



## 02 Message from Group CEO G4-1

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The past 12 months have, in many respects, been defining moments for global and corporate sustainability. These developments provide the context for and shape the Singtel Group’s sustainability strategy. We found that many of these global issues are consistent with material concerns identified through our stakeholder engagement and materiality review in 2014.

While FY2015 was focused on establishing the foundation for our broader sustainability strategy, we built momentum and sought to increase the impact of our sustainability initiatives in FY2016.

### **ENABLING A SOCIETY OF INCLUSION**

We continue to promote and foster a culture of inclusion for the vulnerable

in our community, helping them to realise their potential to be equal and contributing citizens.

Since 2002, our Singtel Touching Lives Fund (STLF) has invested more than S\$33 million in the education of children and youth with special needs. Building on this, we officially launched the Singtel Enabling Innovation Centre (EIC) at the Enabling Village in Singapore in

October 2015. We contributed about S\$2 million for the training and learning centre, curriculum and transition to work support for persons with disabilities and special needs. The centre also showcases the available assistive technology that helps this group to work with ease and be productive.

We are heartened to see half of the first batch of 12 graduates from the

contact centre training at Singtel EIC hired within weeks upon graduation by companies that participated in the Train-Place-Train programme. Our Singtel Consumer Operations unit hired two of the graduates who joined us in March 2016 to work as Webchat customer service officers. In a tight labour market and ageing population, initiatives such as the Singtel EIC also provides an alternative source of talent.

To encourage and mobilise companies and organisations to support disability employment, Singtel became a founding member of the Singapore Business Network on DisAbility in June 2015. The Network's charter is to strengthen learning, collaboration, support and advocacy for disability training and employment in Singapore.

In Australia, we support the education and employability needs of disadvantaged and vulnerable youth through our partnership with the Australian Business and Community Network (ABCN). During the year, over 500 Optus staff volunteers contributed close to 4,000 mentoring hours to help 870 students. We work closely with our ABCN corporate partners to support the well-being, inclusion and integration of refugees, many of whom are children and youth. We hope that such initiatives will enable their safe integration into the communities and to mitigate social and economic instability.

## ADDRESSING CYBER SECURITY AND EXTENDING CYBER WELLNESS

Safety and security in an increasingly digital and connected world have become a key concern for our enterprise and consumer customers as well as the broader community. We continue to invest in building the capacity of our internal operations to protect customer data and privacy. We have strengthened our portfolio of cyber security solutions through acquisitions and partnerships, and offer a full suite of cyber security solutions for our enterprise customers. We recently set up the Singtel Cyber Security Institute which provides training to enterprises and governments to enhance their cyber security skills and preparedness.

For our customers and the community, we expand the reach of our cyber wellness and digital citizenship programmes in Singapore and Australia. During the year, we also developed a brand new Cyber Wellness Education Toolkit for special education schools to teach their students. This was created after rounds of teacher focus groups, classroom observations and teaching material iterations on what will work best for the teachers and students on this very important topic. This toolkit, which received positive feedback from the teachers and students, was launched in the second school semester this year at three STLF beneficiary schools for the first phase of our rollout.

In Australia, the Optus Digital Thumbprint Programme has reached more than 80,000 high school students since its launch in 2013, with over 3,000 face-to-face sessions delivered in more than 180 schools across Sydney, Melbourne and Queensland. The Programme won the 2015 Australian and New Zealand Internet Awards for the 'Security and online safety' category, and received provisional accreditation by the Australian Government e-Safety Commissioner. This endorsement will help us reach even more public school students across Australia.

We also worked closely with our regional associate Globe in the Philippines on promoting digital citizenship among the youth. In May 2016, Globe officially launched the Globe Digital Thumbprint Programme, modelled after our successful Optus programme.

## MITIGATING THE IMPACT OF CLIMATE CHANGE

We recognise that there is an urgent need today to address how economies, infrastructures and communities progressively adapt and build resilience to the impact of climate change. We continue to strengthen our environmental execution, focusing on the two key areas of climate change and impact mitigation. We undertook a Life Cycle Assessment (LCA) exercise which reinforced that carbon or

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energy management is the number one material environment issue for our business, not only within our operations but our extended supply chain.

Our energy consumption and carbon footprint remain a key management focus, as our networks expand to support fast growing data usage and coverage, and improved customer experience. Our disclosure on CDP Climate Performance Leadership Index was rated 93C, versus 80B a year ago. This marks the progress we have made in disclosure and reporting despite our growing energy requirements due to network expansion.

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**“We will focus on raising awareness and advocacy for corporate sustainability among our people so that it becomes a part of the DNA and value system of the Singtel Group.”**

We also recognise that our energy efficiency initiatives were insufficient to offset the carbon increase from our operations in Australia, where energy production is still primarily dependent on coal. Hence, we are currently reviewing the energy efficiency of our Optus network. This review is also critical in enabling us to set realistic carbon emission intensity targets.

We have made good progress in the area of climate adaptation and resilience of our infrastructure in view of climate change and its impact. We completed an adaptation review exercise for our Singapore and Australia operations based on the latest climate change models, working with agencies such as national science agency CSIRO in Australia, and Singapore’s National Climate Change Secretariat and National Environment Agency. We will constantly review our network design to strengthen our network resilience.

We are also a founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities and together with five other major Australian institutions, commissioned leading research and

advocated policy changes which government needs to focus on for building resilience and adaptation.

## **ENSURING A SUSTAINABLE SUPPLY CHAIN**

The Singtel Group established a Sustainable Supply Chain Management strategy to better understand and address the potential environmental, social and governance risks in our extended supply chain.

Aided by the LCA exercise for our Singapore and Australia operations conducted during the year, we updated our Supplier Code of Conduct to address the issues identified by the LCA, and clarified expectations in new contracts with our main suppliers.

We completed a risk assessment on key sustainability impact and compliance requirements, including labour and environment, across 75% of our supply chain expenditures. We also concluded assurance reviews on our offshore call centres in Philippines and India for data privacy and security, one of the major concerns identified by our

stakeholders and reflected in our top 13 material topics in this report.

## **INVESTING IN OUR PEOPLE AND SUPPORTING DIVERSITY**

Developing a diverse and talented workforce remains a key pillar of our sustainability strategy. During the year, we launched SHINE in Singapore, a structured internship programme to develop high performing polytechnic and university students by offering real-world, meaningful assignments, mentoring by our staff and on-the-job training. Top performing SHINE interns are offered a fast-track pass to the final assessment phase of our Management Associate Programme or Undergraduate Scholarship Programme.

We support gender diversity particularly in Australia where women leaders are under-represented. Our female colleagues in the talent pool have access to dedicated leadership and executive coaching. In addition, we raised the number of women talent being mentored through the Females in IT and Telecoms programme, and expanded opportunities for them to meet, network and hear the insights and success stories of prominent leaders.

We will focus on raising awareness and advocacy for corporate sustainability among our people so that it becomes a part of the DNA and value system of the Singtel Group.

In our latest staff engagement survey, we found CSR has become among the top engagement drivers for the Group, and outperforming the Global Norm for High Performing Companies. We believe we are on the right track.

## **SHAPING A BETTER FUTURE**

While we have made good progress on our sustainability efforts, we recognise that there is much more that can be done. We will continually assess the relevant issues and opportunities as we believe that we play an instrumental role in creating a positive economic, social and environmental impact.

In this report, we have also highlighted the areas where we can make a difference and our efforts which support the UN Sustainable Development Goals. We will keep building on broader cross-sector collaborations and partnerships that are needed to solve global sustainability issues.

We invite you to be part of this journey of partnership and collaboration. Together, we can shape a better future.

**CHUA SOCK KOONG**  
Group Chief Executive Officer