

Sustainability

At Singtel, we show how businesses can make a positive and lasting impact on the world even as we create shareholder value. There are four pillars of sustainability where we strive to:

- minimise our environmental footprint;
- develop and empower our people;
- connect and nurture the communities in which we operate, and
- create the best customer experience and foster ethical and responsible business practices.

The materiality assessment we conducted and our ongoing stakeholder engagement ensure that our strategy and programmes address what our internal and external stakeholders want.

Our efforts have not gone unnoticed. We received recognition in leading global sustainability listings, including the Financial Times Stock Exchange's FTSE4Good index, which measures the performance of companies' environmental, social and governance practices. We were named one of the World's Most Ethical Companies by Ethisphere Institute for the seventh year running. And for the first time, we were listed as one of the world's 100 Most Sustainable Corporations by Canadian investment advisory firm Corporate Knights.

SUSTAINABILITY PILLAR 1 ENVIRONMENT – THE SMALLEST FOOTPRINT

As we grow our business and extend our network and infrastructure, we are mindful of the need to optimise energy efficiency across our operations, minimise our impact on the environment and reduce our carbon footprint. Our goal is to create resilient networks in the face of climate change.

Besides 'greening' our mobile infrastructure with energy-efficient base stations and network equipment, we also go green with nature. We have been working with Singapore's National Parks Board to plant trees annually since 2009 to raise environmental awareness among our

staff. To date, 2,200 staff volunteers have planted more than 1,000 trees across the island.

We minimise electronic waste by redeploying, reselling or recycling our network and office equipment, and mobile devices. On the retail front, our buy-back scheme allows customers in Singapore and Australia to trade in their used phones. Our stores also have facilities for customers to recycle their unwanted electronic products and accessories.

Our green initiatives continue to receive international recognition. We were placed first among Singapore

companies and ranked 141 globally in the 2016 Newsweek Green Rankings, which assesses the performance of the 500 largest, publicly traded global companies according to market capitalisation.

Singtel was listed in CDP 2016, a global environmental disclosure system that recognises companies for their achievements in combating climate change. We received a commendable B climate score for our comprehensive carbon disclosure.



IVAN LIN RIXIN

Singtel Customer Service Officer

Making his way in the world hasn't been easy for Ivan. Born with cerebral palsy, he has lived in a home all his life. Armed with an ITE certificate and determined to seek independence, he tried to get a job but found working conditions for people like him were less than ideal. In 2015, he enrolled in the contact centre training programme at Singtel Enabling Innovation Centre which helps persons with disabilities to live and work independently. Today, the 29-year-old seems to have found his calling as a Customer Service Officer.

SUSTAINABILITY PILLAR 2 PEOPLE – OUR GREATEST ASSET



Our people are the most critical assets in our bid to connect the world. We invest in a range of training and talent recruitment programmes as well as activities to boost the well-being of our staff. We also embrace diversity

and promote a collaborative work environment.

NURTURING TALENT

We believe that our staff should be equipped with skills needed to thrive in a rapidly evolving industry. In FY 2017, we invested S\$25 million and 665,000 hours in staff training in Singapore and Australia.

Through the Singtel Cyber Cadet Scholarship Programme, Singtel Undergraduate Scholarship, Management Associate Programme and SHINE Internship Programme, we are enlarging our pool of young talent to drive growth in the emerging areas of cyber security, smart cities and data analytics.

We also launched the Cyber Security Associates and Technologists Programme with the Info-communications Media Development

Authority of Singapore and Cyber Security Agency of Singapore to meet the growing need for cyber security talent. Targeted at new graduates to mid-career ICT professionals, the initiative aims to develop the right skillsets for cyber security positions. To date, the programme has trained 15 employees and signed on 10 fresh graduates and 24 mid-career ICT specialists.

In the same light, Optus has also inked a strategic partnership with Macquarie University, where we are a sponsor of the Macquarie University Cyber Hub. The Cyber Hub will conduct short courses for Optus employees and provide a ready graduate pool for talent recruitment.

Our robust talent review process identifies talents with strong potential in the early stages of their careers to accelerate their development.

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To grow our talent across the region and give them ample opportunities to develop leadership skills, we have flagship programmes such as Regional Leadership in Action and Game for Global Growth. These programmes are regularly reviewed to align with the latest industry trends.

In support of the Singapore government’s national SkillsFuture movement to encourage lifelong learning, we organised a roadshow aimed at encouraging employees to utilise their SkillsFuture credits.

The two-day event saw over 2,000 registered learning places. We also held a technology fair to equip our staff with knowledge of emerging technologies such as cyber security, cloud, smart cities and analytics.

We continued to organise our popular annual training event, the Learning Fiesta, which gives our employees access to new business showcases and a series of short courses and activities that focused on learning skillsets relevant to current and future work. This year, we offered more than 27,000 learning places for our staff across the Group.

EMBRACING WORKFORCE DIVERSITY

We believe that workforce diversity helps us to build and sustain our competitive advantage, and fosters innovative thinking and creative solutions to business challenges.

We have good female representation in middle and upper management within Singtel and are working to improve the representation in Optus. We implemented new recruitment standards for middle management roles, where at least one female

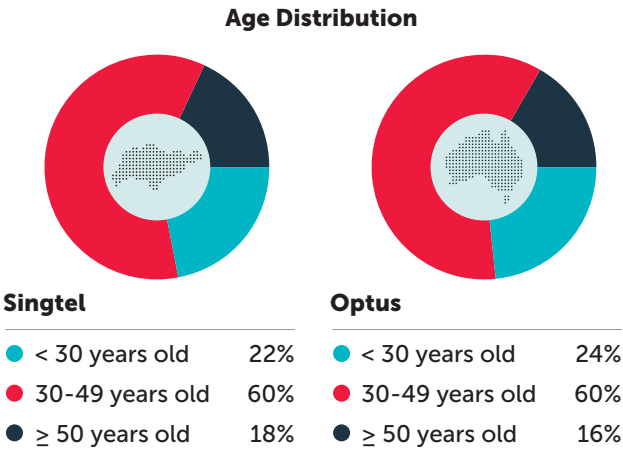
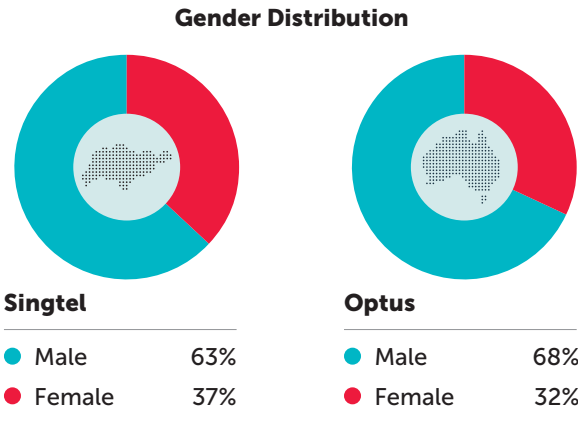
candidate has to be shortlisted and at least one female interviewer included in the recruitment process. We also created a gender diversity plan for Optus Networks to better understand the working experience and motivation of female employees there.

IMPROVING STAFF WELL-BEING

Singtel provides all employees with free annual health screenings, chronic disease management counselling and Work Life Coaching programmes.

We also work closely with the Union of Telecoms Employees of Singapore (UTES) and the Employee Partnership in Australia to ensure that the interests and well-being of our employees are met. Our long-standing relationship with UTES was recognised at the May Day Awards 2016, where our Group CEO was presented with the Medal of Commendation (Gold) for being proactive in adopting policies that improve the lives and working conditions of Singtel staff.

EMPLOYEE DIVERSITY BY GENDER AND AGE





TEO EK THONG
Singtel Voice Engineer

Ek Thong never thought that balloons would change his life. Tired of queuing up for balloon sculptures for his children years ago, he decided to pick up balloon sculpting, much to their delight. As they grew out of it, he started offering his skills at charities, schools and other voluntary events. Today, he trades balloons with smiles. And he wouldn't trade that for anything.

SUSTAINABILITY PILLAR 3 COMMUNITY – THE MOST CONNECTED COMMUNITIES

As a Group, we create positive social impact in all our markets and are committed to giving back through fundraising, volunteering and solving societal issues through social innovation.

EMPOWERING VULNERABLE COMMUNITIES

Our efforts to maximise the potential of persons with disabilities and special needs include establishing the Singtel Enabling Innovation Centre in 2015. It equips participants with contact centre and IT skills, thus enhancing their employability and their ability to lead independent lives.

This year, we worked with SG Enable, Singapore's national agency that supports persons with special needs,

for its 12-week RISE Mentoring Programme run together with the Singapore Business Network on DisAbility. Four Singtel staff members mentored tertiary students with special needs to help them uncover their abilities and skills.

In a first for Optus and our non-profit partner, Australian Business and Community Network (ABCN), we rolled out the Pathways 2 Employment Programme. An extension of our current mentoring and employment programmes, Pathways 2 Employment prepares disadvantaged young people for job interviews and employment with Optus. Our staff volunteers helped 56 ABCN students develop skills and grow their confidence and by the end

of the programme, six students were selected for roles in our Yes Optus stores over the busy Christmas period, with one student offered an ongoing regular role.

DEVELOPING GOOD DIGITAL HABITS

We champion good digital citizenship, where the young and vulnerable are empowered to navigate the online world safely. Our digital citizenship programmes called Digital Thumbprint Programme teach students in Australia and Singapore to create a positive online presence while arming them with the facts they need to stay safe online. This is done through workshops, talks and activities in ways that they can understand, use and enjoy. The

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Australian Kids Helpline@School, which was introduced in Australian primary schools during the year, complements the Optus Digital Thumbprint Programme by offering digital literacy and education modules which can be accessed via webstream.

In Singapore, we identified a gap in the cyber wellness education of special needs students, and introduced the Singtel Cyber Wellness Toolkit in special education schools to teach students how to stay safe online. The toolkit comprises teaching resource materials for teachers and workbooks that cater to students of different age groups.

We are also the strategic partner of #DQEveryChild, a global programme to equip children between the ages of eight and 12 with the social, emotional and cognitive skills necessary for online safety, thus improving their Digital Intelligence Quotient or DQ. The programme, piloted in Singapore in mid-2016, showed that the students' DQ improved by 10%, indicating that they were less likely to engage in risky behaviour online after going through the course.

Some of Singtel's regional associates are now driving digital citizenship initiatives in their markets. In the

Philippines, Globe unveiled its Digital Thumbprint Programme in May 2016, while Telkomsel ran TV and social media campaigns in Indonesia, highlighting the dangers of cyberspace.

DRIVING SOCIAL INNOVATION

As a global ICT player, we are in a strong position to improve lives through technology and innovation. We believe that by collaborating with our ecosystem of partners, such as non-profit organisations, government, corporates, social enterprises and start-ups, we can create bigger and more meaningful social impact across the region.



ENRIQUE SUANA

Optus Soho Micro Category Executive

Enrique used to run alone until he came across the Achilles Running Club which paired runners like him with people like Stephen who have physical disabilities. While it took them some time to get used to each other, the pair have been running mates for three years now. Connected by a tether, they clock a speed of 3 min/km and are regulars at many marathons. No small feat as Stephen runs with his eyes closed due to a rare neurological condition. Today, Enrique can no longer imagine running alone.



Optus Future Makers 2016 teams celebrating their win at the pitch event.

What the media said

"Optus is again shaking its innovation rattle – this time with a programme offering six capital injections of up to \$50,000 for ideas that can 'change the social landscape' for young Australians." – Beverley Head, iStart

The Optus and Singtel Future Makers programmes were launched in Australia and Singapore to address the nascent use of technology in the social sector and to strengthen the holistic capacity building for social entrepreneurs. The programmes aim to establish a community of support for social enterprises and leverage technology and innovation for social impact. Singtel staff from our venture-capital arm Singtel Innov8, Yes Labs, HungryGoWhere,

digital marketing, communications, consumer, HR, strategy and legal departments also contributed to this community through mentoring and volunteering at workshops to share their experiences and insights with the participants. Under the programme, we funded seven start-ups in Singapore and six in Australia with S\$20,000 and A\$50,000 respectively. Following its success, we are expanding our programme to include Globe Future Makers in

the Philippines, and introducing a regional element for cross-sharing of competencies, networks and experiences to allow change makers with the most promising solutions the opportunity to scale their social impact regionally.

GIVING TIME TO WORTHY CAUSES

We encourage staff to give back to the communities that we operate in. They are given one day of paid volunteer leave each year, and

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our business units are encouraged to engage in VolunTeaming, or department teambuilding with a volunteering element.

Each year, our employees in Singapore organise the Singtel Carnival for children with special needs. In 2016, we saw over 1,700 staff volunteers come together to set up food and game stalls, and stage entertainment to bring joy to over 1,000 special needs students.

In Optus, our employees actively volunteer and mentor vulnerable youth in high-needs schools across Australia. Since 2005, over 3,500 volunteer and mentor roles have been

filled by Optus staff, totalling over 35,000 hours of volunteering activity on company time.

Our employees also have the opportunity to participate in our annual Overseas Volunteering Programme, which is conducted jointly with our regional associates. During the year, 30 staff volunteers from Singtel, Optus and our Philippine associate Globe undertook a community upgrading project in Metro Manila. 20 staff volunteers from Singtel, Optus and our Thai associate AIS also took part in our second AIS-Singtel English Camp to mentor and help 35 Thai undergraduates to improve their conversational English.

RAISING FUNDS FOR GOOD

In Singapore, the Singtel Touching Lives Fund has raised more than S\$36 million since 2002. In 2016, we commemorated 15 years of STLTF by donating S\$2 for every dollar contributed by employees to the fund. Together with other fundraising activities like our charity golf, we raised a total of S\$3 million.

Our Optus staff donations portal yes4Good has seen our people contribute over A\$3.4 million since 2005. In addition, we match staff giving up to A\$300 per person per year. Our collective contributions through our Yes4Good programme have exceeded A\$5.3 million.



A record 1,700 Singtel staff volunteers organised the 4th Singtel Carnival for students from special education schools in Singapore.



DANIEL LUI HONG TUCK

Singtel Senior Associate Engineer

Daniel will never forget how inadequate he felt as a child growing up without school essentials. His parents had to work multiple jobs to see him and his younger brother through school right up to university. Today, the father of one is in a far better position in life and wants to pay it forward. He dedicates his time to the 'Ready for School' programme organised by the Chinese Development Assistance Council. Every December, he spends a weekend with children from low-income families and gives out much-needed stationery and books.

SUSTAINABILITY PILLAR 4 MARKETPLACE AND CUSTOMERS – THE BEST EXPERIENCE

Just as we hold ourselves to the highest corporate standards, we expect the same of our supply chain.

We require all new suppliers to comply in key areas such as ethical practices, environmental management and human rights, and are progressively working through all our existing suppliers to evaluate these risks and ensure compliance.

We aim to be a Sustainable Supply Chain Management industry leader by 2020. Besides aligning our Supplier Code of Conduct with our UN Global

Compact commitments, we are working to adhere to the guidelines set by the International Standard for Sustainable Procurement (ISO 20400), the recognised global benchmark on responsible sourcing.




As customer data privacy and protection is of paramount importance to our stakeholders and the Singtel Group, we are committed to complying with local laws and regulations. We also conduct frequent audits across the Group to sustain and refine our customer data protection policies as well as mitigate risk. Our

global cyber security solutions also enable our enterprise customers to achieve the highest level of data security and protection.

More information on our sustainability efforts can be found in the Singtel Group Sustainability Report 2017.

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KEY ENVIRONMENTAL AND SOCIAL PERFORMANCE INDICATORS

	Singapore		Australia	
	2017	2016	2017	2016
 Environmental Performance ⁽¹⁾				
Energy use (GJ)	1,404,843	1,379,633	1,702,440	1,657,262
Carbon footprint (tonnes CO ₂ equivalent)	173,811	174,112	418,269	420,827
Water use (cubic metres)	814,447	756,398	82,111 ⁽²⁾	70,254 ⁽²⁾
Hazardous and non-hazardous waste (tonnes)	4,613	4,223	1,853	1,503
 Social Performance: People				
Employee turnover (%)	16.4	14.5	15.4	10.7
Employee turnover by gender (%)				
– Male	17.0	14.7	14.3	9.1
– Female	15.4	14.3	17.6	14.1
Average training hours per employee	30.4	32.5	30.9	31.7
Employee health and safety ⁽³⁾				
– Workplace injury incidence rate	1.3	1.3	1.3	1.3
– Workplace injury frequency rate	0.6	0.6	0.8	0.8
– Workplace injury severity rate	3.3	5.9	8.7	12.9
 Social Performance: Community				
Community investment (\$ million) ⁽⁴⁾	S\$8.3	S\$26.7 ⁽⁵⁾	A\$8.2	A\$8.7
Total volunteering hours	17,140	15,981	16,420	16,194

Notes:

⁽¹⁾ Please refer to the Singtel Group and Optus sustainability reports for the reporting scope of environmental indicators.

⁽²⁾ Water use for Optus Sydney Campus only.

⁽³⁾ Workplace safety and health metrics based on the International Labour Organization (ILO) definitions.

⁽⁴⁾ Community investment has been verified by The London Benchmarking Group (LBG).

⁽⁵⁾ Includes a partial allocation of a one-time donation of S\$20 million to National Gallery Singapore.

For more details and audited statistics, refer to our Sustainability Report at: singtel.com/sr2017.