



## 05 Marketplace and Customers



We are committed to being a responsible and innovative leader in the markets where we operate. Our strategy is underpinned by delivering an unparalleled customer experience, developing responsible and innovative products and services, and ensuring that responsible business practices are adopted in our supply chain.

### CUSTOMER EXPERIENCE

Distinctive end-to-end customer experience is a strategic differentiator that sets us apart in this fast-paced and competitive telecommunications and media industry. We recognise that a superior experience is defined by the quality of service and care, as well as the range of innovative services and value we offer to our customers. Over the years, the Singtel Group has invested in numerous projects focused on enhancing customer experience. They include process and system innovations and improvements to reduce waiting time for customers at our retail shops during peak hours, as well as new mobile handset launch experience for our corporate customers.

### CUSTOMER SATISFACTION DMA

We constantly strive to raise the bar of customer satisfaction by focusing on delivering a smooth purchase and after-sales experience to our customers.

During the year, we introduced a new experiential retail concept across our Singtel Shop outlets in Singapore with innovative features such as interactive digital elements, visual communication and other selling tools to engage our customers. This concept helped to enhance customer satisfaction and sales while reducing average handling and waiting time, resulting in a 7% improvement in process and productivity. Our store concept was a finalist for the Singapore Retailers Association's Retail Concept of the Year award and the Society of British and International Design – International Design Excellence Award in 2015.

We also transformed 63 Yes Optus shops across Australia into our new Generation 6 design which enhances customer interaction and engagement.

The enhancement of mySingtel app and myOptus app gives our customers easy access to information and services on their mobile phones such as checking their data usage and bills.

The introduction of our online automated chat agent 'Ask Shirley' in Singapore and the IVR to Chat and Visual IVR in Australia is an example of how we try to improve our customers' overall experience. We also implemented installation touchpoints by providing SMS communication to help customers keep track of installation status and provide instant feedback on their experience.

In appreciation of our loyal customers, we introduced a new Singtel Circle rewards programme which creates differentiated bundled offers for them. Exclusive to eligible customers who subscribe to our mobile, fibre broadband, Singtel TV and Home Digital Line plans, Singtel Circle offers a variety of perks including Free Data Sundays and Weekend Movies.

In Singapore, for every 10 customer complaints via the media, social media, our website and management, we received 22 customer compliments in FY2016, up from 16 a year ago.

In Australia, Telecommunications Industry Ombudsmen (TIO) complaints for phone and internet users about Optus were 7.9 complaints per 10,000 services. PR5

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## DELIVERING A GREAT CUSTOMER EXPERIENCE

'Customer Focus' is one of the five core values of the Singtel Group. We have also extended this spirit of customer centricity to our partners and we require them to deliver a great experience to all customers on our behalf.

In the area of installation and maintenance, our Field Delivery Operations (FDO) unit, together with our partner Authorised Installer companies, Activ Communications, Malifax Technologies and VRNet in Singapore, received 79 compliments in the month of February 2016, a 16% increase from the previous month.

On 22 February 2016, happy customer Ms Ho L. S. wrote in to compliment the great customer service exhibited by FDO Senior Engineering Officers

Phua Soon Pheng and Tan Ah Hua when she faced difficulty contacting the authorised wiring partners. "When Mr Phua found out about my problem early Saturday morning, he said he would do what he could to make sure that everything went smoothly. True to his words, after his call, the contractor contacted me and the site visit, wiring and installation were all completed on the same day. What is worth mentioning is that every step of the way, he kept me informed and made sure everything was done to my satisfaction," she wrote.

Ms Ho also complimented Mr Tan as "he provided advice and explanation to ensure my understanding as he carried out the installation. This is what I call sincere customer care. They are truly an asset to your organisation. Well done!"

## PRODUCT AND SERVICE QUALITY DMA

We are committed to offering our customers a great network and service experience. Hence, we continuously enhance the reach, reliability and quality of our networks in Singapore and Australia. We believe that the advancement in telecommunications technology will be crucial in achieving a number of the UN Sustainable Development Goals, such as the development of Sustainable Cities and Communities and Innovation and Infrastructure. SDG 9 SDG 11

### Enhancing Network Reliability

Ensuring consistency in network and service performance is critical. We continue to invest in new base stations and towers, upgrade our technologies and increase our user capacity. Our total capital investment was S\$1.93 billion in FY2016 (Singtel S\$825 million, Optus A\$1.08 billion). Of this investment, S\$211 million and A\$536 million were invested in our mobile networks in Singapore and Australia.

During the year, we enhanced our indoor and outdoor 4G mobile coverage in both markets. We also enhanced our service offering in Singapore with a WiFi Mesh solution that boosts coverage and offers robust wireless connectivity to improve user experience at home.

In Australia, we were the first telco to introduce a WiFi talk app allowing our customers to stay connected in case of limited mobile coverage. We also launched NBN's first satellite, Sky Muster,

which provides broadband services across rural areas. This high-speed service is now available to more than 1.5 million households.

### Ensuring Quality Standards G4-15

In Singapore, Singtel adheres to the specific quality standards set by the Media Development Authority (MDA) and Infocomm Development Authority of Singapore (IDA) for the services that we offer. IDA publishes periodic performance reports on the various operators in Singapore covering broadband, mobile and fixed telephone services. We continue to meet or exceed the quality of service standards for service coverage, network availability, network latency, installation and fault repair time. These reports can be found at [www.ida.gov.sg](http://www.ida.gov.sg).

Despite our effort, there were occasional shortfalls and in FY2016, Singtel paid S\$105,000 in fines to MDA:

- A S\$90,000 penalty for a Singtel TV service incident in February 2015 that resulted in some customers experiencing difficulty accessing video-on-demand services and/or booting up their set-top boxes.
- Two fines totalling S\$15,000 for broadcasting a talkshow episode without carrying a relevant mandatory programme rating and two drama series with strong religious references and messaging. PRO

We take these incidents very seriously and are committed to ensuring quality standards across our networks.



Winning the Best Customer Experience Team award at the CEM Asia Award 2015. Our clear customer experience strategy, management leadership and staff dedication received the judges' endorsement

In Australia, **OPTUS** *yes* offers prepaid WiFi in **100** Uber vehicles that allows up to **10** devices to be **connected** at the same time

smart cities, utilities and environment. IoT connectivity will also bring us a step closer to our 5G goal while supporting the Singapore Government's Smart Nation initiative. **EC8**

In Australia, Optus is collaborating with the innovative car riding service Uber for an in-car WiFi trial across Sydney and Melbourne. We offer prepaid WiFi in 100 Uber vehicles that allows up to 10 devices to be connected at the same time.

### RESPONSIBLE PRODUCTS AND SERVICES

The Group strives to reduce the negative impact of our products and services. Our responsibility encompasses safety, privacy and fair communications for our stakeholders in the marketplace.

### CUSTOMER HEALTH AND SAFETY **DMA**

We view any potential risk to the health and safety of our customers very seriously. It is perceived that the telecommunications industry might pose a risk to health and safety of people due to the emission of Electromagnetic Energy (EME) from mobile devices, base stations and tower infrastructure.

Since the 1990s, extensive research has been done on EME to assess potential health risks, including those by the World Health Organisation. Currently, there is no conclusive evidence on adverse health effects caused by mobile phone usage.



### SINGTEL DRIVES BUSINESS TO SMES **EC8**

Singtel launched the first ever nation-wide campaign in late October 2015 to rally support for small and medium enterprises (SMEs) with a call to consumers to use products and services offered by SMEs.

We organised the 99% SME campaign to help SMEs innovate by adopting technology as we believe that a dynamic SME sector will strengthen Singapore's economy. There are close to 190,000 SMEs which make

up 99% of the total number of registered companies in Singapore, employing 70% of the workforce and contributing 50% of the country's GDP.

For the inaugural campaign, we used Singtel's Amobee Brand Intelligence to aggregate and analyse online sentiment to help retailers better understand and engage their customers. We also leveraged social media to get consumers to rediscover and celebrate the diverse range of products and services offered by the SMEs.

### INNOVATION **DMA**

The Singtel Group innovates continuously and keeps abreast of rapid technology advancement and changing customer needs. We want to bring the latest and the best services and experience to our customers. This is done through driving innovation at both our core and digital businesses through partnerships, acquisitions and organic innovation. **SDG 9**

In February 2016, we announced our partnership with Ericsson to enable Singtel's 4G LTE network to support the expected rapid growth of connected devices. The collaboration will start in the second half of 2016 with a trial of Narrow Band Internet of Things (NB-IoT) technology. A solution that offers extended coverage, NB-IoT will help Singtel to support IoT in areas such as

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### Our Compliance Efforts

However, the perceived health risks remain a concern for our customers, the community and regulators. We take necessary measures to ensure compliance with local and global standards. And we continue to monitor research findings on EME risks and their implications on relevant standards and regulations in the markets where we operate as well as the rest of the world.

In Singapore, the Radiation Protection & Nuclear Science Department (RPNSD), an office of the National Environment Agency (NEA), is

responsible for all matters relating to EME exposure. According to RPNSD, the levels of mobile phone radiation permitted in Singapore complies with the WHO's recommended International Commission on Non-Ionizing Radiation Protection (ICNIRP) standards and that radiation exposure from base stations is far lower than that from mobile phones. The ICNIRP Standards are adopted by many countries around the world and are considered best practice.

To address any concerns from the public or building owners, Singtel engages NEA to conduct radiation measurements near the mobile base stations, antenna locations

and the locations of concern. In FY2016, we engaged NEA to conduct 14 measurements island-wide. The results showed that Singtel's mobile base stations complied with the radio frequency radiation levels and safety guidelines set by ICNIRP. **PR2**

The mobile phone handsets sold at our Singtel Shop outlets also comply with regulatory guidelines set out by RPNSD and IDA. **SDG 3**

In Australia, we design and deploy our network to comply with the relevant Federal Government mandated standards for exposure to EME.

These standards are formulated and regularly reviewed by the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA). ARPANSA is part of the Commonwealth Department of Health. ARPANSA's standards are based upon those recommended by the ICNIRP.

**G4-15** **SDG 3**

We also conduct audits of base stations and undertake predictive EME modelling and testing to ensure compliance at our sites with the Australian standards. All of our sites have EME reports available to the public at [www.rfnsa.com.au](http://www.rfnsa.com.au). **PR2**

## CUSTOMER DATA PRIVACY AND PROTECTION DMA

Data privacy of our consumer and enterprise customers is of paramount importance to us. We strive to keep their information secure across our operations and supply chain. Our policy is to be open and transparent about how we collect, use and disclose our customers' personal data.

In Singapore, we abide by the Personal Data Protection Act (PDPA), which comprises various rules governing the collection, use, disclosure and care of personal data. A Data Protection Governance Committee, chaired by our Data Protection Officer, ensures that Singtel maintains full compliance with the PDPA. All our employees undergo mandatory training related to PDPA. We have also introduced measures to ensure that our vendors and partners are PDPA-compliant. G4-15

In Australia, we engaged a third party to conduct an independent review and certification of existing privacy practices. To further improve our data security efforts, a dedicated privacy team was established to help develop a preventative and proactive approach towards data privacy.

In Singapore, there were two incidents in early 2016 involving our eBill email notification and mySingtel app. The eBill incident, caused by a software glitch, resulted in about 5,400 customers receiving eBill email notifications that contained erroneous names and bill

charges. They could however log into Singtel's myBill system to view their correct billing information. The mySingtel app incident, caused by a staff error, mistakenly published the information of one customer on the app. We suspended the app immediately to rectify the error. We assured our customers that their account security had not been compromised and have since instituted safeguards in our processes to prevent a recurrence. We voluntarily informed the Personal Data Protection Commission about both incidents. PR8

In December 2015, Optus reported a data privacy incident to the Office of the Australian Information Commissioner (OAIC) caused by one of our agents.

We also want to help our enterprise customers to be more aware of the threats and build their capability to protect their corporate and customer data. To this end, we took an important step to boost our cyber security business by establishing the Singtel Cyber Security Institute (CSI). A first-of-its-kind in the region, the CSI is a hybrid between an advanced cyber range and an educational institute that provides training to enterprises and governments to enhance their cyber security skills and preparedness. The CSI will train company boards and senior management in cyber awareness, crisis and communications management while cyber operations teams will be trained to improve their cyber defence skills. This initiative supports our goal to be a global cyber security service provider.

## FAIR MARKETING COMMUNICATION DMA

We recognise that fair marketing practices and being transparent in the way we communicate can build trust and loyalty among our customers.

A new Marketing Code of Conduct was introduced in July 2015. Briefing sessions were conducted for all marketing employees in Singapore who had to sign and declare that they would abide by this Code in their course of work. An e-learning module was then introduced in November 2015. This marketing code has since been incorporated into the Singtel Code of Conduct and will be part of the annual refresher exercise that requires all employees in the marketing function to undertake.

The Marketing Code also sets out the requirements that our third party agencies and representatives must follow to ensure that Singtel's marketing activities comply with the company and industry guidelines. It also specifies that our marketing and advertising activities are to be conducted in a fair, honest and ethical manner to protect our brand reputation.

We strive to ensure that our advertising and promotional materials comply with Singapore advertising guidelines and the Australian regulations. Our employees in Australia undertake online compliance training annually and those who deal directly with our competitors have additional training on anti-competitive conduct.

**“At Singtel, we recognise that our reputation and long-term success depend on how well we live up to our social and environmental responsibilities, as well as our strong execution of corporate governance. We remain committed to all three aspects in building a sustainable business that meets the expectations of all our stakeholders.”**

– Ms Aileen Tan  
Group Chief Human Resources Officer, Singtel

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Group Chief Executive Officer Chua Sock Koong and Minister for Communications & Information Yaacob Ibrahim at the opening of the Singtel Cyber Security Institute (CSI)



Touring the CSI facility

There were no cases of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship at Singtel and Optus this year. In May 2015, the Advertising Standards Authority of Singapore clarified with us on the use of the word 'rebate' instead of 'waiver' in one of our mobile advertisements. **PR7**

### Corporate Governance and Ethics **G4-56**

Corporate governance, transparency and business ethics are at the core of the Singtel Group. Our efforts in this area have been recognised through the 2016 World's Most Ethical Companies ranking by Ethisphere Institute for the sixth consecutive year. The award recognises organisations that align

principles with action, work tirelessly to make trust part of their corporate DNA, and in doing so, shape future industry standards by introducing tomorrow's best practices today. Singtel was one of the only two in the telecommunications category, and the only telecommunications company in Singapore and Asia to be honoured this year.

We ensure that the Group's zero tolerance policy towards fraud, corruption and unethical actions is strictly adhered to. Our Group policies on Fraud Investigation and Whistleblower help with our fraud risk management. We conduct fraud and control awareness programmes throughout the year to constantly refresh and update our people in

this area. All new hires are required to complete fraud awareness training via e-Learning within one month of joining the company. Our Whistleblower hotlines allow staff and any external party at any location to report any incident of misconduct. We also require our people to make an annual declaration on any conflict of interest.

Despite such controls and measures, there were occasional instances of policy breaches. In Singapore, six cases involving our employees surfaced during the year:

- One case of corruption involving appointment of service providers
- One case of fabrication of customer compliments

- One case of fictitious/inflated invoices
- Two cases of fraudulent overtime and travel claims
- One case of unauthorised signing up of customers for value-added services

When these cases came to Singtel's knowledge, independent internal investigations were conducted by our Internal Audit immediately, and the persons of interest were terminated and the matters reported to the law enforcement authority. **SO5**

## SUPPLY CHAIN MANAGEMENT DMA

The Singtel Group is committed to collaborating with transparent, ethical as well as socially and environmentally responsible suppliers. In our ongoing efforts to improve the way we purchase goods and services, our preference is to procure from vendors who currently are or working towards being responsible and sustainable companies. SDG 8

SDG 12

### Our Supply Chain G4-12

We have extensive infrastructure and connectivity through our investments in our fixed and mobile networks, international submarine cables and satellites, data centre facilities, and IT and customer care delivery centres.

We contract with local and global vendors for our different lines of businesses. In FY2016, we contracted around 6,000 suppliers worldwide. For our fixed broadband and pay TV services, our key suppliers provide us with an array of equipment including modem, router and set-top box. For mobile services, we work mainly with network infrastructure and equipment suppliers, as well as handset and device manufacturers. Our main suppliers for digital and entertainment services are advertising agencies and content providers.

### Sharpening our focus on supply chain sustainability

In FY2016, we implemented a new Sustainable Supply Chain Management

programme to help us identify opportunities and mitigate risks within our supply chain.

This programme was aided by a Life Cycle Assessment (LCA) exercise for our Singapore and Australia operations which we conducted during the year. The LCA was instrumental in helping us to determine the direct and indirect environmental impact of how we source for our business needs. We also conducted a Social Hotspot Analysis which identified sources of vulnerability within our supply chain, such as human and labour rights as well as environmental issues. In addition, we carried out a risk assessment of key sustainability impact and compliance requirements across 75% of our supply chain expenditure.

These initiatives allowed us to pinpoint areas of the supply chain that require the most attention from a sustainability perspective.

### Embedding sustainability in our supply chain

Our Supplier Code of Conduct was updated to address the broader spectrum of issues identified by the LCA. We clarified expectations in new contracts with our suppliers worth more than \$5,000 in Singapore and Australia to strengthen the Code's legal effect, and these suppliers must comply with our Code when bidding for contracts with us. We also ensured that the new Code is aligned with our UN Global Compact commitments (Singtel has

been a signatory of the UN Global Compact since 2007) and stakeholder concerns arising from our materiality review.

We have started scanning all of our new suppliers across a range of key areas including human rights as well as workplace safety and health and environmental management. This has been applied to all tenders above \$200,000 since December in Singapore and February in Australia.

HR10

EN32

LA14

We also concluded assurance reviews on our offshore call centres in India and the Philippines for data privacy and security, which are material to our business.

The Singtel Group is committed to maintaining a safe and healthy workplace by minimising the risk of accidents, injury and exposure to health hazards for our people, including our contractors. We work closely with our outsourced vendors and partners to ensure that health and safety risks are minimised for their employees and contract workers. Despite our measures, we recorded two separate fatal accidents at our Singapore office premises in 2015 involving a security guard and a cleaner. They were employees of our contracted service agencies. The cases are currently undergoing investigations by the relevant authorities. SDG 3

### Ongoing pursuit for excellence

We continue to engage our internal key business stakeholders to drive awareness as well as sustainability initiatives within our supply chain. During the year, we engaged Singtel's Centre of Operational Excellence to support the integration of sustainable supply chain management practices into our existing policies and processes. We have also started to educate our people to raise awareness and advocacy of sustainable procurement practices.

As we prepare to align to the ISO 20400 International Standard for Sustainable Procurement which is expected to be released in 2017, we have started to measure our performance against the British Standard 8903.

We recognise that instilling higher standards in our supply chain has its challenges. Such standards take time to be embedded within our internal operations as well as those of our suppliers. Our philosophy – that our supply chain relationships around sustainability issues should be collaborative and not adversarial in nature – remains, as we take steps towards achieving our 2020 goal of becoming an industry leader in this space.

In FY2016  
we contracted around

6,000

suppliers worldwide

