

02 Message from Group CEO



Growing with you. Creating sustainability.

In 2014, SingTel commemorates 135 years of telecommunications services, tracing our roots back to 1879 when the 1st telephone call was made in Singapore. Since then, the company has seen massive transformations especially in communications technologies and the industry landscape.

One thing however remains unchanged: our commitment to building a sustainable business while being a responsible corporate citizen, growing together with you and all our stakeholders.

Strategic review

In FY2014, we undertook a strategic review of our Group's sustainability strategy across the Singapore and Australian operations. The review, which also benchmarked our sustainability practice against global best practice, affirmed our commitment to the 4 sustainability pillars of Marketplace and Customers, People, our Community and the Environment.

In the Marketplace, our key focus across Singapore and Australia is to significantly enhance the way we engage our customers with improved services and simplification of products. Major network investments have also been made to improve our customers' experience when using our networks and services.

To ensure that our people continue to build the necessary skills and capabilities to support the sustainable growth of the business, we strengthened our support for talent development through more structured and pervasive regional leadership programmes, and added internal and external coaching support for our leaders across every level. We completed a comprehensive review and introduced a new leadership competency model across the SingTel Group. We believe these core leadership competencies are needed for us to adapt to the ever changing industry.

Our corporate philanthropy programme, the SingTel Touching Lives Fund, raised S\$2.75 million in FY2014 for our 6 Community Chest beneficiaries in Singapore. Since its inauguration in 2002, we have raised close to S\$28 million for over 20 beneficiaries.

Our community focus and investment strategies in Singapore and Australia are aligned with a common community mission. We want to enable the inclusion and well-being of people and help them realise their potential through our core competence in digital and infocomm technologies (ICT).

To further drive and create a more sustainable and impactful outcome for our communities as well as our beneficiaries, we will increasingly focus on leveraging our technologies and capabilities, as well as skill-based staff volunteering.

Sharpened focus and scope in our community investment

We have reviewed the prevailing social issues and possible gaps in community support where the SingTel Group can contribute and create the most value. And we affirmed our commitment to support vulnerable children and youth from disadvantaged backgrounds or with special needs.

One key community investment going forward will be in the area of cyber wellness and online safety of children and youth – as the risks from digital media technologies are becoming pervasive. During the year, we worked with a leading Singapore player in cyber wellness programmes to create a mobile app to give parents ready access to a wealth of information, resources and tips on ensuring the well-being and safety of their children in the digital world.

An additional area of focus is to support and train vulnerable youth with disabilities for gainful employment in Singapore. Our CSR efforts have always supported

the education and well-being of children from this community segment. We have now identified transition support for employment of this group – from school to work – as a gap in today's Singapore social sector. This is also a natural extension of our ongoing help for young people with special needs.

Given that the markets we operate in across the region are prone to natural disasters, we have a strong focus on supporting disaster relief and community rebuilding. For example, the SingTel Group immediately provided disaster relief when Typhoon Haiyan hit the Philippines in November 2013. Staff in Singapore and Australia also came together to raise further funding for the relief efforts. In April 2014, a team of 20 staff volunteers from Singapore and Australia joined 30 volunteers from our Philippine associate Globe in a home rebuilding programme in the disaster hit areas under our annual overseas volunteering programme.

Early dividends from a sustainability focus

We believe our efforts and strong focus on customer experience to create sustainable business value are paying off. Our customers ranked SingTel and Optus 1st in Net Promoter Scores among the 3 telcos in both Singapore and Australia as of December 2013. SingTel was also recognised by the Singapore Human Resources Institute with having Leading HR Practices in CSR, included in the Dow Jones Sustainability Index (Australia) for the 1st time and listed among the World's Most Ethical Companies by Ethisphere for the 4th consecutive year.

I am heartened to see that CSR remains consistently a top engagement driver in the company. And more employees and teams have also stepped forward to volunteer their time with the community and our beneficiaries. For example, to cater to the increased volunteering interest by staff, we organised an inaugural year-end carnival that saw 450 children from our 6 STLF beneficiaries enjoying themselves at the various games and food stalls managed by 600 staff volunteers.

On the environment front, where we believe there is still much to be done, our early efforts to increase awareness and reporting in this area were recognised. For the 1st time, SingTel was listed on the Asia (ex-Japan) Climate Disclosure Leadership Index, where CDP recognised SingTel for having the best disclosure score in the category of Best New Responding Companies in 2013. In the coming year, we will continue to strengthen our governance and programmes, and improve our disclosure on the company's impact on the environment.

To remain on top of the latest industry and CSR trends and issues, and help shape their developments through our sphere of influence where possible, the SingTel Group continues to be represented in major industry and interest groups in both Singapore and Australia. They include Australian Business and Community Network (ABCN), Singapore infocomm Technology Federation (SiTF) and the UN Global Compact.

Bringing sustainability to the next level with continued stakeholder engagement and business sustainability materiality review

As part of our ongoing engagement to understand stakeholders' perspectives and concerns in sustainability relating to our business and industry, we conducted Year 2 of our stakeholder engagement by surveying our ~13,000-strong Singapore workforce and our large enterprise and SME customers.

To ensure that our sustainability strategy remains relevant to the changing issues and needs in the market, we are currently undertaking an extensive business sustainability materiality review across the SingTel Group in Singapore and Australia. This review will give special focus to material issues as well as the risks and opportunities in our supply chain and value chain.

The findings from this review will help us further shape our sustainability strategy and subsequent reporting in our rapidly changing operating environment.

Reports such as this one allow us to reflect on what the company has achieved over the years. However, one thing remains at the centre of everything we do – our wish to leave an impactful, meaningful legacy behind for all our stakeholders and future generations to come!

I thank you for your strong support all these years. And I invite you and all our stakeholders to join us as we embark on the next phase of SingTel's sustainability journey.

Chua Sock Koong
Group Chief Executive Officer

