

06 Marketplace and Customers

The Best Experience

The Singtel Group is committed to being a responsible and innovative leader in the markets where we operate. Our strategy is underpinned by delivering an unparalleled customer experience while embracing responsible business practices across our operations and supply chain.

CUSTOMER SATISFACTION

Our customer experience strategy focuses on giving the best value and experience to our customers and continuously deepening our engagement and relationship with them.

We constantly refresh the ways we engage and serve customers, whose lifestyles have gone increasingly digital due to the proliferation of mobile devices.

We have digitised our retail experience, operations and call centres to improve customer experience and increase business productivity.

Singtel once again clinched the Readers' Choice award for Best Fibre Broadband Service Provider and Best Telco for the 11th year running at the annual HWM + HardwareZone Tech Awards 2020, and the inaugural Best Mobile Data Roaming Service Provider award.

Since 2013, we have been recognised for our commitment to customer satisfaction as we retained our number one position on the Customer Satisfaction Index of Singapore (CSISG). We also continue to improve our customer journey through annual tracking of our Group Consumer Transactional Overall Experience scores, from 76% in 2015 to an all-time high of 91% in 2019.

We were ranked as Australia's strongest brand in Brand Finance's Top 100 list for excellent customer service and value. Our brand strength score increased 4% due to improved brand reputation, familiarity and recommendation. During the year, a cross-functional team was set up across the business to resolve about 50 pain points to improve customer service and satisfaction, such as voice-to-text service for our hearing impaired customers.

In Singapore, for every 10 customer complaints via the media, our website and management, we received 75 compliments in FY2020, up from 29 last year.

In Australia, the monthly average for Telecommunications Industry Ombudsman (TIO) complaints for phone and internet users about Optus was 2,389 complaints, a 13% decrease from a year ago.

PRODUCT AND SERVICE QUALITY

The Singtel Group is committed to offering our customers a great network and service experience. We continuously enhance the reach, reliability and quality of our networks in Singapore and Australia.

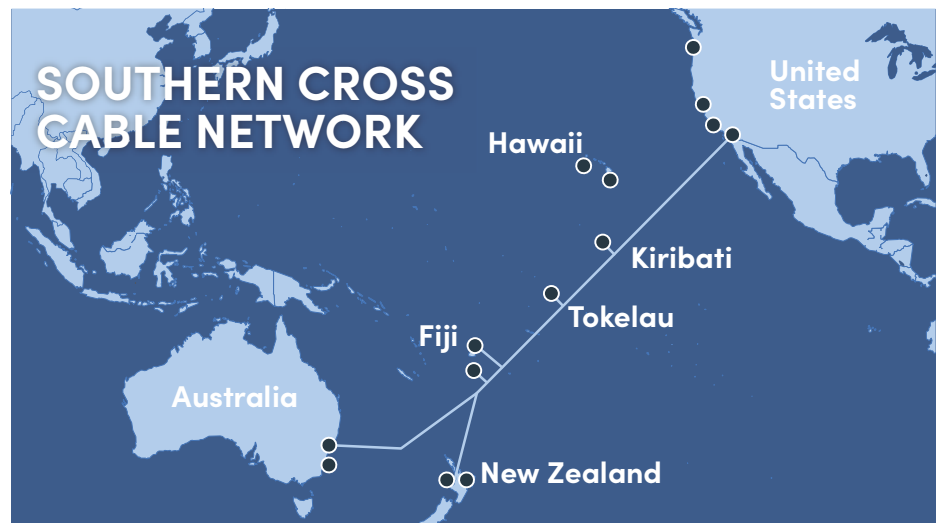
ENHANCING NETWORK RELIABILITY

Ensuring consistency in network and service performance is critical. We therefore continue to invest in new mobile base stations and upgrade our technologies, systems and infrastructure.

During the year, we completed the construction of the 4,600-kilometre INDIGO West and 4,600-kilometre INDIGO Central submarine cable systems linking Southeast Asia to Perth and Sydney in Australia respectively. We also enhanced our network in the Southern Hemisphere with the construction of Southern Cross NEXT, a new cable system connecting Australia, New Zealand and the United States.

These submarine cable systems will boost our communications infrastructure with high-speed capacity and network diversity, accelerating the rollout of next generation technologies across the Asia Pacific region to benefit all our consumers and corporate customers.

Our total capital investment was S\$2 billion in FY2020 (Singtel S\$682 million, Optus A\$1.4 billion). Of this investment, S\$181 million and A\$895 million were invested in our mobile networks in Singapore and Australia.



Southern Cross NEXT connects Australia, New Zealand and the United States

Singtel UNBOXED

Singapore's first, next generation unmanned retail pop-up store



Convenience, experience, ambience and sustainability are key customer offerings of UNBOXED

INTELLIGENT DESIGN



24x7 accessibility
allows customer to make transactions at their convenience



Pop-up and portable
store concept engages our customers where they live, work and play



Flexible and modular
with extendable module; measuring 35m² in compact mode and 45m² when expanded



Hybrid powered
with two solar panels on the roof for a more environmentally friendly store

We launched Singtel UNBOXED in June 2019 to complement our retail footprint. Its unique design, including solar panels, allows customers to buy handsets, replace SIM cards and sign up for plans 24x7 easily. Measuring 45 square metres, UNBOXED is built with a modular structure to enable easy transportation to different locations.

UNBOXED has received numerous awards and recognitions such as:



Singtel UNBOXED utilises technology such as facial recognition and bots at each stage of the in-store journey for a seamless customer experience

For store security in an unmanned environment, we adopted the Sentinel Security Solution provided by our wholly-owned subsidiary NCS for 24x7 remote surveillance and automated security control. The system has numerous IoT sensors and surveillance cameras that trigger alerts to our central security office when misdeeds are detected.



Customers can purchase products by scanning QR codes or using the Video-Assisted Self-Serve Kiosks.



Upon successful payment, they simply head to the in-store POPStation to collect their purchases immediately.



In partnership with SingPost, this POPStation is the first of its kind with dynamic prefilling capabilities, enabling accurate forecast and replenishment of best-selling models based on demand.

Marketplace and Customers

The Best Experience

ENSURING QUALITY STANDARDS

We ensure that services offered adhere to the Quality of Service standards set by the Infocomm Media Development Authority of Singapore (IMDA). The regulator publishes periodic performance reports on the various operators in Singapore covering broadband, mobile and fixed telephone services. We continue to exceed or meet the quality of service standards for service coverage, network availability, network latency, installation and fault repair time. These reports can be found at www.imda.gov.sg.

In FY2020, there was no legal action regarding anti-competitive behaviour or violation of anti-trust legislation against the Singtel Group. During the year, we paid five fines totalling S\$298,000 imposed by IMDA and there was no non-monetary sanction against Singtel. This included a S\$130,000 fine for a mobile network disruption in October 2018 which affected our voice, data and SMS services for some customers and a S\$75,000 fine for a fixed-line service disruption in March 2018 that affected about 2,000 customers.

INNOVATION

The Singtel Group innovates continuously and keeps abreast of technology advancement and changing customer needs to offer unparalleled services and experiences to our customers.

5G will be a huge enabling force in the coming years, transforming our way of life and creating more opportunities to benefit businesses and the community. The Singtel Group intends to be at the forefront of this revolution, bringing 5G to life across Singtel in Singapore, Optus in Australia, as well as our regional associates.

In Singapore, we have forged industry collaborations with strategic partners like Nokia and Ericsson to trial 5G network capabilities through test beds and ideation labs. In June 2019, we signed an MoU with A*STAR and JTC to integrate 5G with technology such as IoT and Artificial Intelligence to develop next generation manufacturing solutions for businesses and were awarded the 5G Technology Call by PSA and IMDA to develop 5G use cases at the Pasir Panjang Terminal to transform Singapore's future maritime operations. We successfully made an end-to-end 5G international video call between Singapore and Australia while simultaneously streaming video content on a 4G device.

With the launch of our 5G Home product, we are taking the lead in rolling out 5G services across Australia, becoming one of the first carriers globally and the first in Australia to provide a 5G Fixed Wireless broadband solution to consumers. We also worked with Ericsson to

deliver Australia's first 5G tele-operated drone that was controlled over a live 5G network in November 2019. We will continue to focus on expanding the 5G network rollout and building our customer base with the aim of meeting customer demand for better streaming and data experience.



Singtel, Advanced Remanufacturing Technology Centre and JTC collaboration at Innovfest 2019 for a 5G usage trial (L to R) Ng Jin Yang, Manager, National Instruments, Andrew Lim, MD, Government and Large Enterprise, Group Enterprise, Alvin Tan, Assistant CEO, JTC, Yuen Kuan Moon, CEO, Consumer Singapore and Group Chief Digital Officer, Lim Boon Choon, President, APAC, Hexagon, David Low, CEO, Advanced Remanufacturing Technology Centre



An Optus 5G advertisement

SINGTEL GROUP FUTURE MAKERS 2019

Launched in 2016, Singtel Group Future Makers is our social innovation accelerator and regional capacity building programme. We provide mentorship, coaching, business pilots and funding support to empower impact start-ups leveraging technology to address social and environmental issues in the community.

Singtel Group Future Makers 2019 was held in collaboration with the Asia Venture Philanthropy Network Conference 2019 in Singapore.

Ten shortlisted start-ups from the respective programmes of Singtel, Optus, AIS, Globe and Telkomsel came together to participate in our regional programme. They had the opportunity to pitch to our business units, learn from thought leaders, collaborate with fellow participants and scale their solutions in the region with a total grant pool of S\$120,000 from Singtel.

Since 2016, we have invested more than S\$5 million in our local and regional Future Makers programmes.



Arthur Lang, CEO, International Group, Singtel sharing with our 10 regional finalists of the Singtel Group Future Makers 2019



Group photo after completion of the programme held at Singtel@8George

Tech innovation for good: reach52 and Virtual Psychologist



reach52 aided by connectivity support from Globe to better understand the healthcare needs of the rural community in central Philippines

reach52, our 2017 Singapore programme alumni and Singtel Group Future Makers 2019 regional finalist, wants to give vulnerable communities in the Philippines access to affordable healthcare.

To engage and understand the needs and challenges faced by disconnected communities in central Philippines, we provided reach52 with over S\$60,000 worth of funds and SIM cards for their mobile devices to conduct research and interviews. Within eight months, they collected 42,000 records of healthcare data from community residents and through their reach52 access app. That soon led to a trial programme with the local government healthcare providers for Vitamin A distribution to improve maternal and child health in the community.



With the COVID-19 lockdown in Australia and its associated impact on the workforce, Virtual Psychologist experienced a 44% increase in client management and saw a rise in domestic violence

Virtual Psychologist is our 2017 Australia programme alumni and Singtel Group Future Makers 2019 regional finalist. As Australia's first text counselling service delivered by qualified mental health professionals, Virtual Psychologist offers a range of text-based psychological and counselling support services to individuals and corporates.

We have been working with Virtual Psychologist to expand the reach of their services, especially with many Australian communities facing stress from increased hardships and intensity of climate disasters.

To find out more about our work with them and their impact, click [here](#).

Marketplace and Customers

Ethical and Responsible Business Practices

The Singtel Group strives to mitigate the unintended negative impact of our products and services for our stakeholders in the marketplace. Our responsibility also encompasses governance and anti-corruption, safety, data privacy and fair communications.

CUSTOMER HEALTH AND SAFETY

As a communications company, the perceived health risks associated with the emission of Electromagnetic Energy (EME) from mobile devices, base stations and tower infrastructure remain a concern for our customers, community and regulators. Despite the lack of conclusive evidence on adverse health effects caused by device usage, we have put in place efforts to comply with both local and global EME standards. We also participate in the GSMA 5G and Health committee and ensure that we remain current on new findings from the International Commission on Non-Ionizing Radiation Protection (ICNIRP) and international health agencies. There were no incidents of non-compliance concerning the health and safety impact of our products and services in FY2020.

We continued to engage the National Environment Agency (NEA) in Singapore and conducted nine radiation measurements island-wide and at locations of concern during the year. The results showed that our mobile base stations comply with the radio frequency radiation levels and safety guidelines set by ICNIRP. We also ensure that the Effective Isotropic Radiated Power or transmission power of newly commissioned base stations are within IMDA's guidelines.

In Australia, we conduct audits of base stations and undertake predictive EME modelling and testing to ensure that all sites comply with the regulatory standards. These EME reports are published on www.rfnsa.com.au. We work with industry groups such as the Australian Mobile Telecommunications Association and Mobile Carriers Forum to develop public education materials on 5G safety.

CUSTOMER DATA PRIVACY AND PROTECTION

Customer data privacy and protection is the most important topic identified by our stakeholders and through our materiality review. We take a serious view of such matters and ensure that we conduct our business in strict adherence to data protection laws – the Personal Data Protection Act (PDPA) in Singapore and the Privacy Act and Telecommunications Act in Australia. These cover areas such as collection, use, disclosure and care of personal data.

During the year, we recorded 17 incidents in Singapore, eight of which were referred to us by the Personal Data Protection Commission (PDPC). These incidents were mainly due to IT or human error, resulting in personal data being disclosed to the wrong party. We terminated the service of three employees for abusing their access to customer information.

In Australia, we continue to proactively probe our internal complaint online tracker database to check if any complaint should have been directed to our Data Protection Office. This will help us with analytics and spot systemic issues. From our active search, we picked up 250 customer data related incidents caused mainly due to staff error and negligence and mostly affecting individuals. We reported one data breach to the Office of the Australian Information Commissioner (OAIC) where some of our customer details were published online or in print by the directory services provider when our customers had requested not to. We also corrected these records with the directory services provider.

EME measurement and modelling from our 5G base station



Dr Phill Knipe (right), did a live demonstration of 5G radio signal measurement at our Optus Campus in Sydney

In January 2020, we engaged Dr Phill Knipe, a physicist with a PhD (Physics) specialising in ionising and non-ionising radiation measurement. He carried out a live demonstration using a spectrum radio analyser to measure the radio signals from our 5G base station at our Optus Campus in Sydney.

The readings were well within the safety limits defined by Australian Radiation Protection and Nuclear Safety Agency (ARPANSA). Based on his findings, there is also no established health effect as a result of radio waves from 5G networks.

More information can be found at our [website](#).

We continue to educate our staff and improve practices and processes to reduce the recurrence of data breaches. Each employee must complete an online privacy training annually and we have also conducted targeted training with the customer service teams both onshore and offshore through formal face-to-face sessions or informal meetings.

PDPC did not impose non-monetary sanctions against Singtel over these incidents. However, the regulator imposed two fines totalling S\$34,000 for not putting in place reasonable security measures to protect customers' personal data which led to unauthorised disclosure of some of our customer information on MySingtel app.

Figure 1:

Managing customer data privacy and protection



Trustwave Fusion Platform supports customers on handling cyber threats



The Trustwave Fusion Centre coordinates rapid response and offers enterprises real-time cyber security insights

With cyber threats increasing in frequency and sophistication, businesses are turning to Singtel to protect themselves against cyber risks. Our newest Trustwave Fusion Platform features a 'mobile Security Operations Centre' that offers enterprises real-time insights into their security status, allowing them to respond very quickly within minutes, to any cyber incident thus reducing the cyber attacker's potential window of opportunity and damage caused.

Marketplace and Customers

Ethical and Responsible Business Practices

FAIR MARKETING COMMUNICATIONS

Fair marketing practices and transparent communications are critical to build trust and loyalty with our customers. Our marketing code is based on various laws and guidelines such as the Singapore Code of Advertising Practice, which sets marketing communications guidelines for Singtel organisations and representatives.

There were no cases of non-compliance with regulations and voluntary codes concerning marketing communications in Singapore during the year. The Advertising Standards Authority of Singapore (ASAS) clarified with us on four cases from customers who felt that our promotions and advertisements were not clear or could be misleading. We reviewed the feedback and made text changes to two of our promotions accordingly.

In December 2019, the Australian Competition and Consumer Commission (ACCC) fined Optus A\$6.4 million for misleading claims about home internet disconnections to consumers. We offered customers a cost-free exit from contracts signed due to such claims. Optus was fined A\$504,000 in January 2020 by the Australian Communications and Media Authority (ACMA) for breaching spam laws. We apologised to our customers and took prompt action to address the issues. We will also undertake an independent review of our systems and processes in our Australian operations to tighten the management of marketing communications, including approval of marketing and advertising copy.

ANTI-CORRUPTION

We continue to manage the Group's exposure to corruption risks by applying and emphasising good corporate governance, business ethics and transparency while applying robust internal controls in business processes as our core approach.

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 the Whistleblower Programme underpin our fraud risk management framework and processes. The [Singtel Group Anti-Bribery and Corruption Policy](#) reinforces our long-standing zero tolerance approach to bribery and corruption of any form that is set out in our Code of Conduct. All Singtel Board members, employees and third parties who represent us such as suppliers, contractors and business partners, must comply with this policy at all times. Please refer to our [website](#) for more information on this topic under Corporate Governance.

Every year, all employees must go through mandatory online refresher courses, including Code of Conduct, Fraud Awareness and Anti-Bribery and Corruption Policy. We review these mandatory courses periodically to ensure that the content remains up to date.

We received 151 cases via our whistleblower channels during the year. Upon investigation, 46 cases were substantiated and 72 cases were not. 33 cases remain under investigation as at 31 March 2020. Six of the substantiated cases took place outside Singapore and Australia. In addition, we closed 35 matters received in the prior year that were still under investigation as at 31 March 2019, of which 14 were substantiated.

Highlights of the 60 substantiated cases:

- 35 cases of employee misconduct, undeclared conflict of interest and inappropriate behaviour
- 9 cases of staff fraud
- 12 cases involving breach of policy including IT security policies
- 4 cases of identity theft

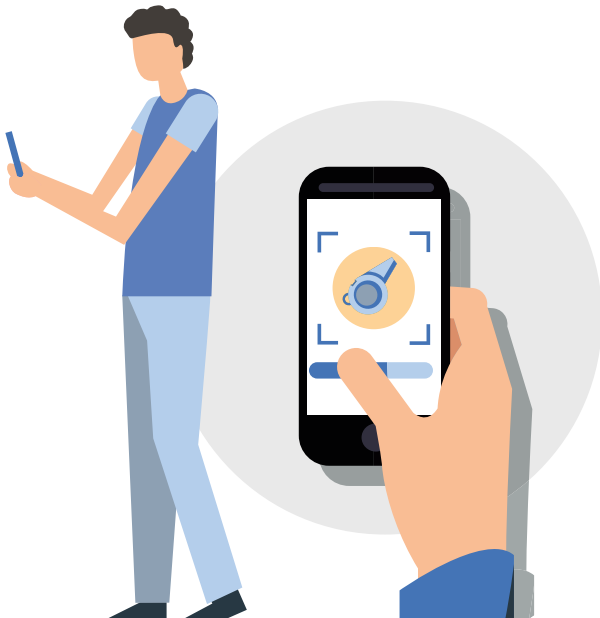


Independent investigations were immediately conducted by our Internal Audit or teams led by subject matter experts when such cases were brought to our attention. When an alleged corrupt or other criminal act involving an employee is found to be substantiated, we will terminate the employment of the employee and report the matter to relevant law enforcement authority.

During the year, there were no incidents of staff dismissal or disciplinary action nor termination or non-renewal of business partners due to corruption.

MOST WELL-GOVERNED AND TRANSPARENT COMPANY

Singtel was named the most well-governed and transparent company in Singapore for the fifth consecutive year in the Singapore Governance and Transparency Index 2019 by CPA Australia, NUS Business School's Centre for Governance, Institutions and Organisations, and Singapore Institute of Directors. We scored 129 out of 143 points, topping the list of about 600 listed companies.



Number of cases received in FY2020 via whistleblower channels			
	SINGTEL	OPTUS	SINGTEL GROUP
Received	43	108	151
Substantiated	17	29	46
Not substantiated	13	59	72
Under investigation	13	20	33

Number of cases under investigation as at 31 March 2019			
	SINGTEL	OPTUS	SINGTEL GROUP
Opening balance	8	27	35
Substantiated	4	10	14
Not substantiated	4	17	21

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

The Singtel Group has an extensive supply chain ranging from mobile and network equipment and infrastructure suppliers, to content providers, security and managing agents. Given the complex nature and the widespread geographical presence of our supply chain, we believe that by collaborating with socially and environmentally conscious suppliers, we can mitigate a significant proportion of our sustainability risks and impact. Results from our Life Cycle Assessment (LCA) and Social Hotspot Analysis are testament to the need for responsible procurement practices in our business. Please refer to our [website](#) for more details.

All new suppliers are assessed against ESG criteria through our sustainability questionnaire as part of their on-boarding process. This applies to tenders above \$200,000 across the Singtel Group. 100% of such new suppliers completed the assessment against the criteria during the year.

In Australia, we have formed an Optus Indigenous committee to improve our engagement with Indigenous organisations such as Supply Nation and identify partnership opportunities. The committee will plan the Indigenous strategy across both Optus Business and Consumer Australia, which includes raising awareness, creating a robust procurement plan and volunteering opportunities, and boosting participation in education programmes for Indigenous Youth.

The Singtel Group contracted **6,469** suppliers worldwide in FY2020

Marketplace and Customers

Ethical and Responsible Business Practices

OVERVIEW

ENVIRONMENT

SOCIAL

GOVERNANCE

MANAGING SUSTAINABILITY IN OUR SUPPLY CHAIN

We have a Third Party Service Provider security risk governance programme that targets third party vendors outside of offshore vendors. During the year, we undertook a Security Compliance Assessment and visited 17 offshore secure locations to ensure that they were set up according to the agreed regulatory security architecture and controls.

During the year, we engaged supply chain expert ELEVATE to assess the state of our sustainable supply chain management, programmes and initiatives. The engagement included risk assessment and supplier mapping, where our suppliers were assessed according to inherent geographic and product risks. It will also include the enhancement of our sustainable supply chain management framework in the new year.

RESPECTING HUMAN RIGHTS

We respect and support the human rights of individuals regardless of who they are, and where they live. We need to prevent breaches in our supply chain and tackle the growing global concern on modern slavery.

As a signatory of the UN Global Compact since 2007, we are committed to upholding its ten principles, including human rights and labour issues. We use the UN Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights to guide policy development to help us better assess, mitigate and combat the impact of modern slavery in our operations and supply chain.

With the Modern Slavery Act passed in Australia in late 2018 and enforced in January 2019, we have reviewed and updated the Singtel Group Master Supply Agreement to incorporate its requirements. We have updated our Supplier Code of Conduct to incorporate measures addressing labour and human rights. We communicate this to suppliers at the commencement of the tender process so that they understand the expectations of working with us. We expect to publish a new Singtel Group Human Rights Policy and a Modern Slavery statement later this year.

SAFETY OF OUR CONTRACTORS

Workplace Safety and Health (WSH) is of paramount importance to the Singtel Group. We therefore want our employees, suppliers and contractors to have good safety habits and practices.

We introduced in 2016 the Singtel Safe Contractor Accreditation (SCA) scheme, a set of Singtel's WSH standards for contractors who perform high-risk technical or physical work. During the year, we worked closely with 98 SCA accredited contractors, who underwent their first year of surveillance audit to maintain the validity of their accreditation. Those who failed to do so were barred from obtaining future contracts with Singtel.

71 of our contractors categorised under the high-risk group have also attained the bizSAFE Star status which is the highest achievement under the bizSAFE programme by the WSH Council in Singapore. To recognise contractors for their dedication and good WSH practices, we launched the inaugural Singtel Safety Forum & Contractor Recognition Award Ceremony in January 2020. Seven contractors who completed their three-year cycle of the SCA programme were recognised by our management.



Seven contractors who excelled in WSH practices were recognised at the inaugural Singtel Safety Forum & Contractor Recognition Award Ceremony

FY	2016	2017	2018	2019	2020
Number of contractors accredited	8	48	62	68	98

Since the implementation of the Critical Permit to Work system, we assessed more than 1,600 high-risk work (e.g. confined space, work at height, hot work) that were carried out on our premises with no incident reported. We were able to achieve this through stringent safety checks and documentation, site enforcement and sharing of best practices incorporated into our operations.

In Australia, we are certified under the AS4801, the Australian Standard for Safety Management, which demonstrates that we continue to meet a high standard of safety management systems. We also successfully passed the audit by the Office of the Federal Safety Commissioner in November 2019.

We have established an HSE Critical Incident Hotline for immediate reporting of serious incidents by contractors and staff. This enables prompt and accurate reporting of incidents that may need to be communicated to our Australian safety regulator immediately to meet legislative timeframes.