universe includes user-demand assets (such as airports, seaports and highways), regulated assets (such as water and power distribution) and competitive assets (such as power plants).

The strategy is to identify and invest with outstanding private equity and venture capital funds globally, and grow with them in the long term. In the Asia-Pacific region, investments are made directly in well-run companies with sustainable differentiated strategies or market niches that have the potential to be industry leaders. The investment team adds value to the boards and management of the investee companies, by providing advice and access to a global network of business links which GIC Special Investments has developed over the years.

EXTERNAL MANAGERS

At the group level, about one-third of the assets are managed by external managers, with two-thirds managed internally. We invest in a variety of funds managed by external fund management institutions. Examples of these funds are real estate funds, private equity funds, bond funds, index funds and hedge funds. We also place out discretionary mandates to external fund managers in a wide range of asset classes such as global fixed income and global equities. These managers are selected for their ability to exploit investment opportunities beyond GIC's current skillset and to complement GIC's internal management capability.

MANAGING RISK

Effective risk management safeguards the portfolio against catastrophic losses. It is critical to the company's ability to deliver good long-term investment results. Avoiding unwarranted losses is vital to maintaining GIC's reputation and public confidence.

Risk management commands attention at the highest level. GIC's corporate governance provides for a risk committee at board level to review policies and ensure appropriate controls are in place. At senior management level, a management risk committee reinforces the risk governance and control functions. This grouping, which includes business and risk managers in the operating companies, is headed by the chief risk officer, who is supported by specialists in the risk and performance management department. He reports directly to the deputy chairman and executive director.

Market risks are managed by focusing on risk efficiency and evaluating the appropriate risk-reward trade-offs of asset classes using an analytical approach. Ex-post, the returns generated are analysed via performance attribution tools to provide timely feedback to portfolio managers and senior management. In addition, the independent risk and performance management department regularly monitors the portfolio's performance, risk and asset exposures against the approved thresholds and limits.

A strong control orientation is adopted in managing counterparty, operational, legal and regulatory risks which are largely uncompensated risks. Counterparty approval guidelines and trading limits are set and monitored independently by the risk and performance management department. Credit risk is further mitigated through the use of collateralisation programs and netting agreements. In the area of operational risks, policies are set to ensure a well-controlled business operating environment with clear accountability at the line level. Special attention is paid to cross-functional areas such as pricing and valuation, new product approval and portfolio rebalancing, all of which require close collaboration within the GIC group. A business continuity plan is in place to safeguard the group's operations in the event of a business disruption. The plan is tested and reviewed regularly to ensure that procedures and infrastructure facilities are adequate to support operations in times of crisis.

Legal and regulatory risks are managed by the legal and compliance department, which reports directly to the group managing director. It reviews legal documentation, works with external law firms and monitors adherence with the compliance manual. This manual addresses issues relating to insider trading and other unlawful market conduct, protection of confidentiality, proper handling of material non-public information, management of conflicts of interest, gifts and entertainment, personal investments and whistle blowing.



GOVERNANCE

The Ministry of Finance, representing the Government, sets the investment objective, risk parameters and evaluation time frame for the portfolio. It ensures that a competent board of directors is in place.

The GIC Board assumes ultimate responsibility for asset allocation and the performance of the portfolio. Management executes investment strategies, is responsible for all investment transactions and reports regularly to the Board and the Government.

GOVERNANCE

GIC GIC was incorporated in 1981 under the Singapore Companies Act and is wholly owned by the Government of Singapore. It was set up with the sole purpose of managing Singapore's foreign reserves. GIC invests well over US\$100 billion internationally in a wide range of asset classes and instruments. It does not invest in domestic companies.

SOURCE AND PURPOSE OF FUNDS

Sustained balance of payments surpluses and accumulated national savings are the fundamental sources of the Singapore Government's funds. The portfolio has also grown as a result of good investment returns.

With no natural resources to keep the country going in times of crisis or severe economic dislocation, these reserves are a nest egg, a safeguard against unforeseen circumstances, and a means to mitigate shocks that may hit Singapore's small and open economy. The company's mission is thus to preserve and enhance the purchasing power of these reserves as well as to create a stream of income that can contribute towards the Government's budgetary needs. The Constitution of the Republic of Singapore provides that part of the investment income on Singapore's reserves can be used to support spending on the Government's budget.

THE GOVERNMENT

The Ministry of Finance represents the Government in dealing with GIC, which is its agent in managing the country's reserves. An Investment Mandate from the Government to GIC sets out the terms of appointment, the investment objectives, investment horizon, risk parameters and investment guidelines for managing the portfolio. The Government neither directs nor interferes in the company's investment decisions. It holds the GIC Board accountable for the overall portfolio performance.

On an ongoing basis, GIC provides the Accountant-General's department of the ministry monthly and quarterly reports which detail a list of executed investment transactions, holdings, bank accounts and balances. The reports provide detailed performance and risk analytics as well as the distribution of the portfolio by asset class, country and currency. Once a year, GIC management meets the Minister for Finance and ministry officials formally to report on the risk and performance of the portfolio in the preceding financial year.

THE ELECTED PRESIDENT OF SINGAPORE

In 1991, the Constitution of Singapore was amended to establish an Elected President with the discretionary power to protect the reserves not accumulated by a government during its current term of office. In the Singapore context, the President is independent of the Government. Elected directly by Singaporeans in a separate presidential election every six years, he must not be a member of any political party. The system aims to ensure that the government of the day will not be able to deplete past reserves and spend more than what it has earned during its term of office, unless it has the approval of the President.

Under the Constitution, GIC is also accountable in various key areas to the President of Singapore as a “Fifth Schedule” company. The Constitution empowers him to obtain information to enable him to safeguard the country’s reserves. No one may be appointed to or removed from the GIC Board without his concurrence. This additional layer of control ensures that the company appoints only people of integrity who are competent and who can be trusted to safeguard these assets.

THE AUDITOR-GENERAL OF SINGAPORE

The Auditor-General who is appointed by the President of Singapore, submits an annual report to the President and Parliament on his audit of the Government and other bodies managing public funds. In addition to being audited by GIC’s internal audit, the main companies in the GIC group and the Government’s portfolio managed by GIC are independently audited by the Auditor-General of Singapore. Other companies in the group and the investment holding companies are audited by public accounting firms.

THE GIC BOARD	The GIC Board is ultimately responsible for asset allocation and for the performance of the portfolio under management. It is accountable to the Government for the effective management of the reserves in accordance with the Investment Mandate. The board meets at least twice a year.
Board Committees	Board committees oversee three critical areas: investment policy, risk and staff remuneration. Four advisers with global experience in the investment industry participate in the investment and risk committees to provide external perspectives and ideas from their areas of expertise.
Board Investment Committee	The Board Investment Committee reviews and critically evaluates management's recommendations on asset allocation and new asset classes before the proposed changes are presented to the Board for approval. It receives quarterly reports from management on the performance of the portfolio, but does not make decisions on specific deals. Nor does it decide how policies should be implemented. This committee meets at least four times a year.
Risk Committee	The Risk Committee, which meets quarterly, advises the Board on matters of risk and provides broad supervision on the effectiveness of the risk management policies and practices.
Remuneration Committee	The Remuneration Committee approves major remuneration policies and the compensation of senior management.
BOARDS OF ASSET MANAGEMENT COMPANIES	All three asset management companies are wholly-owned subsidiaries responsible for investing the portfolio within the guidelines set out in the Investment Mandate. In addition to the GIC Board and board committees, the governance structure is supported by the boards of the three asset management companies which oversee business operations. The boards meet at least twice a year.

BOARDS OF THE GIC GROUP

Government of Singapore Investment Corporation Board of Directors

Chairman

Lee Kuan Yew

Deputy Chairman

Lee Hsien Loong

Deputy Chairman
and Executive Director

Dr Tony Tan Keng Yam

Directors

Tharman Shanmugaratnam

Lim Hng Kiang

Raymond Lim Siang Keat

Dr Richard Hu Tsu Tau

Ang Kong Hua

Peter Seah Lim Huat

Chew Choon Seng

Hsieh Fu Hua

Lim Siong Guan

Ng Kok Song

Dr Teh Kok Peng

Dr Seek Ngee Huat

Quah Wee Ghee

Advisers to GIC Board of Directors

Dr Charles D Ellis

Ho Tian Yee

Dr Robert B Litterman

Paul Myners

GIC Asset Management Board of Directors

Chairman

Lee Ek Tieng

Directors

Lim Siong Guan

Ng Kok Song

Quah Wee Ghee

Vivien Chen Vui Wen

GIC Real Estate Board of Directors

Chairman

Dr Richard Hu Tsu Tau

Directors

Lim Hng Kiang

Lee Seng Wee

Léon Bressler

Steven Jay Green

Lim Siong Guan

Ng Kok Song

Dr Seek Ngee Huat

GIC Special Investments Board of Directors

Chairman

Dr Tony Tan Keng Yam

Directors

Ang Kong Hua

Peter Seah Lim Huat

G Leonard Baker Jr

Jonkheer Otto van der Wyck

Lim Siong Guan

Ng Kok Song

Dr Teh Kok Peng

PROFILES



Lee Kuan Yew
Chairman

Born in 1923, Lee Kuan Yew studied in Raffles Institution and Raffles College (Anderson Scholar, 1940). A graduate from Fitzwilliam, Cambridge University, with double First in Law and a star for distinction in final Tripos in 1949, he was called to the Bar, Middle Temple in 1950. He practised law until 1959 when he became Singapore's first Prime Minister. He won seven successive terms before resigning in 1990 and was appointed Senior Minister by Prime Minister Goh Chok Tong. He was appointed Minister Mentor by Prime Minister Lee Hsien Loong in 2004. He has been chairman of GIC since its inception in 1981.



Lee Hsien Loong
Deputy Chairman

Lee Hsien Loong has been Singapore's third Prime Minister since 2004. Prior to that, he was Deputy Prime Minister with responsibilities for economic and civil service matters. He has also held ministerial appointments in Trade and Industry, Defence and Finance, and chaired the Monetary Authority of Singapore from 1998 to 2004. Before entering politics, he was a Brigadier-General in the Singapore Armed Forces. He studied at the University of Cambridge and the Kennedy School of Government, Harvard University.



Dr Tony Tan Keng Yam
Deputy Chairman and
Executive Director

A banker before becoming a politician, Dr Tony Tan Keng Yam was the chairman and CEO of OCBC Bank from 1992 to 1995. In his political career, he has held the Education, Trade and Industry, Finance and Defence portfolios. In 2005, he retired from the Cabinet as Deputy Prime Minister and Co-ordinating Minister for Security and Defence. In the same year, he was appointed deputy chairman and executive director of GIC, and chairman of Singapore Press Holdings. A graduate of the former University of Singapore, Massachusetts Institute of Technology and the University of Adelaide, he also chairs the board of the National Research Foundation.



**Tharman
Shanmugaratnam**

Tharman Shanmugaratnam spent his professional and political careers in the fields of economic and education policy. He was chief executive of the Monetary Authority of Singapore before he entered politics in 2001. He held various ministerial positions since then and served as Minister for Education for five years. He was appointed Minister for Finance in 2007. He obtained his undergraduate and master's degree from the London School of Economics and Cambridge University, and a Master's Degree in Public Administration from Harvard University.



Lim Hng Kiang

An engineering graduate from Cambridge University, Lim Hng Kiang spent nine years in the Singapore Armed Forces where he held both command and staff positions. In 1985, he did his masters in Public Administration at Harvard University and returned to serve as the deputy secretary in the Defence and National Development ministries before entering politics in 1991. He held Cabinet posts in National Development, Health, Foreign Affairs, Finance and the Prime Minister's Office before his appointment as Minister for Trade and Industry in 2004.



Raymond Lim Siang Keat

Raymond Lim Siang Keat was a law lecturer and journalist before joining the financial industry where he held various senior positions including chief economist for Asia (ABN AMRO Asia Securities) and chief executive officer (DBS Securities). He entered politics in 2001 and held ministerial appointments in Foreign Affairs, Trade and Industry, Finance and the Prime Minister's Office. He was appointed Minister for Transport, while continuing to serve as Second Minister for Foreign Affairs in 2006. A Colombo Plan and Rhodes Scholar, he studied at the University of Adelaide, Oxford University and Cambridge University.



Dr Richard Hu Tsu Tau

Dr Richard Hu Tsu Tau was chairman and chief executive of the Shell group of companies in Singapore from 1977 to 1983. He entered politics in 1984 and was Minister for Finance from 1985 to 2001. He also held Cabinet posts in National Development, Trade and Industry and Health. He retired from government in 2001. He is currently chairman of CapitaLand, Fullerton Financial Holdings and chancellor of Singapore Management University. A chemical engineer by training, he obtained his PhD from the University of Birmingham.



Ang Kong Hua

CEO of NATSTEEL for 28 years, Ang Kong Hua was instrumental in its transformation from a steel mill into one of Singapore's largest industrial conglomerates. He started his career at the Economic Development Board, after graduating from the University of Hull in UK. Subsequently he joined DBS Bank at its inception in 1968. As a pioneer in the bank, he established the bank's first investment banking division and now serves on its board of directors. He was formerly chairman of Singapore Telecommunications and Singapore Post.



Peter Seah Lim Huat

Chairman of Singapore Technologies Engineering and SembCorp Industries, Peter Seah Lim Huat serves on the boards of many commercial enterprises in Singapore and overseas such as Singapore Technologies Telemedia and Bank of China. A graduate of the former University of Singapore, he has held several senior positions in his 24-year career with the Overseas Union Bank before retiring as its vice chairman and chief executive officer in 2001. He was president and chief executive officer of the Singapore Technologies Group, from 2001 to 2004.



Chew Choon Seng

Chew Choon Seng became CEO of Singapore Airlines in 2003. He joined Singapore Airlines in 1972, undertook senior assignments in Tokyo, Rome, Sydney, Los Angeles and London, and has headed the planning, marketing and finance arms at corporate headquarters. He is the deputy chairman of SIA Engineering Company, and a director of the Singapore Exchange. He is a member of the Board of Governors of the International Air Transport Association. An engineer by training, he graduated from the former University of Singapore and Imperial College, University of London.



Hsieh Fu Hua

CEO of the Singapore Exchange since 2003, Hsieh Fu Hua's career has been in merchant banking and capital markets in Asia. He joined Morgan Grenfell Asia Holdings in 1974, after graduating from the former University of Singapore, and became its chief executive, before he left in 1993 to form PrimePartners, a private equity firm in Singapore. He was also group managing director of BNP Prime Peregrine Group in Hong Kong, a joint venture Asian investment banking arm of BNP founded by PrimePartners.



Lee Seng Wee

Lee Seng Wee was chairman of OCBC Bank from 1995 to 2003 and currently a board member of the bank, a position he has held since 1966. He is vice chairman of Lee Rubber Co. and a director of Great Eastern Holdings. He is also a director of the Lee Foundation, a charitable foundation which funds programmes for education and other philanthropic works. He served as a member of the GIC Board from 1984 to 2003 and was appointed to the board of GIC Real Estate in 1999.



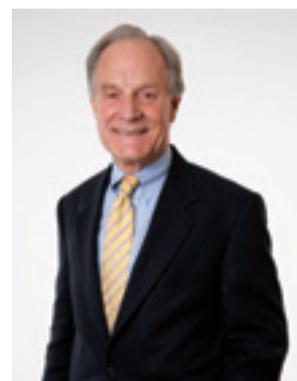
G Leonard Baker Jr

A partner since 1973 in Sutter Hill Ventures, Silicon Valley's oldest venture capital firm, G Leonard Baker Jr is also a director of a number of early stage companies. He is a trustee of Yale University, chairs Yale's finance committee, and serves on the university's investment committee and the advisory board of the School of Management. He is a former member of the Advisory Council of the Stanford Graduate School of Business. He joined the board of GIC Special Investments in 2001.



Jonkheer Otto van der Wyck

Chairman of Salland Ltd, an investment advisory company, Jonkheer Otto van der Wyck is also chairman of Alpinvest Partners NV, a leading private equity investment manager, and Climate Change Capital, a specialist investment bank. He founded BC Partners and Citicorp Venture Capital, two leading European private equity firms. He was appointed to the board of GIC Special Investments in 2002.



Dr Charles D Ellis

Dr Charles D Ellis is the chairman of Whitehead Institute for Biomedical Research, and the founder and director of Greenwich Associates. He served on the Yale University's investment committee for 17 years. Formerly a chairman of the CFA Institute, he has taught investment management at Harvard Business School, the Yale School of Management, and the Association of Investment Management and Research workshop at Princeton. He has written many books and articles on institutional investing. He was appointed adviser to the GIC Board Investment Committee in 2003.



Ho Tian Yee

Ho Tian Yee is managing partner of Pacific Asset Management. His considerable experience in global financial markets includes 19 years at Bankers Trust Company in foreign exchange trading. As regional head for South East Asia, he was responsible for all businesses in the region. He sits on the boards of several publicly listed companies including the Singapore Exchange. He was appointed to the GIC Risk Committee in 2004.



Dr Robert B Litterman

Advisory director and chairman of the Quantitative Investment Strategies Group of Goldman Sachs Asset Management, Dr Robert B Litterman co-developed the Black-Litterman Global Asset Allocation Model with the late Fischer Black. He has headed the firm's risk department and was also co-director in fixed income research. A graduate of Stanford University and the University of Minnesota, he has taught at the Massachusetts Institute of Technology and worked in the Federal Reserve Bank of Minneapolis. He was appointed adviser to the GIC Board Investment Committee and the Risk Committee in 2004.



Paul Myners

In addition to his current appointment as the chairman of the Land Securities Group, Paul Myners is also chairman or director of a number of public and private companies, and a member of the Court of the Bank of England. He headed a government-commissioned review of institutional investment in the United Kingdom and was awarded the Commanders of the Order of the British Empire (CBE) in 2003 for services to innovation in finance. He was appointed adviser to the GIC Board Investment Committee in 2005.



Léon Bressler

Léon Bressler is a partner of Perella Weinberg Partners, a private financial services firm providing asset management and corporate advisory services. He was chairman and CEO of Unibail, a leading French publicly listed property company from 1992 to 2006. From 1984 to 1989, he served as chairman of the executive board of Midland Bank SA, and was a managing partner of Worms & Cie from 1991 to 1996. He was appointed to the board of GIC Real Estate in 2007.



Steven Jay Green

Steven Jay Green is chairman and CEO of Greenstreet Partners, a private merchant bank, and chairman and CEO of k1 Ventures Limited, an investment company in Singapore. He serves on the boards of the University of Miami, the US Chamber of Commerce, and is Singapore's Honorary Consul-General in Miami. He was chairman and CEO of Samsonite Corporation from 1988 to 1996, and US Ambassador to Singapore from 1997 to 2001. He was appointed to the board of GIC Real Estate in 2008.



Lee Ek Tieng

After a distinguished and much decorated career in public service, Lee Ek Tieng retired in 1999 as head of the Civil Service and Permanent Secretary (Special Duties), Prime Minister's Office. He was chairman of the Public Utilities Board from 1978 to 2000 and managing director of the Monetary Authority of Singapore from 1989 to 1998. He was responsible for the development and growth of GIC as its group managing director from 1989 until he stepped down in September 2007. He is currently the chairman of GIC Asset Management.



Lim Siong Guan

Lim Siong Guan is group managing director of GIC and concurrently the chairman of the Economic Development Board. A former head of the Singapore Civil Service, he was Permanent Secretary in the ministries of Defence, Education and Finance and in the Prime Minister's Office, and led various major government agencies. He is an adjunct professor at the Lee Kuan Yew School of Public Policy, lecturing on leadership and change management in the public sector and is a member of the international advisory panel of the Asian Competitiveness Institute.



Ng Kok Song

Ng Kok Song, group chief investment officer of GIC, has been involved with the investment of Singapore's foreign reserves for over 35 years, beginning with the Ministry of Finance (1970–1971), then the Monetary Authority of Singapore (1972–1986) and at GIC since 1986. He was the founder chairman of the Singapore International Monetary Exchange in 1983, which is now part of the Singapore Exchange. He is also the founder chairman of the Wealth Management Institute, a board member of the Singapore Labour Foundation, and an adviser to Agency France Tresor and the International Capital Markets Association.



Dr Teh Kok Peng

Prior to his appointment as president of GIC Special Investments in 1999, Dr Teh Kok Peng was concurrently the deputy managing director of GIC and the Monetary Authority of Singapore. An economics graduate of La Trobe University with a PhD from Nuffield College, Oxford University, he began his career with the World Bank. He serves as a board member of the Lee Kuan Yew School of Public Policy, the Institute of Policy Studies and the Urban Redevelopment Authority. He is on the board of the China International Capital Corporation, and a member of the Trilateral Commission.



Dr Seek Ngee Huat

Dr Seek Ngee Huat, president of GIC Real Estate, was a senior partner with Jones Lang LaSalle in Sydney before joining GIC. He was the founder chairman of the Property Council of Australia Property Index. He serves on the advisory boards of real estate programmes at the National University of Singapore, his alma mater, Harvard University and Cambridge University and a member of the International Advisory Council, Guanghua School of Management, Peking University. He holds a masters degree from University of British Columbia, and a PhD from Australian National University.



Quah Wee Ghee

Prior to joining GIC, Quah Wee Ghee worked in IBM after graduating from the National University of Singapore. He started his career in GIC as an investment officer and became director of the fixed income department in 1996. He was also tasked to set up the technology department in 1998. He assumed responsibility for managing the equities department in 2003. Concurrent with his position as the director of the equities department, he was appointed president of GIC Asset Management in 2007.



Vivien Chen Vui Wen

A graduate of the London School of Economics, Vivien Chen Vui Wen qualified as a chartered accountant with the Institute of Chartered Accountants in England and Wales, and has worked with Price Waterhouse in London, Singapore and San Francisco. After completing the Sloan Program at Stanford University, she took up the appointment of company secretary of GIC in 1986, a position she continues to hold today. She was responsible for GIC's investment operations prior to her current appointment as director of corporate affairs and planning.

GIC MANAGEMENT

Management has full autonomy to decide where and how to invest the portfolio within the asset allocation approved by the GIC Board. The management structure is relatively flat, with clear reporting lines and accountability.

Group Executive Committee

Dr Tony Tan, deputy chairman and executive director, heads the senior management team and chairs the Group Executive Committee, the highest management body in GIC. This committee brings together the group's functional and investment heads, namely, the group managing director, group chief investment officer, chief risk officer as well as the chairmen and presidents of the three asset management companies. They deliberate on management's proposals on investment and risk policy issues before these are submitted to the relevant board committees and the GIC Board. This committee reviews and approves major personnel and business policies that apply to the entire group.

Three other group committees oversee organization development, investments and risks of the entire group.

Group Management Committee

The Group Management Committee, chaired by the group managing director, addresses organizational, business, and personnel matters. Discussions lead to and shape group-wide initiatives. Areas of discussion include succession planning, identification of talent within GIC, staff development as well as performance management and compensation issues. Business planning and allocation of resources come under this committee.

Group Investment Committee

The Group Investment Committee oversees and co-ordinates the investment activities of the group. This committee, chaired by the group chief investment officer, focuses on changes to asset allocation and reviews the risk and performance of the various asset classes. It studies new business and investment initiatives, develops broad investment strategies and deploys the teams with the appropriate investment skills to implement these strategies.

Group Risk Committee

The Group Risk Committee guides and oversees the development and implementation of risk management policies and practices. This forum, chaired by the chief risk officer, allows members across the group to identify and assess strategic risk management issues that carry major implications for the company's investment strategies and operations. Where necessary, they refer these issues to the group executive committee. The group risk committee is the umbrella body for in-house risk review and control panels, such as the operational risk, credit risk, IT risk and regulatory compliance committees, and the compliance review panel. The committee also provides input on legal and regulatory compliance and business continuity matters.

GIC MANAGEMENT

Dr Tony Tan Keng Yam
Deputy Chairman & Executive Director
Chairman, Group Executive Committee

Lim Siong Guan
Group Managing Director
Chairman, Group Management Committee

Ng Kok Song
Group Chief Investment Officer
Chairman, Group Investment Committee

Dr Sung Cheng Chih
Chief Risk Officer
Chairman, Group Risk Committee

Corporate Headquarters	GIC Asset Management	GIC Real Estate	GIC Special Investments
Aje Kumar Saigal Director, Investment Policy & Strategy	Quah Wee Ghee President	Dr Seek Ngee Huat President	Dr Teh Kok Peng President
Yeoh Lam Keong Director, Economics & Strategy	Lim Chow Kiat Deputy President	Kwok Wai Keong Global Head, Asset Management	Kunnasagaran Chinniah Regional Head, Asia Pacific Private Equity
Chang Siew Khang Director, Administration & Personnel	Lim Teow Beng Chief Administrative Officer	Michael Carp Regional Head, Americas	Ang Eng Seng Regional Head, Europe Private Equity Global Head, Infrastructure
Vivien Chen Vui Wen Director, Corporate Affairs & Planning	Lim Kee Chong Head, Developed Markets Equities	Christopher Morrish Regional Head, Europe	Tay Lim Hock Regional Head, Americas Private Equity
Wong Wei Director, Internal Audit	Raymond Goh Wee Hock Head, Asia Pacific Equities	Lim Swe Guan Muk Kin Yau Regional Head, Investments, Asia Pacific	Ng Kin Sze Global Head, Strategy & Risk Management
Joyce Tan Siew Pheng Director, Investment Operations	Chen Soon Bin Head, Emerging Markets Non-Asia Equities	David Dickinson Global Head, Research & Strategic Planning	Florence Tan Siew Eng Global Head, Human Resource & Finance
Chua Lee Ming General Counsel	Tung Siew Hoong Head, Credit Cluster, Fixed Income, Currency & Commodities	Deanna Ong Aun Nee Global Head, Finance & Accounting	John Tang Weng Yew Head, Global Venture
Dr Sung Cheng Chih Director, Risk & Performance Management	Maureen Ding Chooi Eng Head, Macro Cluster, Fixed Income, Currency & Commodities	Tan Chor Hwa Global Head, Administration & Corporate Affairs	
Ong Hian Leong Director, Technology	Anthony Lim Weng Kin Adviser, External Managers		
	Adelene Tan Mui Li Head, External Managers		



**GROUP EXECUTIVE
COMMITTEE**

(L-R):

Dr Teh Kok Peng President, GIC Special Investments, **Quah Wee Ghee** President, GIC Asset Management, **Ng Kok Song** Group Chief Investment Officer, **Dr Richard Hu Tsu Tau** Chairman, GIC Real Estate, **Dr Tony Tan Keng Yam** Deputy Chairman & Executive Director, **Lee Ek Tieng** Chairman, GIC Asset Management, **Lim Siong Guan** Group Managing Director, **Dr Seek Ngee Huat** President, GIC Real Estate, **Dr Sung Cheng Chih** Chief Risk Officer.

GROUP
MANAGEMENT
COMMITTEE



Chairman
Lim Siong Guan
Group Managing Director



Ng Kok Song
Group Chief
Investment Officer



Dr Teh Kok Peng
President,
GIC Special Investments



Dr Seek Ngee Huat
President,
GIC Real Estate



Quah Wee Ghee
President,
GIC Asset Management

GROUP
INVESTMENT
COMMITTEE



Chairman
Ng Kok Song
Group Chief
Investment Officer



Lim Siong Guan
Group Managing Director



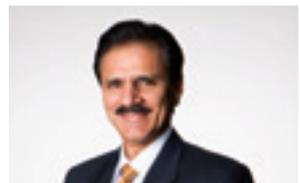
Dr Teh Kok Peng
President,
GIC Special Investments



Dr Seek Ngee Huat
President,
GIC Real Estate



Quah Wee Ghee
President,
GIC Asset Management



Aje Kumar Saigal
Director,
Investment Policy & Strategy

GROUP
RISK
COMMITTEE



Chairman
Dr Sung Cheng Chih
Chief Risk Officer



Lim Chow Kiat
Deputy President,
GIC Asset Management



Kwok Wai Keong
Global Head,
Asset Management,
GIC Real Estate



Ng Kin Sze
Global Head,
Strategy & Risk Management,
GIC Special Investments



Chua Lee Ming
General Counsel



Ong Hian Leong
Director,
Technology



Joyce Tan Siew Pheng
Director,
Investment Operations

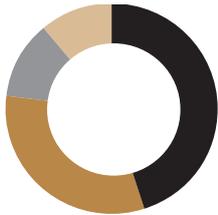


OUR PEOPLE

GIC is a global organization with a network of eight offices worldwide, with non-Singaporeans making up one-third of our staff.

OUR PEOPLE

GLOBAL TALENT



Where They Come From

- Singapore
- Asia, Australasia & Africa
- America
- Europe

As a global company, investing in over 40 countries, GIC's success depends on our ability to grow a talent pool that is sourced internationally. Our staff strength of slightly over 1,000 is made up of about 20 nationalities. Singaporeans make up fewer than half of our investment professionals.

Where They Come From	31 March 2008 (%)
Singapore	45
Asia, Australasia & Africa	32
America	12
Europe	11
Total	100



Years in GIC

- < 5 yrs
- 5 < 10 yrs
- 10 < 15 yrs
- ≥ 15 yrs

With over 27 years of business operations, GIC has accumulated a wealth of experience. Our senior management includes staff who have been with the company since its inception. They are complemented by a pool of mid-career professionals, and younger talent recruited from GIC's prestigious undergraduate scholarship programme and annual intake of associates.

Years in GIC	31 March 2008 (%)
< 5 years	57
5 to < 10 years	22
10 to < 15 years	13
≥ 15 years	8
Total	100

MANAGING DIRECTORS

The current corporate structure, with three asset management companies, has enabled us to perform well. To sustain the success in the long term, a core of capable, committed leaders with strong experience in handling multiple asset classes will take on leadership responsibilities at the group level. In recognition of their performance and potential, we recently appointed 53 managing directors to continue GIC's track record of success. Their responsibilities extend beyond their functional roles. They also have responsibility for people management, succession planning and corporate development, all areas critical to the success of the company.

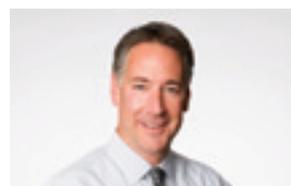
MANAGING
DIRECTORS
OF GIC



Ang Eng Seng



Eugene Boehringer



Michael Carp



Chan Hoe Yin



Richard Chan Hiang Ngee



Chang Siew Khang



Chen Soon Bin



Vivien Chen Vui Wen



Chia Tai Tee



Kunnasgaran Chinniah



Choy Siew Kai



Chua Lee Ming



David Dickinson



Maureen Ding Chooi Eng



Raymond Goh Wee Hock



Kent Goodwin



Ho Li Wen



Wan Hamdan Ismail

MANAGING
DIRECTORS
OF GIC



Kwok Wai Keong



Leong Wing Kwan



Anthony Lim Weng Kin



Lim Teow Beng



Tia Miyamoto



Christopher Morrish



Ong Hian Leong



Pang Wai Yin



Bernard Phang Sin Min



Soong Hee Sang



Sung Cheng Chih



Adelene Tan Mui Li



Tay Lim Hock



Teh Kok Peng



Tung Siew Hoong



Lim Chow Kiat



Lim Kee Chong



Lim Siong Guan



Lim Swe Guan



Muk Kin Yau



Ng Kin Sze



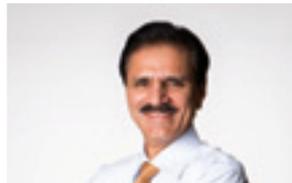
Ng Kok Song



Deanna Ong Aun Nee



Quah Wee Ghee



Aje Kumar Saigal



Seek Ngee Huat



Michael Simcock



Tan Chor Hwa



Florence Tan Siew Eng



Joyce Tan Siew Pheng



Tan Kim Kwang



Eugene Wong Yau Kee



Wong Wei



Woo Tuck Kan



Yeoh Lam Keong

**ORGANIZATIONAL
EXCELLENCE**

In GIC, we aim for organizational excellence, that is, not only in investments, but also in producing superior performance in all other areas. We believe that organizational excellence springs from recruiting the right people, ensuring they embrace the right values, and identifying future leaders. We believe in developing the potential of our people, motivating them, and rewarding them according to merit.

We offer undergraduate scholarships for a wide range of courses, ranging from Economics, Finance/Banking and Engineering, to Psychology and English Literature. Our scholars study at premier universities in the US, Europe and Japan. We have an Associates Programme that focuses on recruiting highly motivated, successful new graduates from some of the best universities in the world. Both scholars and associates are placed on a one-year development programme that takes them through different departments of the company, in order to prepare them for a career in GIC.

We believe in training and developing our people, and so established the GIC School in 2007 to nurture future generations of professionals dedicated to our vision and mission. The school runs staff orientation programmes, conducts courses on fund management, and provides training in people management skills. Training and development extend beyond the school and the staff and the company share responsibility for this. Our people earn their development opportunities. In turn, the company provides them with the chance for assignments that will stretch them to achieve their potential.

GIC OFFICES



**GOVERNMENT OF SINGAPORE
INVESTMENT CORPORATION**

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