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Message from Group CEO

In FY2013, the SingTel Group made significant progress to transform itself to ensure it stays at the forefront of industry changes by strengthening our traditional carriage business and taking advantage of new growth opportunities in the digital space.

Even as considerable effort and resources were directed into completing this 1st phase of our multi-year transformation, we continued to execute sustainability initiatives under our four key pillars - Marketplace, People, Environment and Community.

As a result, corporate social responsibility (CSR) or sustainability has remained as one of our top drivers of staff engagement, which I believe will continue to play a critical role in our transformation journey.

Marketplace

In our marketplace, the new lines of global businesses organised along the consumer and enterprise segments will strengthen our ability to enhance customer experience and service innovation for our customers.

During the year, we trained more than 1,200 SingTel Customer Experience Ambassadors as part of our customer-centricity programme, and invested S\$150m to enhance the experience on our mobile network through the rollout of high-speed LTE or 4G. In the enterprise segment our continuous introduction of cloud and managed services such as G-cloud will enable businesses to operate a lot more efficiently.

***Engage.
Listen.
Execute.***



Our Group Digital Life initiatives will bring innovation in the digital space. In particular, developments in mobile technology are lending new uses to mobile devices beyond voice calls and text messages. Our digital life initiatives will leverage and build on existing products and services to enhance the quality of life for our customers and the community. For example in October 2012, we launched Project Silverline, a programme to enrich and improve the lives of the elderly in Singapore through the use of smartphone technology.

In FY2013 we introduced a Supplier Code of Conduct to strengthen the engagement and advocacy into our supply chain on matters relating to social responsibility and sustainability. We will continue to expand the scope of this engagement across all tenders and are also developing a vendor audit programme.

Our Community and People

Community support and staff volunteering remained the core pillars and foundations of our sustainability strategy. We believe these activities build awareness around corporate sustainability and engage the hearts and minds of our people.

During the year, we raised a record S\$2.7m through our flagship SingTel Touching Lives Fund. Through other forms of community contribution, we have invested over S\$4m in the communities where we operate. Our people continue to participate actively in VolunTeaming, our way of incorporating community staff volunteerism into department teambuilding.

They clocked over 5,500 hours in 35 activities with 15 voluntary welfare organisations including our SingTel Touching Lives Fund beneficiaries during the year. This represented a 54% increase in our VolunTeaming activities.

We also continued the expansion of our community support beyond Singapore's shores. For example, we provided monetary assistance through Globe Bridging Communities, the CSR programme of our Philippine associate Globe, when Typhoon Bopha hit the Philippines in December last year. We also sent a team of staff volunteers in March to Compostela Valley, an area badly hit by the typhoon, who worked alongside Globe staff volunteers over five days to help rebuild the village.

Environment

On the environmental front, we have updated our Environmental Management System and also included in our carbon footprint reporting this year, staff commute pattern to help us understand their commuting behavior

and identify opportunities for reductions in carbon emissions. About 40% of our approximately 13,000-strong workforce in Singapore participated in this survey.

As equipment facilities cooling remains a large part of our energy consumption, we commenced a major overhaul of 10 chillers at our equipment facilities and exchanges. This initiative will drive annual energy savings of more than 880,000 kWh per year. This together with other past energy management programmes had enabled us to save 59.6 GWh of electricity since FY 2010, far exceeding our target of 32.7 GWh set in FY2010.

Moving forward, we see an opportunity to strengthen the breadth and depth of our sustainability strategy and initiatives. In this regard, we are currently undertaking a strategic review of our sustainability strategy and roadmap.

As a first step, we completed Phase 1 of our Stakeholder Engagement exercise through surveying our customers and investors on sustainability issues pertaining to our business that they are most concerned with. More on these key findings are presented in this report. Phase 2 of our exercise in the new financial year will cover our internal stakeholders and SingTel's most valuable asset - our own employees.

I look forward to updating you on our findings and updated sustainability strategy in the next report. I would like to thank you and all our stakeholders who have supported us in SingTel's sustainability journey.

Chua Sock Koong
Group Chief Executive Officer

