# 04 Sustainability at Singtel

We are committed to creating sustainable and long-term growth for our business, while leading and shaping positive change for our marketplace and customers, the communities we operate in, our people and the environment.

## SUSTAINABILITY STRATEGY

Creating a sustainable positive impact and value for our stakeholders is fundamental to us. We strive to create long-term growth, deliver great customer experience and embrace responsible business practices, be an employer of choice, manage our environmental footprint, and invest in the communities where we operate.

With these objectives in mind, our sustainability strategy is built on four pillars – Marketplace and Customers, Community, People and Environment.

## GOVERNANCE STRUCTURE AND ESG ACCOUNTABILITY

Sustainability is governed across the various levels in the organisation. All stakeholders including the board, management, business units, local and regional working groups are involved in driving the sustainability agenda within the Singtel Group (see _website_ for details). G4-34

Environmental, Social and Governance (ESG) performance is integral to Singtel's success as we strive to build a sustainable future for all our stakeholders. Senior Management across the Group are assessed through a balanced scorecard across two broad target categories: Business targets (financial, strategy, customer and business processes which embed ESG aspects) and People

targets (leadership competencies, core values, people development and staff engagement). The ESG KPIs vary for each management executive.

Examples of specific ESG KPIs for the Group CEO that are tied to her performance-based compensation include creating a bigger impact in the four areas of our community strategy: enabling innovation, digital citizenship, volunteerism and community involvement, and ensure safety and health considerations in corporate processes and decision-making. Group Chief Information Officer holds the key accountability for data privacy and protection across the business and supply chain, as Chairperson of the Data Protection Governance Committee. Group Chief Corporate Officer who looks after Group Procurement has responsibility and oversight of the Sustainable Supply Chain Management strategy. These are examples of how we ensure clear lines of overall ownership and accountability for ESG issues across our senior management.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY REVIEW

As reported in our 2015 Sustainability Report, we completed a three-year stakeholder engagement exercise and a comprehensive materiality assessment including our value chain and supply chain.

Figure 4.1: Singtel Group Materiality Matrix  G4-19
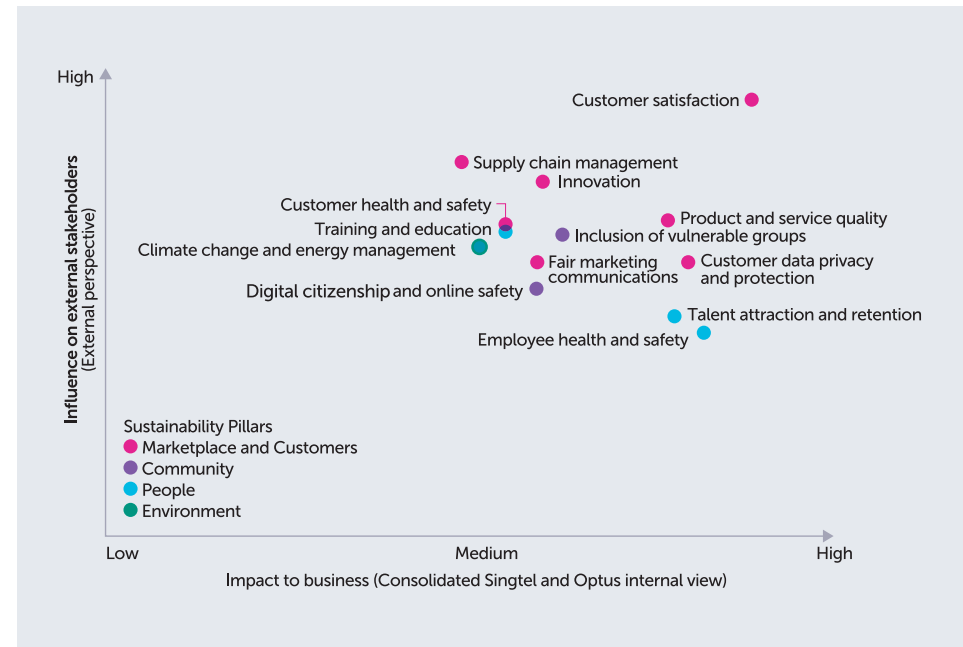


This assessment, conducted in accordance with the GRI-G4 Principles for Defining Report Content, provided the basis for our sustainability strategy and performance reporting. Figure 4.1 and Table 4.2 recap the material issues across the Singtel Group and in our value chain. Details of our stakeholder engagement and materiality review exercises can be found at our _website_. G4-18  G4-24  G4-26  G4-27

Recognising that the risks and opportunities facing our business and stakeholders are constantly changing with rapid global economic and political trends as well as technological development, we will embark on a review of our materiality assessment to assess any shift in priorities with our stakeholders in FY2017.

# Value Chain and Supply Chain Analysis G4-12

For each material topic, we have further assessed if it is relevant for our Singapore and Australia operations and which specific stakeholder groups outside our organisation.

Table 4.2

| Applicable Material Topics | Suppliers 5 7 12 13 | Infrastructure 5 13 | Operations 5 8 10 11 12 13 | Products 2 3 6 9 10 13 | Distribution 1 3 5 7 12 13 | Customers 1 4 6 8 9 |
|---|---|---|---|---|---|---|
| **Group Consumer** — **Mobile** | Infrastructure platform vendors; Device vendors | Own Network 3G/4G; Other operators (e.g. interconnect, roaming) | Customer management; Network & IT Ops | Voice & SMS (e.g. local, roaming, international); Data (e.g. local, roaming) | Own stores; Franchise; Direct sales | Customers (e.g. resident, travellers); Children & youth; Enterprises |
| **Group Consumer** — **Fixed Broadband** | Next Generation Network & other carriers; Customer equipment vendors | Own Network (e.g. ADSL, cable, fibre); Other operators (e.g. fibre, submarine cables) | Customer management; Network & IT Ops | Fixed broadband (e.g. ADSL, cable, fibre) | Own stores; Franchise; Direct sales | Customers; Children & youth; Enterprises |
| **Group Digital Life** — **Digital Marketing** | Advertising agencies; Online content providers | Telco data centres/servers; Advertisement platform | Data analytics; Customer management; Advertisers | Advertisement | Delivery through apps & widgets, banners, MMS, mobile search, QR codes, SMS | Customers (e.g. resident, travellers); Emerging customers; Enterprises |
| **Group Enterprise** — **Managed Services** | Infrastructure platform vendors; Customer equipment vendors | Own network (e.g. IP VPN, data centres/servers); Other operators (e.g. fibre) | Service delivery; Monitoring & maintenance | Cloud; Managed hosting; Managed security; Contact centres | | Enterprises; Government |

1. Customer satisfaction
2. Product and service quality
3. Innovation
4. Customer health and safety
5. Customer data privacy and protection
6. Fair marketing communications
7. Supply chain management
8. Inclusion of vulnerable groups
9. Digital citizenship and online safety
10. Talent attraction and retention
11. Training and education
12. Employee health and safety
13. Climate change and energy management

# UN Sustainable Development Goals

With the launch of the UN SDGs 2030 in 2015, we have undertaken an additional mapping to assess how our key focus and programmes relate to these goals, and the areas that we believe we have most impact as a business. Table 4.3 shows some of our key efforts and programmes in relation to the key SDGs.

| | SDG | Singtel Group's Position | Examples of Singtel Group's Efforts and Programmes | Chapter and Page Reference |
|---|---|---|---|---|
| | **Goal 3:** Good Health and Well-being (*Ensure healthy lives and promote well-being for all at all ages*) | The Singtel Group views any potential risk to the health and safety of our stakeholders seriously, and we actively promote health, safety and well-being at the workplace and in the broader community. | **EME:** We monitor research findings on EME and comply with ICNIRP and ARPANSA standards. In Singapore, we engage NEA to conduct EME measurements at locations of concern. In Australia, we design and deploy our network to comply with the relevant Federal Government mandated exposure standards. <br><br> **Digital citizenship:** Our efforts in cyber wellness and digital citizenship are part and parcel of the well-being and safety agenda. <br><br> **Workplace safety and health:** We provide a safe work environment for our people and actively promote awareness of workplace occupational health and safety. We encourage our people to look after their own health and well-being. We have also extended WSH policies to our supply chain. | Marketplace and Customers Chapter 5 (Page 18) <br><br> Community Chapter 6 (Page 26-27) <br><br> People Chapter 7 (Page 36) |
| | **Goal 4:** Quality Education (*Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*) | The Singtel Group has an important role in enabling the progress, development and inclusion of vulnerable segments of the society through the support of education and skills development opportunities. | **Vulnerable children and youth:** We support the education of children with special needs, at-risk youth and young people transiting to the workforce. Our initiatives include The Smith Family mobile student2student programme, Australian Business and Community Network (ABCN) students mentoring programme, Singtel Touching Lives Fund (STLF), Singtel Enabling Innovation Centre (EIC) and the Singtel Undergraduate Scholarship Programme in partnership with our regional associates. <br><br> **Digital citizenship:** We actively promote responsible digital citizenship. In Singapore, we created the notAnoobie mobile app for parents, rolled out iZ HERO education programme to all primary schools, and created a cyber wellness toolkit for special education schools. In Australia, our Optus Digital Thumbprint and KidsHelpline@school programmes educate vulnerable children and youth on responsible digital citizenship. | Community Chapter 6 (Page 23, 27-29) |
| | **Goal 5:** Gender Equality (*Achieve gender equality and empower all women and girls*) | The Singtel Group treats everyone with respect and consideration at all times, regardless of gender, age, ethnicity, language, cultural background, physical ability, religious belief and lifestyle choice. | **At work:** Female employees are well represented across all levels of the organisation. The Singtel Group has an equitable remuneration structure that has no gender bias and is based on work performance. The average salaries of our male and female employees across job grades are comparable. We set up a Female Diversity Committee to advance networking and mentoring support to female talent and created a Women in Leadership Series across the Group. <br><br> **In the community:** Our ABCN mentoring programme involves Optus women executives mentoring high school girls from vulnerable background in areas of aspiration, leadership and career. | People Chapter 7 (Page 31) <br><br><br><br> Community Chapter 6 (Page 29) |
| | **Goal 7:** Affordable and Clean Energy (*Increase substantially the share of renewable energy in the global energy mix*) | The Singtel Group is committed to adopting cleaner energy to reduce our reliance on fossil fuels. | **Renewable Energy:** Since 2009, we have been exploring opportunities to use alternate forms of energy for our operations in Singapore and Australia to reduce our reliance on electricity from the grid (see *website* for details). | Environment Chapter 8 (Page 40-42) |
| | **Goal 8:** Decent Work and Economic Growth (*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*) | The Singtel Group is committed to growing with our people and making the company a vibrant workplace across our global operations. | **Fair employment:** We employ over 25,000 people worldwide representing over 90 different nationalities. We strive to create an open and trusting work environment characterised by equal opportunity, as well as a diverse, inclusive, collaborative and learning culture. We have been a signatory of the UN Global Compact since 2007. We also have a sustainable supply chain management programme to promote and monitor human rights practices among our vendors. <br><br> **Work support:** The Singtel EIC and Optus ABCN programmes support work experience and improve employability to help create fair opportunities for the disadvantaged. | Marketplace and Customers Chapter 5 (Page 21) <br><br> People Chapter 7 (Page 31, 34) <br><br> Community Chapter 6 (Page 23, 28-29) |

Table 4.3

| | SDG | Singtel Group's Position | Examples of Singtel Group's Efforts and Programmes | Chapter and Page Reference |
|---|---|---|---|---|
| | **Goal 9:** Industry, Innovation and Infrastructure (*Build Resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation*) | The Singtel Group innovates continuously to stay at the forefront to bring the latest and the best services to our customers, and works with changemakers to bring creative solutions to solve social problems. | **Infrastructure:** We continuously invest in our fixed and mobile networks to offer a superior customer experience and partner our network vendors to conduct technology trials.<br><br>**Social innovation:** Our social innovation accelerator programmes in Singapore and Australia aim to build an ecosystem to attract and develop innovators and changemakers with solutions for the community segments we support. | Marketplace and Customers Chapter 5 (Page 16-17)<br><br>Community Chapter 6 (Page 24, 28)<br><br>Environment Chapter 8 (Page 42) |
| | **Goal 10:** Reduced Inequalities (*Reduce inequality within and among countries*) | The Singtel Group is committed to creating equal opportunity for both our people and our communities. | **Equal opportunity:** We create an open and trusting workplace environment characterised by equal opportunity, as well as a diverse, inclusive, collaborative and learning culture. Our programmes such as the STLF and the Singtel EIC aim at helping persons with special needs and disabilities with their education (including life skills) and employability in Singapore. In Australia, we enhance inclusion with our Optus Indigenous Action Plan and we partner Diversity Dimensions to provide young indigenous Australians with the skills and opportunity to work in the retail sector. We mentor vulnerable youth under the Optus ABCN programme to give them a better headstart. | Community Chapter 6 (Page 23, 26, 28-29)<br><br>People Chapter 7 (Page 31-33) |
| | **Goal 11:** Sustainable Cities and Communities (*Make cities and human settlements inclusive, safe, resilient and sustainable*) | The Singtel Group leverages our ICT competence to develop solutions that improve quality of living, and focuses on building a resilient network infrastructure. | **Smart cities:** We actively support Smart City and Smart Nation visions. Our ICT arm NCS and project partners work closely with the Singapore government to create an innovative, sophisticated electronic road pricing system expected to be ready in 2020. We are also developing a suite of smart home solutions for our customers. In Australia, we collaborate with Uber for an innovative in-car WiFi trial across Sydney and Melbourne. We are a founding partner of the Australian Business Roundtable for Disaster Resilience and Safer Communities. | Marketplace and Customers Chapter 5 (Page 16-17)<br><br>Community Chapter 6 (Page 30)<br><br>Environment Chapter 8 (Page 42, 44) |
| | **Goal 12:** Responsible Consumption and Production (*Ensure sustainable consumption and production patterns*) | The Singtel Groups actively monitors our waste management practices as part of our business operations and environmental conservation efforts. | **Going green:** We aim to reduce paper use in our business operations and actively promote the 3Rs - Reduce, Reuse and Recycle - to our people. We provide recycling facilities at our retail shops in Singapore and Australia for customers to bring back products and accessories that have reached end-of-life. In Australia, we use profits from onsite carpark to fund the Optus Express buses, which provide free rides to work, and bike facilities. We are committed to responsible packaging and have responsibilities under the Australian Packaging Covenant. | Marketplace and Customers Chapter 5 (Page 21)<br><br>Environment Chapter 8 (Page 44) |
| | **Goal 13:** Climate Action (*Take urgent action to combat climate change and its impacts*) | The Singtel Group is committed to understanding, managing and minimising our environmental footprint across our value chain, including our business operations, suppliers and customers. | **Environmental focus:** We focus on improving energy performance and efficiency while continuing to investigate the viability of sustainable sources of energy on a more impactful scale. We also focus on building and maintaining a resilient network in the face of climate change. | Environment Chapter 8 (Page 40-43) |
| | **Goal 17:** Partnerships for the Goals (*Revitalise the global partnership for sustainable development*) | The Singtel Group is committed to establishing partnerships and collaborations to solve some of the most pressing social or sustainability needs, whether locally or globally. | **Key partnerships:** We have formed strong relationships with key partners for our strategic programmes targeting at meeting our sustainability and community needs. These partners include: ABCN, ABR, IMPACT 2030, National Council of Social Service, SG Enable and Singapore Business Network on DisAbility. | Community Chapter 6 (Page 23, 28-30)<br><br>Environment Chapter 8 (Page 42, 44) |

# Summary of Material Topics and UN Sustainable Development Goals for the Singtel Group  G4-18  G4-19  G4-20  G4-21

Table 4.4

| Our Sustainability Pillars | Top material topics for the Singtel Group | GRI G4 aspect reported | UN Sustainable Development Goals | Material for Singtel Group entities | | Material outside the organisation |
|---|---|---|---|---|---|---|
| | | | | Singtel | Optus | |
| **MARKETPLACE & CUSTOMERS** | Customer satisfaction | Product and service labelling | 3. Good health and well-being<br>5. Gender equality<br>8. Decent work and economic growth<br>9. Industry, innovation and infrastructure<br>11. Sustainable cities and communities<br>12. Responsible consumption and production | √ | √ | √ Distributors and customers |
| | Product and service quality | Compliance | | √ | √ | √ Customers and regulators |
| | Innovation | Indirect economic impacts | | √ | √ | √ Advertisers for digital advertising |
| | Customer health and safety | Customer health and safety | | √ | √ | √ Customers |
| | Customer data privacy and protection | Customer privacy | | √ | √ | √ Offshore and outsource vendors, particularly in India and the Philippines |
| | Fair marketing communications | Marketing communications | | √ | √ | √ Customers and digital advertisers |
| | Supply chain management | Supplier human rights assessment<br>Supplier environmental assessment<br>Supplier labour practices assessment | | √ | √ | √ Mobile and fixed broadband service vendors and distributors |
| **COMMUNITY** | Inclusion of vulnerable groups | Economic performance | 3. Good health and well-being<br>4. Quality Education<br>8. Decent work and economic growth<br>9. Industry, innovation and infrastructure<br>10. Reduced inequalities<br>11. Sustainable cities and communities<br>17. Partnerships for the goals | √ | √ | √ Communities |
| | Digital citizenship and online safety | Local communities | | | √ | √ Communities, particularly children and youth |
| **PEOPLE** | Talent attraction and retention | Employment | 3. Good health and well-being<br>5. Gender equality<br>8. Decent work and economic growth<br>10. Reduced inequalities | √ | √ | |
| | Employee health and safety | Occupational health and safety | | √ | √ | √ Distributors |
| | Training and education | Training and education | | √ | | |
| **ENVIRONMENT** | Climate change and energy management | Energy and emissions | 7. Affordable and clean energy<br>9. Industry, innovation and infrastructure<br>11. Sustainable cities and communities<br>12. Responsible consumption and production<br>13. Climate action<br>17. Partnerships for the goals | √ | √ | √ Society |