

Singtel Group Sustainability Report 2016



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01 About this Report

Singapore Telecommunications Limited (Singtel) has been publishing annual Sustainability Reports since 2010 for our operations in Singapore, where Singtel is headquartered. These reports cover the company's strategies, initiatives and performance in relation to environmental, social and governance issues. [G4-3](#) [G4-5](#) [G4-29](#)

This is the second Singtel Group Sustainability Report which covers the sustainability performance of Singtel's business in Singapore and Optus, our wholly-owned subsidiary in Australia. Optus continues to produce a standalone Sustainability Report that gives details on our sustainability programmes in Australia (www.optus.com.au/about/sustainability/reports). [G4-17](#)

All data, statistics and improvement targets are in relation to the Group's operations in Singapore and Australia unless stated otherwise. Group-level figures are in Singapore dollars, using the exchange rate of A\$1 to S\$1.0201. This report is for the financial year 1 April 2015 to 31 March 2016 (FY2016) and will be published on an annual basis. [G4-28](#) [G4-30](#)

GRI GUIDELINES

Based on an extensive Group-wide materiality assessment, this report has been prepared to be in accordance with GRI G4 – Core Level. The GRI content index and the relevant references are provided on pages 46-48. [G4-15](#)

EXTERNAL ASSURANCE



The report has been subjected to an external assurance process (see page 50 for the independent assurance statement and scope details). Please refer to the external assurance column of the GRI content index on pages 46-48 that shows the assurance coverage of the performance indicators.

FEEDBACK

We are fully committed to listening to our stakeholders and we welcome feedback on this report and any aspect of our sustainability performance. Please address all feedback to Vice President, Group Corporate Social Responsibility (CSR), at csr@singtel.com. [G4-31](#)



02 Message from Group CEO G4-1

“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.”



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

“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.”

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.

Message from Group CEO

“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



03 About the Singtel Group

The Singtel Group is Asia's leading communications group providing a portfolio of services including ICT, pay TV as well as voice and data solutions over fixed, wireless and internet platforms. The Group has presence in Asia, Australia and Africa with over 600 million mobile customers in 25 countries, including India, Indonesia, the Philippines and Thailand. We also have a vast network of offices throughout Europe and the United States. Singtel is listed on the Singapore Exchange (SGX) and the Group employs more than 25,000* people worldwide, with about 13,000 employees in Singapore and 9,000 in Australia. G4-6 G4-7 G4-8 G4-9

600 million
mobile
customers in
25 countries 

 **25,000**
employees worldwide

OUR BUSINESS UNITS G4-4

GROUP CONSUMER

Consolidates the Group's consumer-related functions, including our international business in the emerging markets, and delivers a complete and integrated suite of services, including mobile, broadband and TV to consumers.

GROUP DIGITAL LIFE

Drives the Group's efforts to be at the forefront in the digital space, focusing on creating new revenue platforms for the Group, such as premium over-the-top video, digital marketing and advanced analytics. Also connects the start-ups ecosystem to identify early innovations that could contribute to the overall business of the Singtel Group.

GROUP ENTERPRISE

Provides innovative and comprehensive ICT solutions to the Group's enterprise customers across geographical boundaries. These solutions include workforce mobility, data hosting, cloud, network infrastructure, analytics and cyber-security capabilities.

Corporate Vision And Mission

The Singtel Group aspires to be Asia Pacific's best multimedia and ICT solutions group. Creating and delivering value to our customers, employees and shareholders is fundamental to our business.

We help people and enterprises stay connected all the time, no matter where they are, by making communications easier, faster and more reliable.

Our Core Values G4-56

The Singtel Group's core values form the foundation of our culture and the way we do business and go to market.

The five core values of Customer Focus, Challenger Spirit, Teamwork, Integrity and Personal Excellence are the bedrock of our corporate strategy and drive our sustainability strategy. They underpin our desire to create a common purpose across the Singtel Group and foster a culture that is open and innovative, and that promotes mutual trust and engagement. These values drive our relationships with customers, suppliers, people and all other stakeholders.

* This includes employees based outside Singapore and Australia.

FY2016 Key Highlights



Marketplace & Customers

- Included in **World's Most Ethical Companies 2016** for the sixth consecutive year
- Implemented our online automated chat agent 'Ask Shirley' in Singapore and IVR to Chat and Visual IVR in Australia to **improve customer experience**
- Launched the first ever nationwide campaign **99%SME** to rally support for small and medium enterprises in Singapore
- Established the **Singtel Cyber Security Institute**
- Total **capital investment of S\$1.93 billion** in Singapore and Australia
- Established our **Sustainable Supply Chain Management strategy**



Community

- **Community investment of S\$35.67 million** in Singapore and Australia
- Opened the **Singtel Enabling Innovation Centre** for training persons with disabilities
- **Founding member** of the Singapore Business Network on DisAbility and a **member** of the Enabling Master Plan 3 Steering Committee
- Extended scope of community outreach to **social innovation** through programmes like *Enabling Change* in Singapore and *Optus Future Makers* in Australia
- Developed a brand new **Singtel Cyber Wellness Education Toolkit** for special education schools
- First **overseas skilled volunteering programme**, the AIS-Singtel English Camp 2015, to coach 34 university students in Thailand



People

- Singtel has over **25,000 employees** representing more than **90 nationalities**
- **CSR** was the **top staff engagement driver** for the Singtel Group, outperforming Global High Performing Company norm
- **Hired** two wheelchair users as Webchat call centre officers and provided **internships** for two tertiary IT students with hearing and vision impairment
- **Training investment of S\$22.1 million** in Singapore and Australia
- Launched a new **SHINE programme** that offers internships to promising polytechnic and university students
- Won the **HR Excellence Awards 2015** and **HRM Awards 2016**








Environment

- **CDP score of 93C** for Singtel Group's climate change disclosure and performance
- Completed **Life Cycle Assessment** for our environmental and social footprint across our extended supply chain
- Achieved a 5% **reduction in energy use** for base stations per cell carrier in Singapore and more than 8% reduction in Australia
- Developed a **climate change adaptation plan** for Singapore and Australia to ensure we continue to build more resilient networks for the future
- **Founding partner** of the Australian Business Roundtable for Disaster Resilience and Safer Communities, and a **member** of the Australian Green Cross Business Adaptation Network

FY2016 Performance Highlights

G4-9 G4-22 LA6 LA9 EC1

		SINGTEL		OPTUS		SINGTEL GROUP	
		2016	2015	2016	2015	2016	2015
MARKETPLACE & CUSTOMERS 	Capital investment (\$M)	S\$825	S\$789	A\$1,083	A\$1,285	S\$1,930	S\$2,238
	Mobile network investment (\$M)	S\$211	S\$233	A\$536	A\$793	S\$758	S\$1,124
COMMUNITY 	Community Investment (\$M)	S\$26.7	S\$10.1	A\$8.7	A\$8.7	S\$35.6	S\$19.87
	Total staff volunteering hours	15,981	15,109	16,194	11,505	32,175	26,614
PEOPLE 	Total employees by gender						
	• Male	63%	62%	67%	68%	65%	65%
	• Female	37%	38%	33%	32%	35%	35%
	Employee turnover (%)	15%	13%	11%	10%	13%	12%
	Total training investment (\$M)	S\$10.9	S\$10.0	A\$10.9	A\$11.5	S\$22.1	S\$22.9
	Average training hours per employee	32.5	33.3	31.7	32.2	32.2	32.8
	Employee safety and health ²						
• Workplace injury rate	1.3	1.4	1.3	2.6	1.3	1.9	
• Accident frequency rate	0.6	0.6	0.8	1.3	0.7	0.9	
• Accident severity rate	5.9	7.4	12.9	18.6	8.3	11.3	
ENVIRONMENT 	Total energy use (GJ)	1,379,633	1,338,904	1,657,262	1,533,360	3,036,895	2,872,264
	Energy intensity (GJ/\$M revenue)	180	182	178	155	179	167
	Total carbon emissions (tCO ₂ e)	174,112	176,454	420,827	402,750	594,938	579,205
	Carbon emissions intensity (tCO ₂ e/\$M revenue)	23	24	45	41	35	34
	Water use (m ³)	756,398	691,389	70,254⁴	60,422 ⁴	826,652	751,811
Total waste, hazardous and non-hazardous (tonnes)	4,223	4,015	1,503	1,425	5,726	5,440	
ECONOMIC PERFORMANCE 	Revenue (\$M)	7,663	7,348	9,298	9,875	16,961	17,223
	Operating costs (\$M)	5,524	5,262	6,573	7,022	12,097	12,284
	Staff costs (\$M)	1,358	1,273	1,099	1,194	2,457	2,467
	Tax expense (\$M)	1,201	1,092	396	418	1,597	1,510
	Net profit (\$M)	2,844	2,840	949	942	3,793	3,782

¹ Exchange rate of A\$1 = S\$1.0201.










² Workplace Safety and Health (WSH) metrics have been realigned to the International Labour Organization (ILO) definitions. FY2015 data has been restated.

³ The carbon emissions reported in the table is based on the reporting requirements of the WRI and WBCSD 'GHG Protocol Corporate Accounting and Reporting Standard'. The equivalent CO₂ emissions for electricity use are calculated based on the updated simple operating margin grid emission factors from the National Environment Agency in Singapore for the relevant time period and from corresponding states in Australia. Scope 1 direct emissions are calculated using the 2010 Guidelines to EFRA/DECC's GHG conversion factors for company reporting (Annex 1). Scope 3 other indirect emissions are calculated using the 2010 Guidelines to conversion factors for DEFRA/DECC's GHG company reporting (Annex 6 and 7).











⁴ Water use for Optus Sydney campus only.

2020 Targets

We have set the following 2020 targets across our four sustainability pillars.

Our Sustainability Pillars	Top Material Issues for the Singtel Group	2020 Target	FY2016 Achievements 
 <p>Marketplace & Customers</p> <p>To be recognised as a responsible and innovative market leader who offers excellent customer experience</p>	 <p>CUSTOMER SATISFACTION</p>	<p>Lead in 'Customer Experience' in major customer satisfaction measurement tools and indices over tier one telcos in Singapore and Australia</p>	<p>Continued to enhance our customer experience with new services such as online automated chat agent and installation touchpoints (see page 15)</p>
	 <p>PRODUCT AND SERVICE QUALITY</p>	<p>Invest in our networks to meet and exceed the quality of service standards set by the relevant local authorities while addressing the topic of long-term climate change adaptation</p>	<p>Total capital investment of S\$1.93 billion (see page 16) and undertook climate adaptation review (see page 43)</p>
	 <p>INNOVATION</p>	<p>Continue to develop new digital business and services that take advantage of industry changes, leveraging our assets like customer knowledge and intelligent networks, as well as mobile data growth across our markets</p>	<p>Continued to drive innovation and bring the latest and the best services and experience to our customers, focusing on digital advertising, cyber security, OTT video services, cloud computing, smart cities and data analytics (see page 17)</p>
	 <p>CUSTOMER HEALTH AND SAFETY</p>	<p>Maintain 100% compliance with RF radiation levels and safety guidelines set by local regulators and ICNIRP</p>	<p>100% compliant (see page 18)</p>
	 <p>CUSTOMER DATA PRIVACY AND PROTECTION</p>	<p>Uphold the highest standards of customer data privacy protection and ensure compliance by our supply chain</p>	<p>Continued to strive towards compliance with local laws and regulations (see page 19). Concluded assurance reviews on our offshore call centres in India and the Philippines for data privacy and security (see page 21)</p>
	 <p>FAIR MARKETING COMMUNICATIONS</p>	<p>Uphold the highest standards of professional values and integrity</p>	<p>New Marketing Code of Conduct was introduced in July 2015 and incorporated into the Singtel Code of Conduct (see page 19)</p>
	 <p>SUSTAINABLE SUPPLY CHAIN MANAGEMENT</p>	<p>To become an industry leader in this area by 2020:</p> <ul style="list-style-type: none"> - 100% contracted procurement spend in line with Singtel Group sustainable procurement policy - Drive responsible business practices across our supply chain in the areas of human and labour rights as well as environment 	<p>Implemented a new Sustainable Supply Chain Management programme in FY2016 (see page 21)</p>

2020 Targets

Our Sustainability Pillars	Top Material Issues for the Singtel Group	2020 Target	FY2016 Achievements 
 <p>Community</p> <p>To enable the inclusion and well-being of people, and help them realise their potential through our digital technologies and innovative programmes</p>	 <p>INCLUSION OF VULNERABLE GROUPS</p>	<p>Community investment of S\$100 million to support vulnerable persons through our various enabling and inclusion programmes between 2016 and 2020</p>	<p>Continued with our community programmes like Singtel Touching Lives Fund and embarked on our disability programmes in FY2016 (see pages 23-24, 28-29)</p>
 <p>People</p> <p>To be an admired employer known for fair and inclusive employment practices which promote diversity and equal opportunity</p>	 <p>DIGITAL CITIZENSHIP AND ONLINE SAFETY</p>	<p>Reach at least half a million students, parents and educators in Singapore and Australia through our digital citizenship and outreach programmes between 2016 and 2020</p>	<p>Our digital citizenship programmes reached over 100,000 students in Singapore and Australia in FY2016 (see page 27)</p>
	 <p>TALENT ATTRACTION AND RETENTION</p>	<p>Increase 2% pipeline and intake for management associates and cadets, improve gender mix and retention of talent pool by 2% YOY using 2015 as baseline</p>	<p>Launched a new SHINE programme to complement our other talent programmes (see page 34)</p>
	 <p>TRAINING AND EDUCATION</p>	<p>Training investment of S\$100 million between 2016 and 2020</p>	<p>Total training investment of S\$22.1 million in FY2016 (see page 35)</p>
	 <p>EMPLOYEE HEALTH AND SAFETY</p>	<p>Zero fatality rate</p>	<p>Expanded our WSH measures like training and education, fire safety improvements and onsite safety inspections (see page 37)</p>
 <p>Environment</p> <p>To manage and minimise our environmental footprint across our business value chain</p>	 <p>CLIMATE CHANGE AND ENERGY MANAGEMENT</p>	<p>Reduce our carbon emissions intensity of kWh/TB by 30% by 2020 and 50% by 2030 using 2015 as baseline</p>	<p>The Group's carbon emissions grew 3.1% YoY compared to 4.3% in the previous year (see page 41)</p>

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

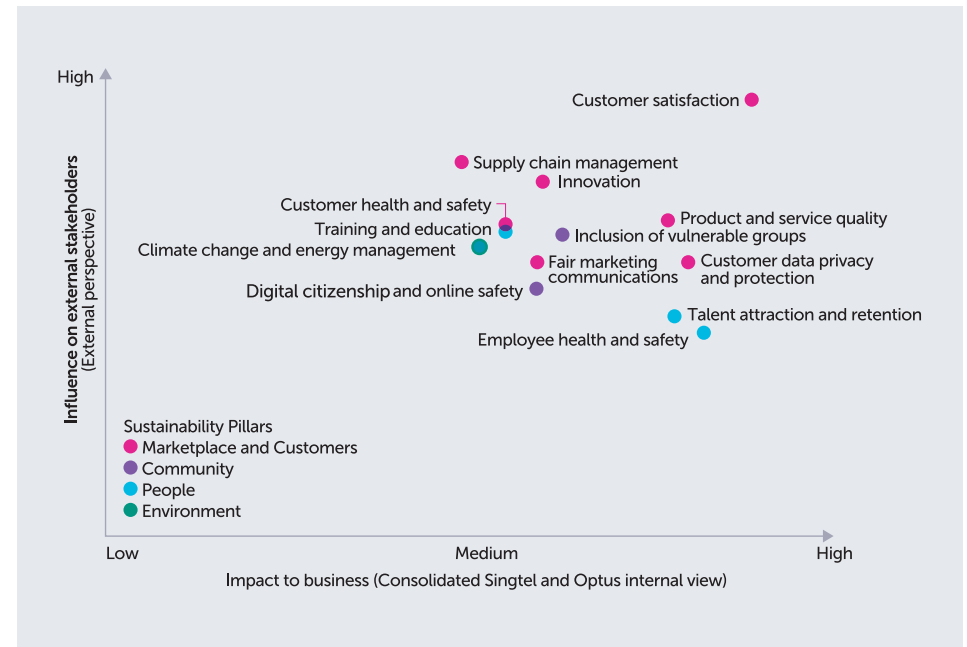
targets (leadership competencies, core values, people development and staff engagement). The ESG KPIs vary for each management executive.

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](#).

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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	Infrastructure	Operations	Products	Distribution	Customers
		5 7 12 13	5 13	5 8 10 11 12 13	2 3 6 9 10 13	1 3 5 7 12 13	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
	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	2	3	4	5	6	7	8	9	10	11	12	13
Customer satisfaction	Product and service quality	Innovation	Customer health and safety	Customer data privacy and protection	Fair marketing communications	Supply chain management	Inclusion of vulnerable groups	Digital citizenship and online safety	Talent attraction and retention	Training and education	Employee health and safety	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
 <p>Goal 3: Good Health and Well-being (<i>Ensure healthy lives and promote well-being for all at all ages</i>)</p>	<p>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.</p>	<p>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.</p> <p>Digital citizenship: Our efforts in cyber wellness and digital citizenship are part and parcel of the well-being and safety agenda.</p> <p>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.</p>	<p>Marketplace and Customers Chapter 5 (Page 18)</p> <p>Community Chapter 6 (Page 26-27)</p> <p>People Chapter 7 (Page 36)</p>
 <p>Goal 4: Quality Education (<i>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</i>)</p>	<p>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.</p>	<p>Vulnerable children and youth: We support the education of children with special needs, at-risk youth and young people transitioning 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.</p> <p>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.</p>	<p>Community Chapter 6 (Page 23, 27-29)</p>
 <p>Goal 5: Gender Equality (<i>Achieve gender equality and empower all women and girls</i>)</p>	<p>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.</p>	<p>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.</p> <p>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.</p>	<p>People Chapter 7 (Page 31)</p> <p>Community Chapter 6 (Page 29)</p>
 <p>Goal 7: Affordable and Clean Energy (<i>Increase substantially the share of renewable energy in the global energy mix</i>)</p>	<p>The Singtel Group is committed to adopting cleaner energy to reduce our reliance on fossil fuels.</p>	<p>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).</p>	<p>Environment Chapter 8 (Page 40-42)</p>
 <p>Goal 8: Decent Work and Economic Growth (<i>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</i>)</p>	<p>The Singtel Group is committed to growing with our people and making the company a vibrant workplace across our global operations.</p>	<p>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.</p> <p>Work support: The Singtel EIC and Optus ABCN programmes support work experience and improve employability to help create fair opportunities for the disadvantaged.</p>	<p>Marketplace and Customers Chapter 5 (Page 21)</p> <p>People Chapter 7 (Page 31, 34)</p> <p>Community Chapter 6 (Page 23, 28-29)</p>





Table 4.3

SDG	Singtel Group's Position	Examples of Singtel Group's Efforts and Programmes	Chapter and Page Reference
	<p>Goal 9: Industry, Innovation and Infrastructure (<i>Build Resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</i>)</p>	<p>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.</p> <p>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.</p>	<p>Marketplace and Customers Chapter 5 (Page 16-17)</p> <p>Community Chapter 6 (Page 24, 28)</p> <p>Environment Chapter 8 (Page 42)</p>
	<p>Goal 10: Reduced Inequalities (<i>Reduce inequality within and among countries</i>)</p>	<p>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.</p>	<p>Community Chapter 6 (Page 23, 26, 28-29)</p> <p>People Chapter 7 (Page 31-33)</p>
	<p>Goal 11: Sustainable Cities and Communities (<i>Make cities and human settlements inclusive, safe, resilient and sustainable</i>)</p>	<p>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.</p>	<p>Marketplace and Customers Chapter 5 (Page 16-17)</p> <p>Community Chapter 6 (Page 30)</p> <p>Environment Chapter 8 (Page 42, 44)</p>
	<p>Goal 12: Responsible Consumption and Production (<i>Ensure sustainable consumption and production patterns</i>)</p>	<p>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.</p>	<p>Marketplace and Customers Chapter 5 (Page 21)</p> <p>Environment Chapter 8 (Page 44)</p>
	<p>Goal 13: Climate Action (<i>Take urgent action to combat climate change and its impacts</i>)</p>	<p>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.</p>	<p>Environment Chapter 8 (Page 40-43)</p>
	<p>Goal 17: Partnerships for the Goals (<i>Revitalise the global partnership for sustainable development</i>)</p>	<p>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.</p>	<p>Community Chapter 6 (Page 23, 28-30)</p> <p>Environment Chapter 8 (Page 42, 44)</p>

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 5. Gender equality	✓	✓	✓ Distributors and customers
	Product and service quality	Compliance	8. Decent work and economic growth 9. Industry, innovation and infrastructure	✓	✓	✓ Customers and regulators
	Innovation	Indirect economic impacts	11. Sustainable cities and communities 12. Responsible consumption and production	✓	✓	✓ Advertisers for digital advertising Customers
	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 Supplier environmental assessment 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 4. Quality Education	✓	✓	✓ Communities
	Digital citizenship and online safety	Local communities	8. Decent work and economic growth 9. Industry, innovation and infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 17. Partnerships for the goals		✓	✓ Communities, particularly children and youth
PEOPLE 	Talent attraction and retention	Employment	3. Good health and well-being 5. Gender equality	✓	✓	
	Employee health and safety	Occupational health and safety	8. Decent work and economic growth 10. Reduced inequalities	✓	✓	✓ Distributors
	Training and education	Training and education		✓		
ENVIRONMENT 	Climate change and energy management	Energy and emissions	7. Affordable and clean energy 9. Industry, innovation and infrastructure 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 17. Partnerships for the goals	✓	✓	✓ Society



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

Marketplace and Customers

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.

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.

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

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.

Marketplace and Customers



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. **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

Marketplace and Customers



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



06 Community

The Singtel Group is committed to being a responsible corporate citizen in all the markets where we operate, driving positive and sustainable change for our communities.



OUR APPROACH

Investing in our community is an integral part of our sustainability strategy. We work closely with our community partners to bring about positive change and impact to our stakeholders and beneficiaries.

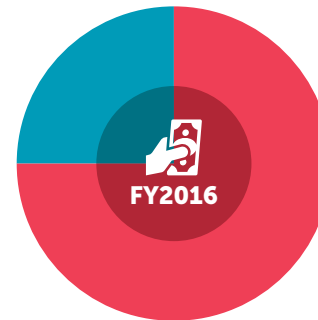
Our community strategy focuses on three areas: inclusion and well-being, education and employability, as well as digital citizenship and online safety. Our programmes support vulnerable children and people, and in particular those with special needs or disabilities in Singapore. We leverage all our assets – technology, people and expertise –

beyond financial funding to create that sustainable and desired impact.

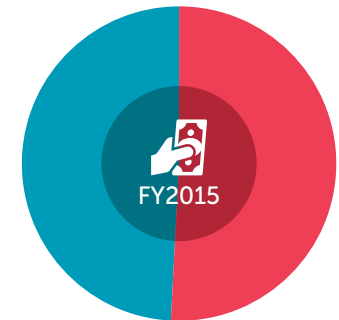
We continue to run a series of targeted programmes that support this vulnerable group to help them realise their potential. Singtel Group's total community investment¹ in FY2016 was S\$35.67 million (Singtel S\$26.72 million, Optus A\$8.7 million), which included direct financial support, in-kind charitable sponsorships and staff volunteering hours. **EC1**

¹ We adopted the London Benchmarking Group (LBG) Guidelines to assess and calculate our community investment.

SINGTEL GROUP'S COMMUNITY INVESTMENT



■ Singtel	S\$26.72M
■ Optus	A\$8.7M
Singtel Group	S\$35.67M



■ Singtel	S\$10.1M
■ Optus	A\$8.7M
Singtel Group	S\$19.87M



STLF Chairman Yuen Kuan Moon and Singtel Chairman Simon Israel presenting a S\$1 million cheque raised from Singtel Charity Golf to Ms Ng Ling Ling and Mr Chew Kwee San (first from right) from the National Council of Social Service



Students queuing up for candy floss at the Singtel Touching Lives Fund Cheque Presentation and Movie Treat

INCLUSION AND WELL-BEING DMA

The world is rapidly changing, especially driven by significant developments in info-communications technology. This can quickly broaden the social, economic and digital divide for vulnerable segments of the community. We believe that the Singtel Group can play a significant role in enabling the progress, development and inclusion of vulnerable segments of the society.

INCLUSION OF VULNERABLE GROUPS

The Singtel Touching Lives Fund (STLF) programme, celebrating its

15th anniversary in 2016, is our flagship philanthropy programme in Singapore. Since 2002, we have raised more than S\$33 million to support our beneficiary organisations' educational programmes for children and youth with special needs, such as intellectual and physical disabilities. SDG 4

During the year, we raised S\$3 million, of which the annual Singtel Charity Golf raised a record breaking S\$1 million from our business partners for STLF.

We also donated about S\$19 million to non-STLF charitable organisations. This factored in a partial allocation of a one-

time donation of S\$20 million to the National Gallery Singapore, providing free access to Singaporeans. We contributed about S\$650,000 in-kind sponsorship of telecommunications and media services to charities and social enterprises as well as nation-building activities in Singapore during the year.

In Australia, we stepped up our efforts to improve inclusion of indigenous groups through the Optus Indigenous Action Plan. We partnered Diversity Dimensions, whose Retail Ready Program provides young indigenous Australians with the skills and

opportunity to work in the retail sector.

SDG 8 SDG 10 SDG 17

Optus, through our membership in Telco Together, a Foundation forged by collaboration among more than 20 telecommunications and mobile operators in Australia to help support the community, launched a trial together with two other mobile operators to raise funds for charities through the use of a common SMS short code. SDG 17

Community

SUPPORTING INNOVATION FOR SOCIAL IMPACT

We believe that innovation and technology can be catalysts for social change. During the year, we launched our social innovation programmes across Singapore and Australia to build an ecosystem to attract and develop innovators and change makers who could find solutions for the community segments that we support. These programmes provided funding, mentoring, acceleration and incubation support for these social entrepreneurs.

Singtel became a strategic partner to the Enabling Change Social Innovation Programme in February 2015. Enabling Change was Singapore's first social impact technology incubator programme that supported the growth of persons with disabilities. The programme had ten weeks of community engagement and five months of incubation.

30 changemakers formed 11 teams to engage various segments of the community with an initial focus on the disability sector. They then came

up with solutions to address pressing issues such as mobility, hearing impairment, mental health and caregiver support.

Singtel provided seed funding of S\$10,000 each to six start-ups and supported Enabling Change's IT capacity-building programme. The start-ups also received access to partner organisations, non-profit and industry experts, technology start-ups and social entrepreneur mentors.

The Optus Future Makers programme will incubate and mentor a maximum of 12 organisations in the coming year, providing funding for six social start-ups with up to A\$50,000 each for their ideas and innovations that can make a significant difference in the community.

SDG 9

USING TECHNOLOGY TO IMPROVE JOB PERFORMANCE

BevEat is a social enterprise that provides eWallet and eMenu solutions for F&B, retail and service industries. They participated in our Enabling Change Social Innovation Programme last year.

BevEat's colour-coded food mobile app ordering system guides employees with autism, mild intellectual disability and hearing impairment to deliver the right order to the right table and customer at food outlets. We linked BevEat to Association for Persons with Special Needs (APSN) Delta Senior School to adopt this new e-system for their school's F&B curriculum with our support for their 17-21 years old students with mild intellectual disability.



A FUN-FILLED DAY AT THE 3RD ANNUAL SINGTEL CARNIVAL

In conjunction with Singapore's 50th birthday also known as SG50 celebrations, we extended invitation to the rest of the non-STLF Special Education (SPED) schools in Singapore to our 3rd annual Singtel Carnival.

More than 800 students with various forms of special needs attended the carnival, which was a key VolunTeaming platform for our employees to volunteer at a department level.

The students and teachers were hosted by 1,500 Singtel staff volunteers who planned and organised 40 food and games stalls, prizes, as well as stage and other carnival activities, including dressing up as super heroes. They were also greeted by Singtel's senior management members.

A hit with the students was the performance by our own Singtel Recreation Club dancers, among other innovative and fun games.

The annual Singtel Carnival aims to promote a culture of inclusion among our people, while creating a safe environment for special needs children and their caregivers to interact in the broader community.

Our carnival remains one of the largest events organised solely for children with special needs in Singapore.

"We are very glad that all SPED schools have been invited to participate in this fun and meaningful carnival this year. This engagement with the community helps our students develop their self-confidence and social skills. And of course, give them the equal opportunity to play and enjoy fun, leisure activities like the rest of us."

– Mr Keh Eng Song
CEO of Movement for the Intellectually Disabled of Singapore (MINDS)



Community

Over a
ten-day period



covered **1,576km**
for the cancer cause

The Singtel Group continues to support the cancer cause given its pervasiveness in society. In Australia, we were involved in Tour de Cure for the sixth year. Over a ten-day period, 105 people cycled 1,576km for the cause, including 15 of our staff riders and support crew members. We raised A\$450,000 of the A\$2.3million for the event.

In Singapore, besides supporting the Singapore Cancer Society's Help the Children and Youth Programme, Singtel

is the title sponsor of its Race Against Cancer. The 7th annual race in September 2015 which raised S\$1.5 million unfortunately had to be cancelled due to the unhealthy haze conditions. **SDG 3**

We continued to conduct 'Smartphone and You' workshops for senior citizens in Singapore, partnering two major Chinese newspapers during the year. We organised three workshops for 600 seniors who learnt to use smartphones and popular mobile and social media apps, as well as online safety tips like

protecting their online privacy and against scams and expensive in-app purchases. Our programme promotes inclusion by narrowing the digital divide and also supports Singapore's Smart Nation vision.

The UN recognises Reduced Inequalities as one of its Sustainable Development Goals. Our efforts in Singapore and Australia to support inclusion and well-being of vulnerable groups are supporting this UN goal.

SDG 10

OPTUS *yes* raised
A\$450,000
of the **A\$2.3million**
for Tour de Cure



Our staff riders at Tour de Cure

DIGITAL CITIZENSHIP AND ONLINE SAFETY DMA

Internet and mobile apps have greatly benefited consumers, giving them fingertip access to information, entertainment and learning, allowing them to be connected anytime, anywhere. However, the unintended consequences are the associated risks that children and youth are increasingly becoming vulnerable to – device and gaming addiction, failure to protect their privacy, inappropriate online content and cyber bullying. SO2

The Singtel Group strives to play a proactive role in educating customers and promoting responsible digital citizenship especially among vulnerable children and youth. Providing tools to deal with these risks will play a big part in achieving the UN Sustainable Development Goal on Good Health and Well-being. SDG 3

INCREASING AWARENESS ON CYBER RELATED ISSUES

We have updated notAnoobie, Singapore's first cyber wellness mobile application designed to help parents better understand and protect their children from online risks, to keep it current in view of new popular social media platforms that have surfaced in the past year. We are reviewing the app to make it even more user-friendly.

We continued to deliver iZ HERO to primary schools in Singapore in 2015. This world renowned educational programme, which has won two

UNESCO awards for ICT in Education, teaches young kids about digital citizenship. During the year, we reached out to more than 70,000 students across 170 schools via assembly talks and iZHERO.net. We also reached over 1,000 teachers and 200 parents through iZ HERO workshops.

We have developed a brand new Singtel Cyber Wellness Education Toolkit for special education schools in Singapore to teach their students with intellectual disability. 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. This toolkit was launched in the second school semester at three beneficiary schools under the Singtel Touching Lives Fund for the first phase of our rollout.

In Australia, the Optus Digital Thumbprint Programme reached about 34,000 high school students, with over 1,000 face to face sessions delivered during the year across Sydney, Melbourne and Queensland. The programme teaches high school students to be savvy, responsible and proactive members of the online community. The Programme won the 2015 Australia and New Zealand Internet Awards for 'Security and online safety' category. It also received provisional accreditation by the Australian Government e-Safety Commissioner which will enable us to reach even more public schools across Australia.



Delivering the Optus Digital Thumbprint Programme to high school students in Australia

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

We continue to be involved in 'Our Kids Helpline @ School programme' that focuses on primary school students by helping them to understand the benefits and risks of the digital world. It brings a virtual counsellor into the classroom

and discusses topics such as family arguments, coping with change and staying safe online over video links. To date, we have delivered such sessions to about 18,000 children in 185 schools across Australia, with more than 60% of the participating schools requesting additional sessions. The quality of our programme was recognised by the National Association for Prevention of Child Abuse and Neglect (NAPCAN), receiving the National Play Your Part Award for Inspiring Prevention Initiative.

SDG 4

Community

We committed

S\$1.99 million

to build and fund the Singtel Enabling Innovation Centre



The first batch of

12 trainees



with multiple disabilities such as vision and hearing impairment graduated in November 2015

EDUCATION AND EMPLOYABILITY

Besides education support for children with special needs, we have extended our focus to include training needs of persons with disabilities so that they will be equipped and ready to join the workforce.

In 2014, we worked closely with national agency SG Enable and set up the Singtel Enabling Innovation Centre (EIC) in the Enabling Village in Singapore. The centre was launched in October 2015 to help young people with special needs in Singapore prepare for their transition to the workforce after finishing special education school. It offers customised training in the area of ICT and contact centre operations and also provides a platform to create, test and refine new technology solutions for persons with disabilities. The Singtel EIC also brought in assistive technologies from around the world that enable persons with disabilities to be productive at work, acting as a showcase for both potential users and employers. [SDG 4](#) [SDG 8](#) [SDG 9](#)

[SDG 10](#)

We committed S\$1.99 million to build and fund the operations of Singtel EIC, including the development of specialised curriculum, training and transition to work support for the next three years. Our staff volunteers contributed their expertise in the area of call centre management system selection and training curriculum.

The first batch of 12 trainees with multiple disabilities such as vision

and hearing impairment graduated in November 2015 from a 72-hour contact centre training at Singtel EIC. Singtel hired two of the graduates, both wheelchair users, who joined our Customer Operations unit as webchat call centre officers. In anticipation of employing persons with disabilities into our workforce, especially wheelchair users, we worked closely with disability experts to review our call centre workplace and office premises to make it more accessible.

During the year, we facilitated a field trip for SG Enable to study our Thailand associate AIS which employs physically, visually and hearing impaired customer service officers at its call centre, and to learn about the social and infrastructure support that AIS has put in place. We also

connected Singapore's government agencies in disability employment with our Australian counterparts and service providers as part of a study to foster learning, collaboration and partnerships.

[SDG 17](#)

Singtel plays an active role in connecting the broader ecosystem of partners to advance the disability employment agenda. In June 2015, Singtel, together with other like-minded companies, became a founding member of the Singapore Business Network on DisAbility. The network hopes to advance equitable employment opportunities for persons with disabilities through awareness, shared expertise, network and resources. [G4-16](#) [EC8](#) [SDG 17](#)



Singapore Prime Minister Lee Hsien Loong and Singtel Chairman Simon Israel at Singtel Enabling Innovation Centre in December 2015

Singtel was also invited to be on the Enabling Master Plan 3 Steering Committee, a cross-sector think-tank and advisory group to help the Singapore Government develop its strategy and roadmap in support of the disability sector.

SDG 17

In Australia, we continue to partner ABCN and support the ABCN Scholarship Foundation which provides financial and mentoring scholarships to high potential students facing economic, family or social challenges. In FY2016, we had over 500 staff volunteer positions and mentored 870 vulnerable youth to help them learn, grow and navigate their way through life. In 2015, we hosted ten Year 12 students who spent a week in our wholesale, satellite and small and medium businesses division where they shadowed and spent time

with our people to get exposure to working in a corporate environment. G4-16 EC8 SDG 17

We also continue to support The Smith's Family mobile student2student programme, a peer tutoring reading module that pairs students with reading difficulties with older students who act as their buddy readers. During the year, 700 students aged 8 to 14 read to their buddies using mobile phones supplied and powered by Optus. This intensive reading programme is conducted two to three times a week over 18 weeks in the school year. At the completion of the 2015 programme, 95% of students improved their reading skills and 86% of participants agreed their reading has improved since participation.

Our work in the space of education and employability supports the UN Sustainable Development Goal on Quality Education. SDG 4



Singapore Minister for Social and Family Development Tan Chuan Jin visiting the Assistive and Information Technology Lab at the Singtel EIC



FOSTERING COLLABORATION AND PARTNERSHIPS TO ACHIEVE SDG 17

“At Singtel, we have forged partnerships and collaborations through our CSR and sustainability programmes to solve some of the most pressing social or sustainability challenges. Through collective and systematic actions focused on common problems and outcomes, we can drive significant and sustainable change, both locally or globally.”

– Andrew Buay
Vice President of Group Corporate Social Responsibility, Singtel

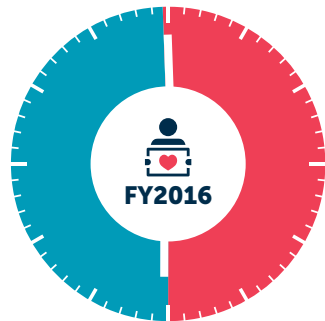
Examples of partnerships and programmes that Singtel and Optus are founding or key members:

- Singapore Business Network on DisAbility
- Australian Business and Community Network
- Australian Business Roundtable for Disaster Resilience and Safer Communities
- Telco Together Foundation

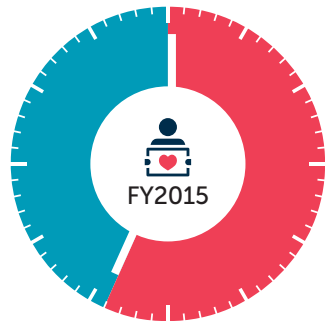
SDG 17

Community

STAFF VOLUNTEERING HOURS



■ Singtel	15,981
■ Optus	16,194
Singtel Group	32,175



■ Singtel	15,109
■ Optus	11,505
Singtel Group	26,614

EMPLOYEE VOLUNTEERISM

We encourage our staff to take on a more active role in our communities and work with our partner beneficiaries. VolunTeaming, our teambuilding initiative with a CSR or volunteering element at Singtel, is a great platform where department employees volunteer together to build better working rapport and inclusion.

We promote staff volunteering in our company and encourage others to do the same. Singtel was the first Asia Pacific company to join IMPACT 2030, a global business-led effort to advocate and promote corporate volunteering activities in support of the UN Sustainable Development Goals. Singtel is also represented on the Volunteer Resource Committee spearheaded by the National Council of Social Service, a cross-sector committee involving government, voluntary welfare organisations and corporates to develop a framework for promoting skilled volunteering between corporates and the charitable organisations in Singapore.

G4-16 SDG 17

OUR REGIONAL CSR EFFORTS

Beyond volunteering to support our local beneficiaries, we organise expeditions under our annual Overseas Volunteering Programme (OVP) where our employees volunteer their time to support communities in the markets where the Singtel Group operates.



Singtel, Optus and AIS volunteers helping Thai university students improve their conversational English

In June 2015, a team of 22 staff volunteers from Singtel and Optus helped to refurbish a village in Gabaldon, Nueva Ecija in the Philippines. They also ran learning workshops for the youth there. Since our first OVP in 2011 at Bantayan Island, this has become our ongoing effort to help rebuild communities in the Philippines hit by natural disasters. SDG 11

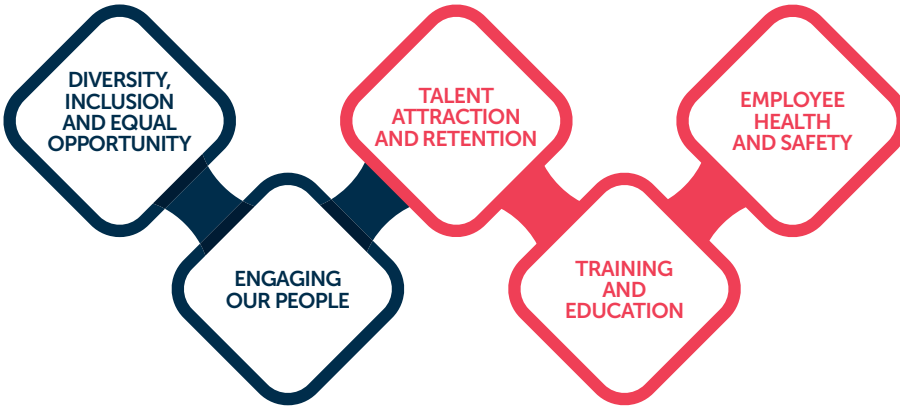
At the same time, almost 50 staff volunteers from Optus, our contact centre partners Convergys and 24/7, and Globe, our regional associate in the Philippines, came together following months of planning, development and discussion with local community members to rebuild a local orphanage playground in rural Manila which catered not only to the orphans but also benefitted the children in the

wider community. Such efforts help to build better partnership, teamwork and staff motivation within our value chain, while engaging our vendors to support worthy community causes.

We also conducted our first OVP focused on skills development. We partnered our Thai associate to conduct the inaugural AIS-Singtel English Camp 2015 for 34 university students who are scholarship recipients of AIS corporate social responsibility programme called Good Kids Great Hearts. 15 staff volunteers from Singtel and Optus, together with 20 AIS volunteers, spent their time mentoring and encouraging these students from disadvantaged social or economic backgrounds to speak English and improve their communications skills.

07 People

Our people are key to the Group’s long-term growth and success. We want to be an employer that our people are proud to work for.



OUR APPROACH

Singtel is committed to growing with our people and making the company a vibrant and safe workplace. To achieve this, 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 invest in our people and empower them to achieve their full potential both personally and professionally.

We are supportive of fostering economic growth and providing employment, one of the UN Sustainable Development Goals. **SDG 8**

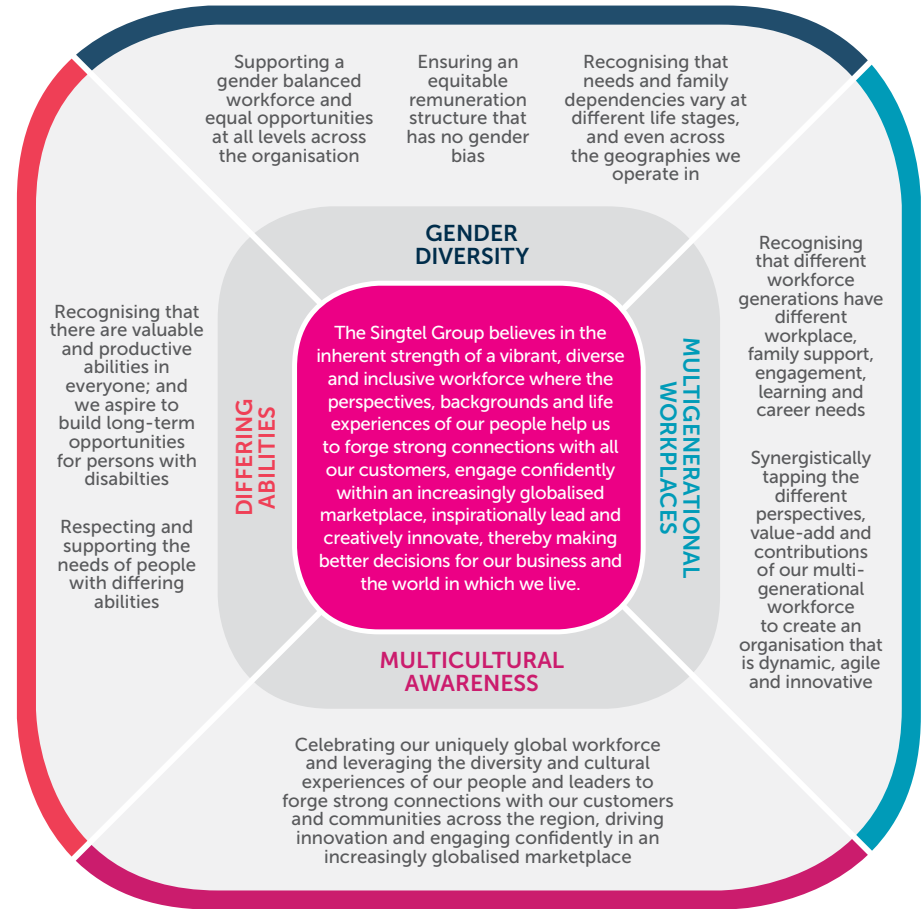
In Singapore, we practise fair employment that is aligned with the Tripartite Alliance for Fair Employment guidelines. In Australia, we adopt a fair

employment framework that is approved by Fair Work Australia and also governed by our Employment Partnership Agreement.

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY

A diverse and inclusive culture plays a key role in the sustained success of our organisation as it provides fresh perspectives and fosters innovation. The Singtel Code of Conduct governs how we conduct ourselves in a multicultural environment and treat fellow colleagues with respect and consideration at all times, regardless of gender, age, ethnicity, language, cultural background, physical ability, religious belief and lifestyle choice. These principles including human rights are applied in our daily interactions – internally and externally with our people,

Figure 7.1: Singtel Group’s Diversity and Inclusion Framework



community and in the marketplace with our customers and supply chain. We actively promote diversity in the key areas of gender, multigenerational workplaces, multicultural awareness and differing abilities.

Our following initiatives contribute towards the UN Sustainable Development Goals on Gender Diversity and Reduced Inequalities.

SDG 5 **SDG 10**

People

- Gender diversity**

We are proud to have a diverse workforce consisting of more than 25,000 employees representing over 90 different nationalities. **G4-10**

Female employees account for 37% of our total workforce in Singapore and 33% in Australia. Women represent 30% of our upper and middle management positions. We recognise that more work needs to be done to improve the representation of female leaders particularly at Optus. To advance this objective, a Female Diversity Committee was established within our Group Enterprise business unit in FY2016.

In addition, we initiated the Women in Leadership Series across the Group. It is designed to build a durable pipeline of female talent, increase awareness and advocacy of equity across the business, and provide our female talent with networking, coaching and mentoring opportunities.

Traditionally, women in the ICT sector have been under represented. Through our partnership with the Australian programme, Females in IT and Telecoms (FITT), we give opportunity for our Optus female talents to be mentored by peers in the industry, and receive coaching support from a pool of internal and external coaches in leadership and career development.

During the year, we invited speakers such as Mr David Gonski, Chairman of ANZ and Coke-Amital and a former Singtel Board member, as well as a renowned mentor for successful women executives in Australia, to engage with our female talent. Our Group Chief Information Officer also shared her views and experience on how to be successful at work with our talent in Singapore and Australia.

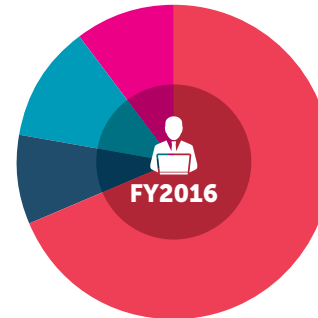
In FY2016, we increased the number of women in the Optus Management Associate Programme to 45%, up from 26% two years ago.

We were recognised for our efforts in promoting gender diversity. We won the prestigious Board Diversity Award at the 16th SIAS Investors' Choice Awards 2015. Singtel's nine-member board comprises three women and six independent directors.

- Multigenerational workplace**

In 2010, we signed a Memorandum of Understanding with the Union of Telecoms Employees of Singapore (UTES) to offer re-employment opportunities to all employees approaching the retirement age of 62. That was ahead of the legislation in 2012 that required companies in Singapore to offer re-employment to their employees who reach the current statutory retirement age of 62. Companies are also encouraged

ETHNIC DISTRIBUTION OF WORKFORCE IN SINGAPORE



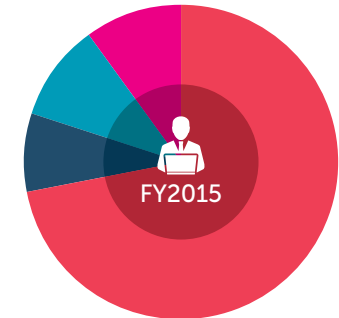
■ Chinese	68%
■ Malay	9%
■ Indian	12%
■ Others ¹	11%

to do so until the employees reach 65 years old and, due to the ageing population, 67 in 2017.

We offer new skills training and seek job roles for active deployment, job redesigning initiatives and flexible working arrangements for our mature employees. They are deeply valued as a source of corporate wisdom and expertise. As of March 2016, we had 80 employees aged 65 or older in Singapore.

- Multicultural awareness**

With over 90 different nationalities across our global business



■ Chinese	72%
■ Malay	8%
■ Indian	10%
■ Others ¹	10%

operations, cultural diversity is indeed part of our DNA. We organise regular cultural days and fairs at our Optus campus in Sydney. Through staff mentoring in the Australian Business and Community Network, our people also build cultural appreciation for the many migrant cultures in Australia.

¹ Singtel recognises foreigners under this category.

- **Differing abilities**

As we develop our community engagement in the disability space through our partnership with SG Enable, the national agency tasked to look at inclusion and employment opportunities for persons with disabilities in Singapore, and via the Singtel Enabling Innovation Centre (refer to Community Chapter page 28), we see an opportunity for Singtel to directly support and engage as an employer in the talent pool of persons with disabilities.

We work with SG Enable to develop the pipeline and employment of staff with disabilities. This resulted in providing internships for two tertiary IT students with hearing and vision impairment in mid-2015. On 1 March 2016, Singtel hired two wheelchair users as Webchat call centre officers

with our Customer Operations. In anticipation of employing persons with disabilities into our workforce, especially wheelchair users, we have worked closely with disability experts to review our call centre workplace and office premises to make it more accessible. Our collaboration and partnership with the Singapore Business Network on DisAbility will also enable us to strengthen our understanding and support for persons with disabilities in our workforce.

In Australia, we have a disability action plan since 2012 which outlines the strategies and commitments made by the business to ensure that the company eliminates unconscious discrimination towards the hiring and development of persons with various forms of disabilities.

ENGAGING OUR PEOPLE

We take employee engagement very seriously at the Singtel Group as we know that engaged employees feel happier at work, perform better and are more motivated to succeed – ultimately contributing to our business performance. We are committed to building stronger relationships with and among our people, developing talent and enabling them to grow their career with us.

The Singtel Group Your Voice Survey 2015 had 91% participation rate with a Group engagement score of 78, a two-point increase from a year ago. Our advocacy index, which measures how proud our employees are of the organisation, was 84. CSR also became a top staff engagement driver for the Group with a score of 85, up two points from a year ago (Singtel 87, Optus 84), and outperforming the Global High Performing Company norm by two points.

We saw an increase in the number of employees who participated in the Empower to Engage (E2E) segment of the survey, which helps to identify what is the most important to them at the workplace. This shows that our people are keen to take an active role to improve their engagement with the company.



ENGAGING OUR PEOPLE TO STIMULATE INNOVATION

The *Think Big Challenge* encourages our Optus staff in Australia to suggest innovative solutions that can improve the lives of our customers and people.

We have also set up an Innovation Fund which allows each business unit to allocate A\$30,000 to realise such initiatives. Three major ideas from our people have been given the green light so far. We also initiated *Heads Up Thursdays* where teams put aside their daily tasks and get together to challenge each other with new ideas and concepts.

THINK
BIG

People



Previous Secretary General of the National Trades Union Congress Lim Swee Say presenting the Medal of Commendation Award to Group Chief Human Resources Officer Aileen Tan

• Positive Trade Union Relationships

We had 6,067 bargainable employees in Singapore and 4,270 in Australia who are covered by the Employment Partnership Agreement as at 31 March 2016. UTES is a valued partner and we actively involve the union in all matters related to this group of our people. Since 2015, entry level professional and executive employees, making up about 7% of our workforce in Singapore, can also be represented by UTES. We are in regular discussions with the union and during the year, we had a Union-

Management retreat workshop to discuss important labour issues such as staff development and re-skilling.

G4-11 SDG 8

In May 2015, Group Chief Human Resources Officer Aileen Tan received the Medal of Commendation Award from Mr Lim Swee Say, the previous Secretary General of the National Trades Union Congress. She was recognised for her outstanding contributions towards developing strong management-union relationship, and her support for the labour movement's initiatives

in upgrading employees' skills, re-employing mature employees and extending union representation to include the professionals, managers and executives.

TALENT ATTRACTION AND RETENTION DMA

In response to rapid technological development, Singtel started our transformation in 2012 to create new global businesses in emerging ICT areas such as cloud computing, cyber security, data analytics and smart cities to achieve sustainable growth. Investing in people is therefore crucial to the Group's success. We take a very active role in attracting talent, nurturing employees early in their careers and developing the next generation of leaders at all levels of our organisation.

• Attracting and retaining talent

In this competitive labour market, we need to be able to continue to attract people with the right skills and aptitude. It is critical that we build a strong and sustainable pool of technical and business leadership talents for now and the future. Across the Group, we leverage relationships with local and international institutions, as well as social media platforms, webinars and career fairs to promote us as an employer of choice.

For example, our collaboration with local institutions of higher learning offers a direct employment

path for potential candidates who are interested to embark on new exciting careers with the Singtel Group. We have developed a clear talent pool structure with four segments: Aspiring Talents, Young Leaders, Emerging Leaders and Future Leaders.

Aspiring Talents and Young Leaders

We have three key programmes to attract aspiring and early career talents. In Australia, we introduced a Cadetship programme in partnership with Macquarie University for telecommunications engineers, allowing participating students to accumulate work experience during their semester breaks.

In Singapore, we launched a new SHINE programme that offers internships to promising young polytechnic and university students. We hired 110 SHINE interns in FY2016 who were put through a structured programme of engagement activities including orientation and networking sessions. We also offered 54 students scholarships in the areas of network engineering, cyber security and customer experience under the Singtel Cadet Scholarship Programme.

These programmes help us to groom a pool of young talent pool which we can identify and hire upon their graduation.

TRAINING INVESTMENT

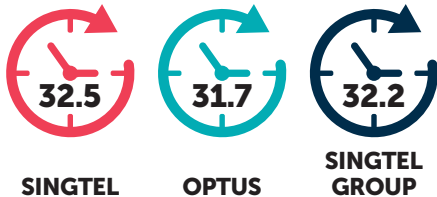
FY2016

SINGTEL S\$10.9M

OPTUS A\$10.9M

SINGTEL GROUP S\$22.1M

AVERAGE TRAINING HOURS



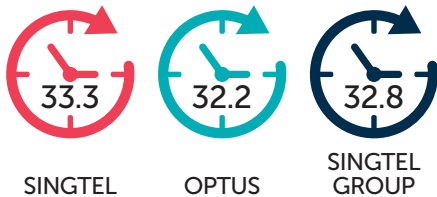
FY2015

SINGTEL S\$10.0M

OPTUS A\$11.5M

SINGTEL GROUP S\$22.9M

AVERAGE TRAINING HOURS



LA9

We continue to nurture young talent through our Management Associate Programme in Singapore and the Optus Graduate Programme in Australia. 54 top graduates joined the two-year programme in FY2016. Talents from both programmes are provided with career coaching, leadership development programmes, networking opportunities, quarterly check-in sessions and mentoring assignments to accelerate their progression pathway.

Emerging Leaders and Future Leaders

Within the Singtel Group, high potential employees are given the opportunity to participate in Regional Leadership in Action and Game for Global Growth, which are our flagship leadership development programmes.

During the year, the programmes had 72 participants, aimed at accelerating the development of a strong regional talent pool across the Singtel Group of companies in the region, and enhancing their ability to execute and achieve transformation goals of the organisation.

Recognising that each of our talent's development needs is different, we extended one-on-one career and leadership coaching to all levels of our talent pool through a team of internal and external coaches across Singapore and Australia.

TRAINING AND EDUCATION DMA

Besides attracting and retaining talents, we want to develop our people to their fullest potential and provide them with a fulfilling career with the Singtel Group. Learning and career development are among our key staff engagement drivers. Thus we strive to offer our people ample opportunities to refresh their job, technical and managerial knowledge.

To stay current and succeed in this rapidly changing industry, our people not only have to build critical domain capabilities but also have to be dynamic, adaptable and knowledgeable. To build future capabilities, we have developed a strategy to invest in and cultivate emerging skills ranging from Cyber Security and Cloud to Smart Cities for our people. 1,091 of such learning opportunities were provided in FY2016. Through facilities such as ACE – Singtel Asia Pacific Cyber Security Competency Centre, employees are provided with a state-of-the-art training platform that gives them exposure to various scenarios to apply their learning.

To ensure that our people are kept abreast of emerging trends, we organise regular talks, mini lectures and workshops that cover business and strategy topics. Besides our annual Singtel Group Learning Fiesta, our

annual internal learning event that we conduct in Singapore, Australia, Hong Kong, Malaysia, the Philippines and the US, we have introduced Leadership Conversations@Singtel and Leadership Symposiums where our leaders share their management experiences and insights. LA10

We need a workforce that embraces continuous learning and is given every opportunity to learn, grow and develop to achieve both business and personal goals. Our Connect and Grow employee value proposition underscores our commitment to build strong relationships with our employees and develop talents across the company as they grow their career with us.

We also make use of technology such as LearnTube, our own version of YouTube, and Learn-On-The-Go, our mobile learning app, to complement the learning needs for our people.

Our efforts have not gone unnoticed in the industry as we have won accolades such as the HRM Awards 2016 and the HR Excellence Awards 2015.

People



PERFORMANCE MANAGEMENT AT THE SINGTEL GROUP LA11

We need the commitment and support of all 25,000 employees worldwide to achieve our short and long-term corporate goals. The Singtel Group strongly believes in meritocracy and rewarding good performance. There is a clear link between business results and rewarding individual performance at all levels and functions across the organisation.

Our performance management framework helps to create and sustain a strong performance-driven culture, reinforce our five corporate core values and facilitate key performance indicator (KPI) and people management.

It enables us to articulate our strategy and goals as well as identify business and employee KPIs.

Business strategies and KPIs for the year are set at the Group level and these objectives are disseminated and assigned to business units and teams. This in turn helps employees to create KPIs that are linked to the overall business objectives.

We emphasise the importance of regular performance conversations between leaders and their team members. This is on top of our mid-year review discussion and the annual Performance Development Review. We believe that such continuous dialogues can help to clarify expectations and provide timely feedback on employee performance, which is beneficial for individual growth and career advancement, as well as achieving overall business objectives collectively.

EMPLOYEE HEALTH AND SAFETY DMA

We strive to take care of our employees' safety, work-life integration, as well as physical and mental health. This in turn helps to improve their work-life quality and productivity. Good Health and Well-being is recognised by the UN as one of the Sustainable Development Goals for a sustainable future. SDG 3

We see it as our responsibility to provide a safe working environment which is set out in our Health, Safety and Environment policy statement. This policy supports the Workplace Safety and Health (WSH) Act in Singapore.

G4-15

• Employee health and well-being

We believe that a healthy and energetic workforce is the pillar supporting the company's sustainable growth and performance.

Apart from providing competitive remuneration, we offer a variety of benefits to help our workforce stay healthy and manage both work and family demands. This includes insurance and medical coverage, health programmes and flexible benefit dollars which is an annual cash payment catered to meet various lifestyle needs.

Within our office premises, we have designated open space for

breakout and rest areas, as well as creative work stations to facilitate brainstorming and encourage workplace innovation.

Our Health Promotion Committee (HPC) is responsible for offering a range of healthy dietary options in cafeterias as well as providing access to on-site medical clinics. More than 1,000 employees in Singapore participated in our voluntary and free health-screening last year.

The Singtel Recreation Club is responsible for maintaining our on-site clubs and creating a host of recreational and sporting activities. Our employees can recharge and rejuvenate with our mini golf course, massage chairs, game stations, karaoke rooms and gyms.

Optus' health and well-being programme, recognised as industry leading, was shared as a case study at the Corporate Health & Wellbeing Summit 2016. In 2015, Optus conducted on-site studies and co-authored a research piece which was published in the Preventative Medicine Reports titled More Standing and just as productive: Effects of a sit-stand desk intervention on call centre workers' sitting, standing, and productivity at work in the Opt to Stand pilot study.

- **Work-life integration and employee benefits**

To meet both work and family demands, we offer our people flexible work arrangements ranging from part-time, flexible working hours to telecommuting, various forms of family leave arrangements and on-site childcare facilities in Singapore and Australia.

We increased the number of on-site lactation facilities to support the needs of our young working mothers. Singtel was also among the first companies in the private sector to support the Singapore Government's call for extended paternity leave for eligible fathers.

Over 12,000 employees and their family members have easy access to our Work-Life coaching programme in Singapore which offers professional counselling on work-life issues by external consultants. Our Employee Assistance Programme offers services such as clinical counselling, work-life support (e.g. financial and legal support) and rapid response to provide effective assistance to employees for trauma management.

In Australia, Optus aims to build an open culture to talk freely about mental health. Over the past 18 months, about 200 of our Customer People Leaders have undertaken the Healthy Minds and Psychological Risk Training

programme. The programme aims to raise awareness and understanding of mental health and psychological risks faced at the workplace.

- **A safe work environment**

We provide a safe work environment for our people and actively promote awareness on workplace occupational health and safety. We aim to elevate the safety standards for our stakeholders through our Workplace Safety and Health (WSH) workplan.

In FY2016, our Singapore WSH workplan focused on four key initiatives: Building awareness; Compliance to all regulatory frameworks; Enforcement and reliability checks; and Resource and training of operational staff and key contractors to raise WSH standards.

In September 2015, our WSH Steering Committee co-chaired by Singtel's Group Chief Technology Officer and Group Chief Human Resources Officer endorsed the initiatives to move forward the Safe Contractor Accreditation scheme and help our contractors build their WSH capabilities. As a result, Singtel was accorded the status of bizSAFE Partner in March 2016. We are on track to certify our WSH management system to the Singapore Standard SS506 certification and OHSAS 18001 standards.

We have expanded our WSH measures such as training and education, fire safety improvements as well as onsite safety inspections. To raise staff awareness, we instituted a WSH mandatory training programme for more than 2,000 of our Field Operations employees to equip them with the knowledge to perform their assigned roles that are compliant. We have conducted safety events, roadshows and video training for more than 8,000 employees and contractors. We have also made improvements to all of our engineering buildings through the installation of fire-stop systems, certified by the Accredited Conformity Assessment Bodies.

In November 2015, our store staff in Casula NSW, Australia, received threats relating to a poster featuring our retail staff's ability to serve Arabic speaking customers. At the Singtel Group, we are committed to eliminating discrimination and we are proud of our local marketing and customer campaigns to engage growing immigrant communities across Australia. We however decided to remove these posters as the safety of our people was our top priority. We will continue to support the local communities and languages in ways which do not jeopardise the safety of our people.



Our conducive co-working space encourages staff interaction

People Performance Indicators

G4-10 G4-22 LA1 LA6 LA9 LA13

People	SINGTEL		OPTUS		SINGTEL GROUP	
	2016	2015 ¹	2016	2015	2016	2015
Total employees by gender						
Male	63%	62%	67%	68%	65%	65%
Female	37%	38%	33%	32%	35%	35%
Total employees by employment contract and gender						
Regular employees (Male)	50.4%	49.5%	64.8%	67.1%	56.4%	56.9%
Contract employees (Male)	12.5%	13.1%	2.3%	1.3%	8.2%	8.1%
Regular employees (Female)	31.1%	30.8%	31.6%	30.8%	31.3%	30.8%
Contract employees (Female)	6.0%	6.6%	1.4%	0.8%	4.1%	4.2%
Total regular employees by employment type and gender						
Full time (Male)	61.8%	61.7%	60.5%	65.6%	61.2%	63.5%
Part time (Male)	0.05%	0.04%	6.8%	3.0%	3.1%	1.4%
Full time (Female)	38.0%	38.1%	23.5%	26.2%	31.3%	32.5%
Part time (Female)	0.1%	0.2%	9.3%	5.3%	4.4%	2.6%
Total employees by age group						
<30 years old	22%	21%	24%	23%	23%	22%
30-49 years old	60%	60%	60%	62%	60%	61%
≥ 50 years old	18%	19%	16%	15%	17%	17%
Gender mix by employee category (% female)						
Operations & Support	43%	45%	40%	38%	42%	41%
Professional	32%	32%	27%	28%	30%	30%
Middle Management	36%	37%	27%	29%	30%	32%
Top Management	31%	33%	16%	19%	21%	22%
New hires by age group						
<30 years old	50%	49%	54%	51%	52%	42%
30-49 years old	47%	48%	41%	45%	45%	54%
≥ 50 years old	3%	3%	6%	4%	4%	4%
New hires by gender						
Male	65%	66%	63%	59%	64%	63%
Female	35%	34%	37%	41%	36%	37%

People	SINGTEL		OPTUS		SINGTEL GROUP	
	2016	2015 ¹	2016	2015	2016	2015
Employee turnover	15%	13%	11%	10%	13%	13%
Employee turnover by gender						
Male	15%	16%	9%	9%	12%	13%
Female	14%	15%	14%	13%	14%	14%
Employee turnover by age						
<30 years old	21%	23%	26%	20%	24%	22%
30-49 years old	15%	17%	6%	8%	12%	13%
≥ 50 years old	4%	4%	4%	5%	4%	5%
Salary ratio² (Female:Male)						
Operations & Support	0.96 : 1	0.96 : 1	0.96 : 1	0.96 : 1	0.96 : 1	0.96 : 1
Professional	0.99 : 1	1 : 1	0.91 : 1	0.91 : 1	0.94 : 1	0.94 : 1
Middle Management	0.97 : 1	0.98 : 1	0.94 : 1	0.94 : 1	0.95 : 1	0.96 : 1
Singapore workforce ethnicity						
Chinese	68%	72%	—	—	—	—
Malay	9%	8%	—	—	—	—
Indian	12%	10%	—	—	—	—
Others	11%	10%	—	—	—	—
Total training investment (\$M)	S\$10.9	S\$10.0	A\$10.9	A\$11.5	S\$22.1	S\$22.9
Average training hours per employee	32.5	33.3	31.7	32.2	32.2	32.8
Employee safety and health³						
Workplace injury rate	1.3	1.4	1.3	2.6	1.3	1.9
Accident frequency rate	0.6	0.6	0.8	1.3	0.7	0.9
Accident severity rate	5.9	7.4	12.9	18.6	8.3	11.3

Footnotes:

- ¹ The Singtel FY2015 data has been restated to include all contract staff to align with FY2016 data.
- ² Based on average monthly salary of regular employees only. FY2015 data has been restated.
- ³ Workplace safety and health metrics have been realigned to the International Labour Organization (ILO) definitions. FY2015 data has been restated.

08 Environment

We are committed to understanding, managing and minimising our environmental footprint across our value chain, including our business operations, suppliers and customers.

OUR APPROACH DMA

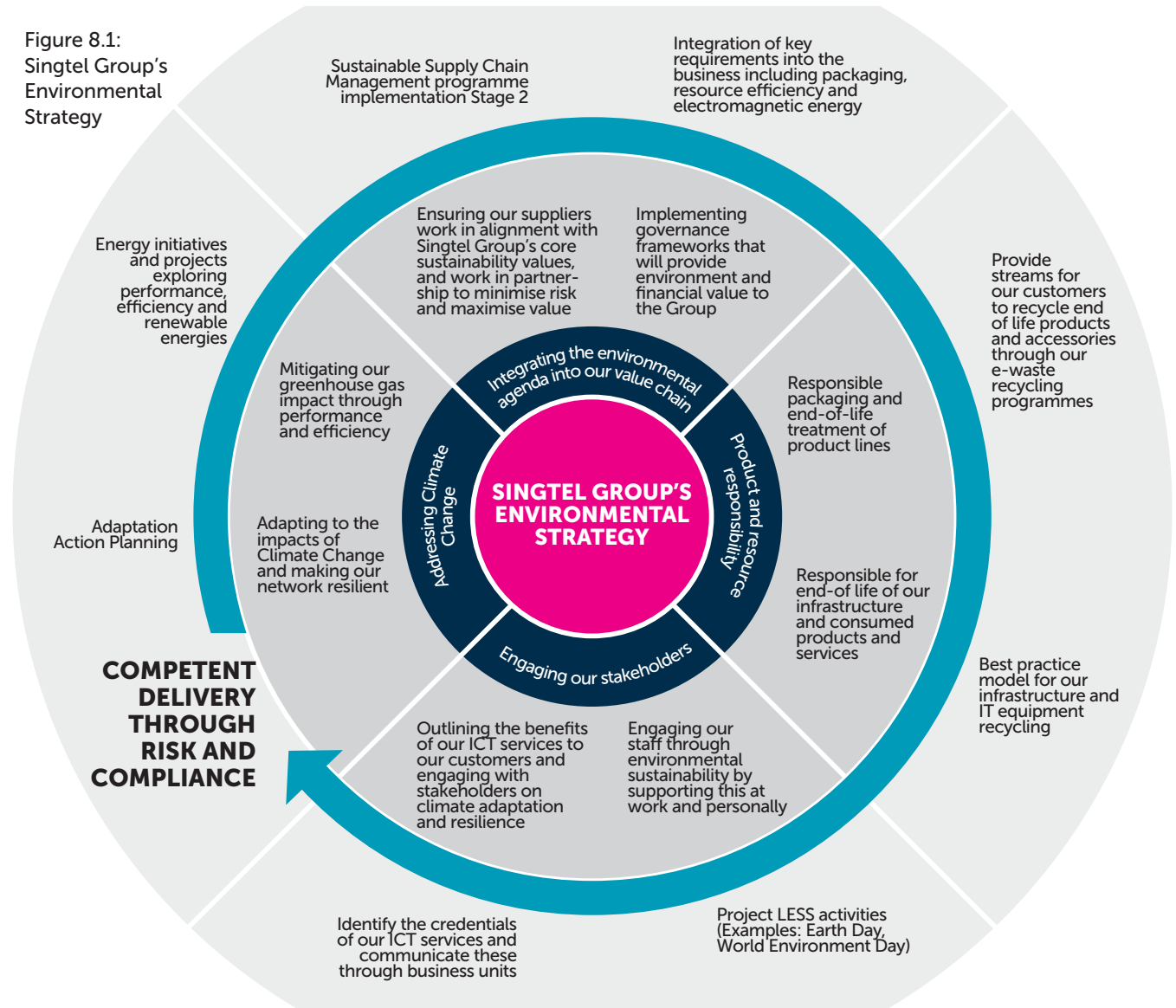
2015 has been a milestone year in the global effort of tackling climate change. The COP 21 agreement in Paris has presented an opportunity to businesses like ours to contribute towards the low carbon transition of the Singapore and Australia economies. In response, we have continued to strengthen our environmental programmes this year, focusing on strategic initiatives that we believe will yield greater impact over the long term.

The emphasis of our environmental activities has been across four strategic pillars:

- Addressing climate change
- Integrating the environment agenda into our value chain
- Engaging our stakeholders on environmental issues
- Product and resource responsibility

We are guided by our Environmental Management System (EMS) which supports our commitment towards climate change. Aligned with the ISO 14001 management system, it provides direction on the management of key environmental aspects in the planning, design, construction and operation of our core network. This approach also reflects our support towards the precautionary principle of the 'Rio Declaration on Environment', 1992. We have begun scoping an ISO 14001 implementation and certification for selected areas of our Optus network that some of our key stakeholders considered more material, and targeted for completion in 2017. G4-14

Figure 8.1:
Singtel Group's
Environmental
Strategy



**COMPETENT
DELIVERY
THROUGH
RISK AND
COMPLIANCE**

LIFE CYCLE ASSESSMENT OF OUR BUSINESS OPERATIONS

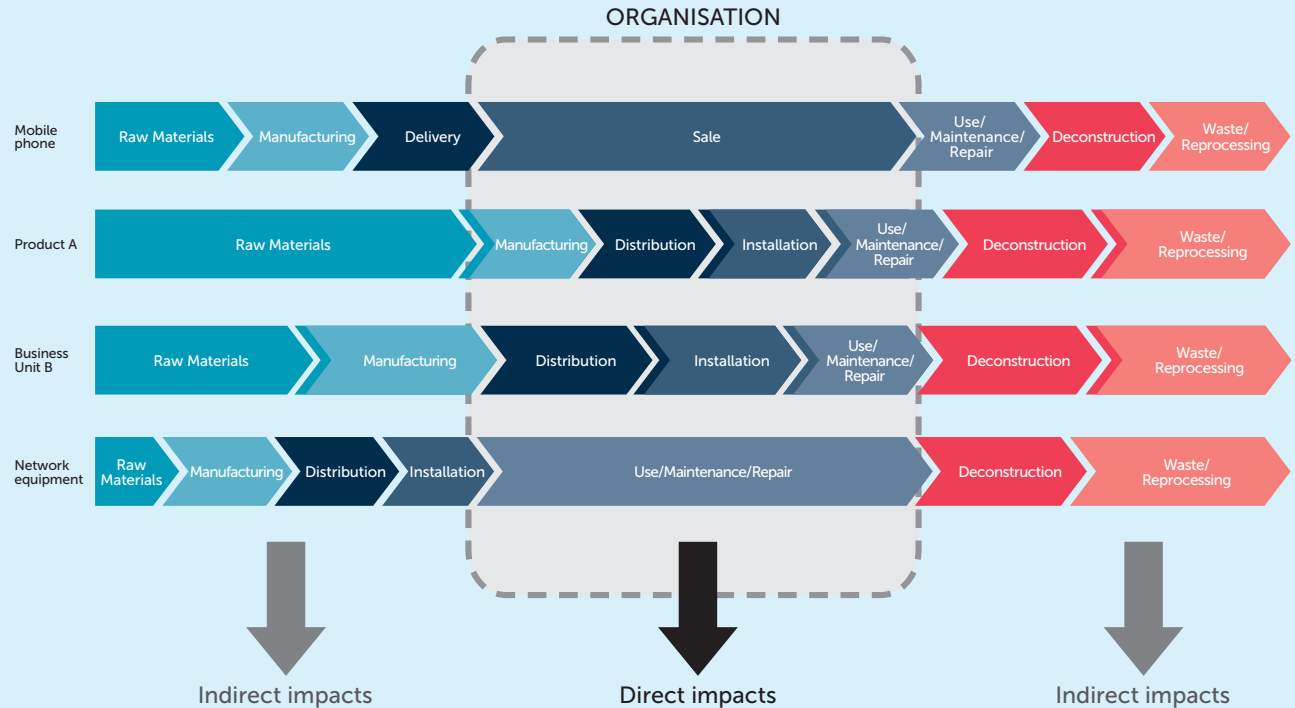
This year we undertook a comprehensive organisation-wide Life Cycle Assessment (LCA), looking at the direct and indirect impacts of our whole business operations. The LCA looked at key areas across our business and our top 90 suppliers, including consideration of sector-specific economic forces and social hotspots, such as human and labour rights issues.

The LCA demonstrated that carbon and climate change were the material issues requiring the most attention across our business, as well as how we manage our equipment at the end of its useful life. Our strategy on climate change and waste management are discussed in this chapter.

The review found that around two-thirds of the identified environmental and social impacts are outside our direct control. In order to address these impacts, we must do what we can to influence the practices within our supply chain. We are implementing these findings methodically, and have also used the LCA to guide the transformation of our procurement strategy.

The knowledge that we gained from this LCA will be used to feed back into our materiality assessment, allowing us to sharpen our focus on the activities that are the most relevant to our business and our supply chain.

Figure 8.2: Life Cycle Assessment



ADDRESSING CLIMATE CHANGE

Climate Action is one of the UN Sustainable Development Goals and we strive towards addressing this. **SDG 13**

As our networks expand to support increasing data usage, coverage and reliability, we constantly face the challenge of decoupling our carbon footprint and business growth.

We aim to address the threats of climate change through both mitigation and adaptation efforts.

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.

ENERGY PERFORMANCE AND EFFICIENCY **SDG 7**

In FY2016, over 95% of the Group's total emissions came from electricity and fuel use. Therefore, improving energy efficiency and minimising overall consumption and dependence on non-

renewable energy sources are key areas of action in our environmental strategy.

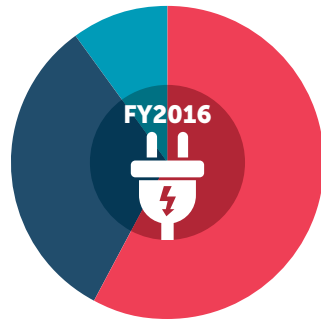
The Group's total energy use and energy intensity increased to 3.04 million GJ and 179 GJ/\$ million revenue in FY2016 respectively. The main areas of energy use within our Group include network infrastructure (telephone exchanges, base stations, mobile access network and satellite earth stations), data centres, office buildings and retail stores.

The increase in energy use in Australia is attributed to our significant growth in

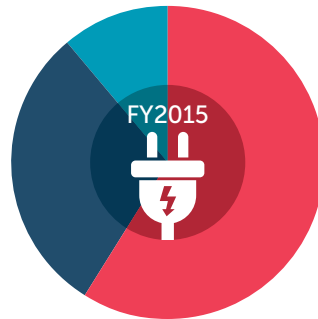
network coverage and capacity as part of our goal to deliver superior customer experience to our mobile customers. Energy generation in Australia is also primarily coal fired with high carbon coefficients.

Recognising this, we are in the process of working through a major energy intensity improvement programme at Optus. We will invest in more efficient equipment, test new technologies and explore economically viable options to increase our production of on-site renewable energy. This is a two-year

SINGTEL GROUP'S ELECTRICITY USE BREAKDOWN



Network	58%
Mobile	32%
Corporate	10%



Network	59%
Mobile	30%
Corporate	11%

plan which will see a number of proofs of concepts undertaken, with implementation planned throughout FY2017 and FY2018. We are initially setting a kWh/TB intensity target as we are work on several indicators and targets internally. We will be working to determine the most relevant energy efficiency targets across the business over the next 12 months.

This exercise will also enable us to set realistic carbon emission intensity targets. We are focusing resources internally to make sure that these target metrics are relevant and reflect our business drivers that support rapidly increasing consumption of entertainment content, a connected society and economy where enterprise customers are also outsourcing their operations to us to achieve their own operational efficiencies. This will effectively allow us to anticipate and manage our future climate impacts.

We have been implementing a number of other energy efficiency measures and projects during the year in Australia. They include upgrading our multifunction office devices (combined printer, photocopier, fax, scanner), deploying modern switching equipment at our exchanges, installing movement sensors in our meeting rooms and changing to more fuel-efficient vehicles within our fleet.

In Singapore, we continue to enjoy savings from our chiller overhaul and replacement and energy saving lighting system projects implemented over the past few years.

• Chiller Overhaul and Replacement Programme

Chillers are often a building's single biggest user of electricity. It is important that our chillers operate in the most efficient manner. We achieve this through our chiller overhaul



Optus employees enjoying car-sharing service

and replacement programme, implemented in Singapore in 2011.

We have continued the cyclical replacement of ageing chiller units, targeting those that have been in operation for 15 years or more. In FY2016, two units of 200 RT chillers serving Comcentre Tower and one unit of 150 RT chiller were replaced with higher efficiency units. For Katong 2 Exchange, three units of 250 RT chillers as well as all the associated pumps and cooling towers were replaced, resulting in an even higher improvement of 40% in efficiency.

The replacement of these six chillers created an estimated energy savings of 4,764 GJ (equivalent to 574 tCO₂e). We plan to replace another seven chiller units in the coming year.

EN6 EN19

• Energy Saving Lighting System

Our first trial of the Performance Enhancement Lighting Management System (PELMS) was at the Telok Blangah Telephone Exchange in Singapore in 2012, allowing lighting levels to be automatically managed based on motion detection. The project achieved average savings of about 45% of the lighting budget for the building. In FY2016, we enhanced this initiative and replaced using LED tubes at our office located at the Katong II Telephone Exchange achieving estimated energy savings of 55 GJ (equivalent to seven tonnes of CO₂e per year). EN6 EN19

Environment

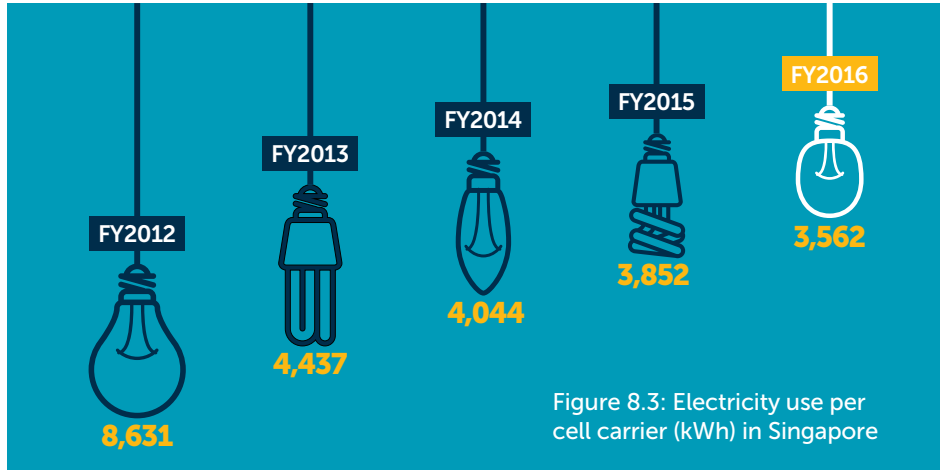


Figure 8.3: Electricity use per cell carrier (kWh) in Singapore

ENERGY EFFICIENT MOBILE BASE STATIONS

Over the past three years, we have implemented a plan to upgrade and convert existing mobile base stations to energy efficient stations in Singapore and Australia.

As at 31 March 2016, 97% of all our base stations in Singapore, both new and existing, has been converted to 'green' base stations. Although the absolute electricity use from our base stations increased by 10 GWh in FY2016 compared to FY2015, we achieved a 5% reduction in energy use per cell carrier and have seen a steady reduction in the trend (see Figure 8.3).

In Australia, we have upgraded more than 6,400 base stations, including the installation of 'smart meters'. This exceeds our original target by 8%. The ability to track consumption usage trends with these meters greatly enhances our ability to identify sites where we can effectively implement energy efficiency measures.

In addition, we replaced over 3,000 air conditioners at our mobile phone base stations with temperature controlled fans to leverage 'free cooling' when the external ambient temperature is low during the cooler months, thus helping us to further improve our energy performance.

SUSTAINABLE ENERGY SOURCES

EN6 EN19 SDG7

In addition to our energy efficiency initiatives, we actively explore opportunities to utilise alternate forms of energy for our operations. Since 2009, we have used several sustainable energy sources for our operations in Singapore in an effort to reduce our reliance on electricity from the grid (see [website](#) for details).

BUILDING RESILIENCE

We understand the importance of our role as a leading provider of ICT services to our customers and community. Hence we are working to 'future-proof' our network against the impact of climate change.

Investing in resilient and innovative infrastructure to build sustainable cities and communities has been identified as one of the UN Sustainable Development Goals. **SDG 9** **SDG 11**

We cannot address this systemic issue alone, hence we actively collaborate with others in our efforts. We are a founding partner and active member of the Australian Business Roundtable (ABR) for Disaster Resilience and Safer Communities, as well as a member of the Australian Green Cross Business Adaptation Network (AGCBAN). In both partnerships, we work with other major Australian companies on the agenda of building resilience. **G4-16** **SDG 11** **SDG 13** **SDG 17**

THE ECONOMIC COSTS OF THE SOCIAL IMPACT OF NATURAL DISASTERS

In March 2016, ABR presented two reports to the Australian government on climate adaptation and resilience. *The Economic Cost of the Social Impact of Natural Disasters* is the first economic analysis of the social impacts and costs of natural disasters. A second report *Building Resilient Infrastructure* demonstrated the business case of building resilient infrastructure, instead of spending billions of dollars to recover from the damage caused by climate change related disasters.

THE COST OF RECOVERY

The true cost of natural disasters is at least **50% greater** than previous estimates.

It is estimated that the total cost of natural disasters in Australia in 2015 exceeded

A\$9 billion

This is expected to double by 2030 and to reach an average of

A\$33 billion annually by 2030



Singtel volunteers planting trees as part of the Coney Island rehabilitation programme in 2015

VALUE CHAIN INTEGRATION

We understand the importance of environmental risks in our value chain and we are committed to collaborating with environmentally responsible suppliers.

A major step in this effort has been to develop an accurate understanding of the environmental impact of our activities across our value chain. The group wide Life Cycle Assessment (LCA) completed this year assessed our total environmental and social footprint, including suppliers upstream and consumers downstream. We have used the results of the LCA to

improve our Sustainable Supply Chain Management (SSCM) programme, and have put in place our new SSCM strategy and framework to help us become an industry leader by 2020 (see page 21).

STAKEHOLDER ENGAGEMENT ON ENVIRONMENTAL ISSUES

Our key area of external stakeholder engagement on environmental issues has been in the area of climate change adaptation. Through our internal adaptation exercises and the work of the ABR, we have actively engaged and advocated the issues with government as well as environment and climate related agencies in both Singapore and Australia.

The Singtel Group is committed to ensuring that our people have opportunities to learn about environmental issues and volunteer in this space. Since the launch of our Project LESS (Little Eco Steps) environmental campaign in Singapore in 2011, we have invited subject matter experts to talk to our employees and organised eco-trips to places of environmental interest and eight runs of the popular annual Plant-A-Tree Day. We have also introduced several initiatives such as our electronic waste recycling programme and saying NO to sharks' fin. **SDG 13**

CLIMATE ADAPTATION AND RESILIENCE STUDY

This year, we studied the future impacts of climate change on our Group's business. This has helped identify the climate risk areas most critical to us, and how we can build resilient infrastructure in the future to protect our network for our customers and the broader community.

Through a combination of internal consultation and climate modelling, the key network vulnerabilities and interconnection of impacts were documented. These have been used to understand the future impact of occurrences – such as changes in rainfall intensity and temperatures on our network – and to identify options for an adaptation action plan in response to these risks.

We now have an adaptation roadmap and action tracker, which we are embedding into our corporate processes and using to establish governance structure, policy and reporting framework specific to climate adaptation. We will be using the plan to quantify the financial cost of these climate externalities, and develop and implement long-term climate change resilience strategies for both Singapore and Australia.



SDG 13

Environment



Recycling bins at Singtel and Optus retail outlets to encourage proper disposal of electronic waste



SUSTAINABLE TRANSPORT

At our Optus Campus in Sydney, we use all profits from the onsite carpark to fund the Optus Express buses which provide free rides to work, as well as bike facilities, events and education programmes. This year we reinvested A\$2 million into this initiative and over half of our Sydney employees now use sustainable transport to get to work.

SDG 11

PRODUCT AND RESOURCE RESPONSIBILITY

We actively monitor our waste management practices both as part of doing business and in the corporate office environment. We continued to undertake initiatives in FY2016 to create awareness among employees and promote best practices in waste management. Our efforts in this space support the UN Sustainable Development Goal on Responsible Consumption and Production.

SDG 12

In Australia, we are in the process of conducting a thorough audit of our domestic waste to set a baseline of our waste separation and disposal

practices. We will be running a number of programmes to change people's behaviours towards waste, and then further audits to measure the effect on our domestic waste.

Electronic waste is an area where we continue to maintain our focus. E-waste contains a combination of valuable and reusable raw materials as well as materials that are toxic. We encourage our customers and employees to reduce, reuse and recycle e-waste through a number of initiatives.

- We offer our customers a buy-back scheme so that end-of-contract phones can be reused. As part of

this scheme, we destroy all data and resell or recycle the devices.

- In Australia, we have been proudly supporting Mobile Muster since 1998, enabling customers to recycle their old mobile phones free of charge by taking them to any Optus retail outlet. **G4-16**
- In Singapore, we work with our e-waste vendor and organise regular roadshows at our key office premises to encourage our people to dispose their unwanted e-waste. We also provide recycling facilities at our outlets so that customers can bring back products and accessories that have reached the end of their life.

- We are committed to responsible packaging and have responsibilities under the Australian Packaging Covenant (APC). This year we commenced a packaging review with a multi-stakeholder group to implement a best-in-class packaging campaign. This has identified some key initial improvements in our choice of cardboard products. We also improved our APC rating from 3.3 to 4 out of 5 points in their latest assessment. **G4-16** **SDG 17**

Environmental Performance Indicators

EN3

EN5

EN8

EN15

EN16

EN17

EN18

EN23

Environment	SINGTEL		OPTUS		SINGTEL GROUP	
	2016	2015	2016	2015	2016	2015
Total energy use (GJ)	1,379,633	1,338,904	1,657,262	1,533,360	3,036,895	2,872,264
Energy intensity (GJ/\$million revenue)	180	182	178	155	179	167
(i) Electricity Use (GJ)	1,358,030	1,316,905	1,618,544	1,494,342	2,976,574	2,811,247
Network	920,165	848,989	818,904	801,349	1,739,069	1,650,338
Mobile	235,294	247,855	715,108	610,268	950,402	858,123
Corporate	202,572	220,061	84,532	82,724	287,104	302,786
Electricity Intensity (GJ/\$million revenue)	177	179	174	151	175	163
(ii) Electricity use from renewable sources (GJ)	405	303	463	464	868	768
(iii) Fuel use from non-renewable sources (GJ)	21,198	21,696	38,255	39,018	59,453	60,714
Total carbon emissions (tonnes CO₂ equivalent)¹	174,112	176,454	420,827	402,750	594,938	579,205
(i) Scope 1	4,629	5,947	2,614	2,694	7,243	8,641
Refrigerants	3,174	4,477	N.A. ²	N.A. ²	3,174	4,477
Fuel combustion	525	446	355	252	880	698
Company fleet	929	1,024	2,259	2,442	3,188	3,466
(ii) Scope 2	163,416	164,577	394,249	374,825	557,665	539,402
(iii) Scope 3	6,067	5,931	23,964	25,231	30,030	31,162
Contractor fleet	813	766	4,810	6,954	5,623	7,720
Air travel	3,180	3,141	9,442	8,564	12,621	11,705
Employee commute ³	1,821	1,821	9,712	9,713	11,533	11,534
Retail franchisees	253	202	N.A.	N.A.	253	202
Carbon Intensity (tCO₂e/\$ million revenue)	23	24	45	41	35	34
Total Water Use (m³)	756,398	691,389	70,254⁴	60,422 ⁴	826,652	751,811
Total Waste - hazardous and non-hazardous (tonnes)	4,223	4,015	1,503	1,425	5,726	5,440

Footnotes:

¹ The carbon emissions reported in the table is based on the reporting requirements of the WRI and WBCSD 'GHG Protocol Corporate Accounting and Reporting Standard'. The equivalent CO₂ emissions for electricity use are calculated based on the updated simple operating margin grid emission factors from the National Environment Agency in Singapore for the relevant time period and from corresponding states in Australia. Scope 1 direct emissions are calculated using the 2010 Guidelines to EFRA/DECC's GHG conversion factors for company reporting (Annex 1). Scope 3 other indirect emissions are calculated using the 2010 Guidelines to conversion factors for DEFRA/DECC's GHG company reporting (Annex 6 and 7).

² Optus uses a combination of air, water and refrigerant cooling systems. Refrigerants are not included in this report for consistency with the reporting requirements set by the Australian National Greenhouse and Energy Reporting Act 2007.

³ Employee commute carbon emissions data will be updated only when there is a significant change in our company's operations or workforce.

⁴ Water use for Optus Sydney campus only.



09 GRI Index Table G4-32

GENERAL STANDARD DISCLOSURES

Item	Description	Page Reference	Level of External Assurance
Strategy & Analysis			
G4-1	Statement from Group CEO	2-4	Singtel Group
Organisational Profile			
G4-3	Name of the organisation	1	*
G4-4	Primary brands, products, and/or services	5	*
G4-5	Location of headquarters	1	*
G4-6	Countries of operation	5	*
G4-7	Nature of ownership and legal form	5	*
G4-8	Markets served	5	*
G4-9	Scale of the organisation	5, 7, Annual Report	*
G4-10	Size of workforce	32, 38	Singtel
G4-11	Employees covered by collective bargaining agreements	34	Singtel
G4-12	Organisation's supply chain	11, 21	Singtel
G4-13	Change in organisation's size, structure, ownership, or its supply chain	No change	*
G4-14	How precautionary approach is addressed	39	Singtel
G4-15	Externally developed charters, principles, or other initiatives to which the organisation subscribes	1, 16, 18, 19, 36	Singtel
G4-16	Membership of associations and advocacy organisations	28-30, 42, 44	Singtel
Identified Material Aspects and Boundaries			
G4-17	Entities included in the organisation's consolidated financial statements	1, Annual Report	Singtel
G4-18	Process for defining the report content and the aspect boundaries	10-11, 14	Singtel Group
G4-19	List of identified material aspects	10, 14	Singtel Group
G4-20	Aspect boundary of material aspect within the organisation	14	Singtel Group
G4-21	Aspect boundary of material aspect outside the organisation	14	Singtel Group
G4-22	Restatement of information	7, 38	Singtel Group
G4-23	Significant change from previous reporting periods in the scope and aspect boundaries	No significant change	Singtel Group
Stakeholder Engagement			
G4-24	List of stakeholder groups engaged	10	Singtel Group
G4-25	Basis for identification and selection of stakeholders with whom to engage	See website for details	Singtel Group
G4-26	Approach to stakeholder's engagement	10	Singtel Group
G4-27	Key topics and concerns raised through stakeholder engagement	10	Singtel Group

Item	Description	Page Reference	Level of External Assurance
Report Profile			
G4-28	Reporting period	1	Singtel Group
G4-29	Date of most recent previous report	1	Singtel Group
G4-30	Reporting cycle	1	Singtel Group
G4-31	Contact point for questions regarding the report or its contents	1	Singtel Group
G4-32	GRI content index	46-48	Singtel Group
G4-33	External assurance	50-52	Singtel Group
Governance			
G4-34	Governance structure	10	Singtel Group
Ethics and Integrity			
G4-56	Values, principles, ethics and standards	5, 20	Singtel Group

* Information is publicly available

SPECIFIC STANDARD DISCLOSURES

Material Issue	GRI Aspect	Indicator	Page Reference	Level of External Assurance	
Customer Satisfaction	Product and service labelling	DMA	Disclosures on Management Approach	15	Singtel
		PR5	Customer satisfaction survey results	15	Singtel
Product and service quality	Compliance	DMA	Disclosures on Management Approach	16	Singtel
		PR9	Non-compliance concerning provision	16	Singtel
Innovation	Indirect economic impacts	DMA	Disclosures on Management Approach	17	Singtel
		EC8	Significant indirect economic impacts	17	Singtel Group
Customer health and safety	Customer health and safety	DMA	Disclosures on Management Approach	17	Singtel
		PR2	Non-compliance concerning the health and safety impact of products and services	18	Singtel
Customer data privacy and protection	Customer privacy	DMA	Disclosures on Management Approach	19	Singtel
		PR8	Complaints regarding breaches of customer privacy and loss of data	19	Singtel
Fair marketing communications	Marketing communications	DMA	Disclosures on Management Approach	19	Singtel
		PR7	Non-compliance concerning marketing communications	20	Singtel

GRI Index Table

Material Issue	GRI Aspect	Indicator	Page Reference	Level of External Assurance	
Supply chain management	Supply chain	DMA	Disclosures on Management Approach	21	Singtel Group
	Supplier human rights assessment	HR10	New suppliers screened using human rights criteria	21	Singtel Group
	Supplier environmental assessment	EN32	New suppliers screened using environmental criteria	21	Singtel Group
	Supplier labour practices assessment	LA14	New supplier screened using labour practices criteria	21	Singtel Group
Inclusion of vulnerable groups	Economic performance	DMA	Disclosures on Management Approach	23	Singtel
		EC1	Direct economic value generated and distributed	7, 22	Singtel
		EC8	Significant indirect economic impacts	28-29	Singtel Group
Digital Citizenship and online safety	Local communities	DMA	Disclosures on Management Approach	27	Singtel
		SO2	Operations with actual and potential negative impact on local communities	27	Singtel
Talent attraction and retention	Talent attraction and retention	DMA	Disclosures on Management Approach	34	Singtel
		LA1	New hires and employee turnover	38	Singtel
Training and education	Training and education	DMA	Disclosures on Management Approach	35	Singtel
		LA9	Average hours of training per employee	7, 35, 38	Singtel Group
		LA10	Programmes for skills management and lifelong learning	35	Singtel
		LA11	Employees receiving performance and career development reviews	36	Singtel
Employee health and safety	Employee health and safety	DMA	Disclosures on Management Approach	36	Singtel
		LA6	Workplace injury, lost days and fatality rates	7, 38	Singtel Group
Climate change and energy management	Energy	DMA	Disclosures on Management Approach	39	Singtel
		EN3	Energy consumption within the organisation	45	Singtel Group
		EN5	Energy intensity	45	Singtel Group
		EN6	Reduction of energy consumption	41-42	Singtel
	Emissions	EN15	Scope 1 emissions	45	Singtel Group
		EN16	Scope 2 emissions	45	Singtel Group
		EN17	Scope 3 emissions	45	Singtel Group
		EN18	Green House Gas (GHG) emissions intensity	45	Singtel Group
		EN19	Reduction of GHG emissions	41-42	Singtel
	Anti-corruption	SO5	Confirmed incidents of corruption and actions taken	20	Singtel
Equal remuneration for women and men	LA13	Ratio of average basic salary of women to men	38	Singtel	
Water	EN8	Total water withdrawal by source	45	Singtel	
Effluents and waste	EN23	Total weight of waste	45	Singtel	



10 UN Global Compact Principles

Principle	Description	Page Reference
HUMAN RIGHTS		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.	21, 31
Principle 2		21, 31
LABOUR		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	34
Principle 4	the elimination of all forms of forced and compulsory labour;	21, 31
Principle 5	the effective abolition of child labour; and	21
Principle 6	the elimination of discrimination in respect of employment and occupation.	31-35
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	39
Principle 8	undertake initiatives to promote greater environmental responsibility; and	39–44
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	40–42
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	20



11 Independent Report Assurance Statement G4-33

To the Management and Stakeholders of Singapore Telecommunications Limited

This is the fifth year that Singapore Telecommunications Limited (Singtel) has engaged Ere-S Pte Ltd (Ere-S) to conduct an independent assurance of its Group Sustainability Report. The engagement took place in May 2016.

SCOPE AND LIMITATIONS

Covering the reporting period April 2015 to March 2016, the scope of the assurance included all sustainability-related figures, statements and claims found in the Singtel Group Sustainability Report 2016 (the Report) and associated with Singtel operations in Singapore. Group-level management approaches, such as policies, procedures, codes of conduct, supply chain assessment and global community initiatives, were also covered.

Disclosures on initiatives, processes and performance data specific to Optus were not assessed, with the exception of the following aspects, which were verified as part of a separate assurance engagement conducted on Optus Sustainability Report 2016 during the same period: Energy use within the organisation (G4 EN3), GHG emissions scope 1, 2 and 3 (G4-EN15, G4 EN16, G4 EN17, G4-EN18), Injury rates (G4-LA6), Average training hours (G4-LA9), Indirect economic impacts (G4-EC8) and Supplier human rights assessment (G4-EN32, G4-HR10).

Therefore, with the exception of the above indicators, Ere-S findings and conclusion do not apply to performance figures where the totals include Optus data.

The assurance also excluded information not related to sustainability or already supported by existing documents, such as third-party audits or certifications, the Singtel Annual Report and previous Singtel Sustainability Reports. Financial figures, technical descriptions of equipment, software and production processes were also omitted.

It was not within Ere-S's remit to verify that all elements provided in the GRI guidance (what to report) on each GRI indicator had been fully reported.

TYPE OF ASSURANCE AND CRITERIA

The assurance process was conducted under a moderate (or limited) level of assurance in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000). A moderate assurance is limited to desktop review and management-level evidence gathering and data verification with restricted sampling at lower levels in the organisation.

The assurance also conforms to the AA1000 Assurance Standard (2008) Type 2, which requires evaluating the company's overall sustainability framework with regard to material issues assessment and stakeholder engagement. This was conducted using the AA1000 AccountAbility Principles (AA1000APS

2008) of inclusivity, materiality and responsiveness. AA1000 Assurance Standard also requires an evaluation of the quality of the reported sustainability performance information. For this, Ere-S employed the G4 Reporting Principles: reliability, accuracy, balance, comparability, timeliness, clarity, sustainability context and completeness.

RESPONSIBILITY AND INDEPENDENCE

This statement represents the independent opinion of Ere-S. The management of Singtel was responsible for the preparation of the Sustainability Report and all statements and figures contained within it. The responsibility of Ere-S is to provide the assurance, to express conclusions in relation to the agreed scope and to prepare the assurance report and this assurance statement for the management of Singtel alone and for no other purpose. Ere-S has not been involved in the development of the Report or the disclosed management processes; neither has Ere-S been engaged by Singtel for other projects. The activities of Ere-S are independent of Singtel and contain no financial interest in Singtel's business operations. Ere-S does not accept responsibility for any actions taken by other parties as a result of the findings presented in this assurance statement.

ASSURANCE METHODOLOGY

The assurance methodology used for this engagement was developed by Ere-S and consists of the following steps:

1. Identify and classify statements and data sets (close to 200 for this engagement) according to the scope, data ownership and the type of evidence required for the verification process.
2. Carry out interviews with key data owners (over 35 for this engagement) at Singtel's headquarters in Singapore. Optus data owners based in Sydney were interviewed by phone. Interview sessions included the following tasks:
 - Enquiring about the quantitative and qualitative aspects of the Report disclosures, including performance information, policies, procedures and underlying management systems within the assurance scope
 - Requesting evidence of the data sources and explanation of relevant collection and calculation methods to substantiate the figures and claims. This includes sampling of quantitative data originating from multiple sources.
 - Challenging the claims made in the Report and, where possible, confirming the presented evidence, including calculation methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources.

3. Assess the evidentiary information and provide recommendations for required correction and future improvement of the Report content.

FINDINGS AND OBSERVATIONS

Although the boundaries of the Report have not changed since the previous reporting exercise, the shift towards a global coverage of sustainability performance has become more prevalent in the year edition. This is evidenced by the alignment of management approaches between Singtel and Optus, such as the Group Code of Conduct and the Supplier Code of Conduct. Global alignment is also seen in the quantitative disclosures with more information on the activities and performance figures from Optus.

In general, the Report content is clear and presents Singtel's material issues and stakeholder engagement approaches in an objective way. Historical performance, current achievements and long term targets allow a good assessment of the progress made by the Group and its future strategy. Several statements on identified gaps and negative performance, such as incurred fines and cases of breach of regulations, provide a balanced content.

In regard to the Group sustainability context, the most significant improvements observed in the reporting period is the Life Cycle Assessment (LCA) carried out in 2015. By shedding light on the environmental

and social impacts within Singtel entire value chain, the initiative has filled a substantial gap found in previous reporting exercises. Therefore, more quantitative information on the LCA results and the Sustainable Supply Chain Management program, including results of supplier screening, will be required to make the next sustainability reports complete.

Based on our observations, alignment between the methodologies used to calculate performance figures for Singtel and Optus has improved for both environmental and social indicators. For example, employees with a short-term contract (less than one year) have been reinstated in the total headcount used to calculate labour-related indicators (with the exception of average training hours and salary ratios). Health and indicators are now based on the ILO guidelines for both entities. These adjustments have provided more clarity and accuracy to the Report.

However, other business units of the Group which are not operating in Singapore or Australia are still excluded from the calculations. This omission represents around 10% of the total Group headcount and may not have a significant impact on the final percentages and ratios disclosed in the Report. The inclusion of these business units in the scope of the report will nevertheless increase its completeness.

During the verification, Ere-S found only minor inconsistencies between the reported information and the provided source documents and data sets. With direct access to the sustainability data management portal, Ere-S assurance team was able to run a more systematic assessment of the calculation methods, formulas, conversion factors and units used. This added more confidence in the accuracy and reliability of the data trails. However, the level of data integration into the portal, from raw data sources to final figures, varied between topics.

EVALUATION OF THE ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES

Inclusivity - How the organisation engages with stakeholders and enables their participation in identifying issues and finding solutions.

Effective engagement channels are evidenced throughout the Company. Customers and employees benefit from the most comprehensive and regular engagement opportunities, such as multiple surveys, meetings and online feedback. Engagement with community partners and government agencies is also found to be strong and is evidenced by regular meetings and ongoing interactions.

Following the Group Sustainable Supply Chain strategy, engagement within the supply chain has also improved, but interactions with suppliers have not reached beyond formal screening

on their profile. The next phase of the Sustainable Supply Chain Management programme should introduce more inclusive engagement (including information channels and feedback options) with key suppliers.

Materiality - How the organisation recognises issues that are relevant and significant to it and its stakeholders.

The results of the materiality assessment conducted during the previous reporting period continued to be applied. Commendable progress includes the Life Cycle Assessment exercise which led to a more precise identification of social and environmental impacts in the supply chain. Stronger focus on climate change, digital safety and diversity was also observed in the management approaches assessed during the assurance. These issues are prevalent to the current sustainability context and are reflected in the Report.

Responsiveness - How the organisation responds to stakeholder issues and feedback through decisions, actions, performance and communication.

Actions taken by Singtel during the reporting period in response to stakeholder concerns were observed. Timely response and issue resolution appears more notable among customers and employees. The Female Diversity Committee, the Cyber Security Institute, the Safe

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Contractor Accreditation Scheme and the Cyber Wellness Education programmes are examples of new initiatives started in FY2016 to mitigate identified issues.

Specific actions in response to issues pertinent to the supply chain are yet to be observed. These should emerge during the next phases in the implementation of the Sustainable Supply Chain program.

CONCLUSION

On the basis of a moderate assurance engagement and according to the agreed scope* and criteria, nothing has come to our attention that causes us not to believe that, in all material respects, Singtel Group Sustainability Report 2016

- provides a credible and fair representation of the organisation's sustainability profile and a reasonable application of the AA1000 AccountAbility Principles, and
- includes statements and figures* that achieve an adequate level of reliability and accuracy.

Within the scope of the assurance, the findings also provide confidence that the Report has been prepared in accordance with the GRI Reporting Principles.

* With the exception of the disclosures under G4-EN3, G4-EN15, G4 EN16, G4 EN17, G4-EN18, G4-LA6, G4-LA9, G4 EN32 and G4-HR10, Group figures comprising Optus performance are not included (see "External Assurance" column in GRI Content Index for assurance coverage).

MOVING FORWARD

For further improvement of sustainability reporting by Singtel, Ere-S recommends the following:

- While Ere-S commends Singtel's recent Life Cycle Assessment and the associated Sustainable Supply Chain programme, it recommends the disclosure of more details on the social and environmental impacts identified through the exercise. These should be accompanied with the mitigating actions that the company has taken or plan to take.
- Singtel should ensure that data processing, including format of raw data sets and compilation and calculation methods, is standardised throughout the Group and progressively transferred into the sustainability data management portal. This will reduce the risk of errors due to intermediary and manual operations on the data sets and facilitate the quality control of data trails.
- To improve the completeness of the Report, sustainability performance measurement and reporting should be progressively implemented for all subsidiaries not included in the current reporting scope. The sustainability data management portal may prove to be valuable for this task, as the local data owners can directly feed the system with their corresponding performance data.

The above findings and additional suggestions for improvement have been presented to the management of Singtel in a more detailed assurance report.

Singapore, 17 June 2016

Jean-Pierre Dalla Palma

Director and Lead Certified Sustainability Assurance Practitioner

Rajeswari Selvaraj

Associate Sustainability Consultant and Assurance Practitioner



Ere-S Pte Ltd is a consulting company specialising in business sustainability and provides services in the domains of sustainability reporting, sustainability report assurance, stakeholder engagement and CSR training. Our assurance team is composed of assurance practitioners with expertise in CSR and each member is required to follow Ere-S' assurance code of conduct, which can be found at <http://www.ere-s.com/assurance-code-of-conduct/>



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