

Sustainability

Our Sustainability Pillars

As a communications group, we are at the very centre of our customers' daily lives – be it at home, work or play. We work hard to meet and even exceed all stakeholders' expectations to earn their trust and confidence.

Our commitment is to be best-in-class in terms of service quality, corporate governance, corporate sustainability and community commitment. As a signatory of the UN Global Compact, we uphold its ten principles covering human rights, labour practices, environment and anti-corruption.

As a responsible corporate citizen, we continue to look at ways to build a sustainable business and grow together with all our stakeholders. We also engage a diverse group of stakeholders to understand their concerns and expectations, so that we can anticipate and respond to their needs. In FY2014, we completed the second year of a three-year stakeholder engagement programme in Singapore.

Every year, we benchmark our sustainability efforts in Singapore and Australia against global best practices. Our review over the past year has affirmed our commitment to the four pillars of Marketplace and Customer, People, Community and the Environment.

We are also undertaking an extensive business sustainability materiality review across the SingTel Group in Singapore and Australia. The findings will help us to refine our strategy and continue to stay relevant in our rapidly changing operating environment.

MARKETPLACE AND CUSTOMER

Increasing stakeholder value and leading the market with innovative ICT services and care for our customers

COMMUNITY

Driving positive and sustainable changes to disadvantaged communities, focusing on vulnerable young people and bridging communities through ICT

PEOPLE

Providing challenges and opportunities for our people and maintaining a diverse, inclusive and collaborative workplace and culture

ENVIRONMENT

Managing our environmental footprint through resource conservation and pollution prevention

Marketplace and Customer

The SingTel Group is committed to leading the market with care for our customers and innovative infocomm technology (ICT) services that help them stay connected and improve their personal and professional lives.

We adhere to the highest standards of corporate governance and responsible business practices. We also hold our partners and suppliers to those same high standards.

INNOVATING FOR INCLUSION

In the digital age, we are leading the way in delivering products and services to customers – no matter where they are and what devices they use. To look after the well-being of our community stakeholders, we also offer solutions that are both socially and digitally inclusive.

We want customers who do not have credit cards to enjoy the same access to the universe of mobile apps as others. To this end, we created mCash, a stored

value facility. With mCash, customers can pay for services such as prepaid SIM card top-up, money remittance and game credits purchase.

We also encouraged seniors to be part of the digital world by introducing the first mobile data plans in Singapore targeted at users aged 55 and above. We offer a 20% discount on two of the most popular 4G data plans among seniors, with a selection of handsets at no extra charge.

Innovation is a part of the SingTel Group's DNA, and we constantly improve our products and processes. For more details, please read our business reviews from page 16 to 35.

TAKING RESPONSIBILITY

The internet and mobile devices have brought us many benefits such as easy access to information and entertainment. Youths and children have also become more vulnerable to risks such as cyber bullying and the loss of privacy.

As service providers, we do not have full control of the internet. However, we are determined to play a pivotal role in educating stakeholders and protecting at-risk groups in this space.

In Australia, we developed and introduced the Digital Thumbprint programme in consultation with leading education experts. The programme offers high schools workshops that educate students to be savvy, responsible and proactive members of the online community.

In partnership with Kids Helpline, the country's only free 24-hour phone and online counselling service for the young, we launched a new initiative called Kids Helpline @ School. The initiative connects primary school students to counsellors via video or voice to discuss topics such as cyber bullying. We deliver both Digital Thumbprint and Kids Helpline @ School to schools across Australia at no charge.

1 The **Digital Thumbprint programme** educates high school students to be savvy, responsible and proactive online users

2 **Kids Helpline @ School**, Australia's only free 24/7 phone and online counselling service, connects primary school students to counsellors via video or voice to discuss topics such as cyber bullying



1



2

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OUR COMMITMENT TO CUSTOMER AND DATA PRIVACY

We conduct our business in full compliance with local laws and regulations, and have implemented additional measures to protect our customers' personal information. These include:

- Safeguards to prevent security breaches in our networks and database systems
- Limits on access to information in our systems and the systems of our business partners and vendors
- Strict verification processes to prevent unauthorised access to information

Our approach goes beyond customer data protection and is designed to ensure continued engagement to encourage customers to deepen their trust in us.

- We know that privacy is important to our customers and we strive to be as open and transparent as possible in how we serve them.
- We have always been mindful of engaging our customers in a more targeted and relevant way. We will provide our customers with control and will seek their consent on how we collect, use and disclose customer data.

We are determined to continue being recognised as a trusted operator by both our customers and partners.

Community

Our Group's community mission is to enable the inclusion and well-being of people through digital and infocomm technologies.

Going forward, we will continue to leverage our core strengths and that of our staff, be it in specific technological capabilities or skills or financial support, to provide the most impactful support to our communities.

HELPING YOUNG PEOPLE

For more than a decade, we have been championing the cause of children and youths with special needs in Singapore through the SingTel Touching Lives Fund (STLF). Since the Fund's inception in 2002, we have raised close to S\$28 million to help this community segment.

This past year, we raised S\$2.75 million through activities supported by the company, our employees, business partners and the public. In addition to cash donations, our staff gave their time generously – organising more than 20 activities and spending more than 5,000 hours volunteering to support our beneficiaries: APSN Chaoyang School, APSN Tanglin School, Cerebral Palsy Alliance Singapore School, Eden School, MINDS Lee Kong Chian Gardens School and the Singapore Cancer Society's Help the Children and Youth Programme.



Under our Optus Community Grants programme, which provides up to A\$10,000 for projects providing education, well-being or technology access for young Australians, we have disbursed almost A\$1.2 million to 200 youth-focused community organisations over the past six years.

Another key initiative is partnering The Smith Family to improve young people's education in Australia. The Smith Family Mobile Student2Student programme helps students improve their reading skills via mobile phone. This programme targets disadvantaged young people in remote areas without fixed-line access. At the end of 2013, more than 93% of participating students showed improvements in their reading abilities since the start of the programme.

In September 2013, we introduced yes4Good, a one-stop online portal for Optus staff to donate their time or money to charities and causes they are passionate about. The company supports our people's giving by

matching up to A\$100 per person each year whether they give time or money.

Providing skilled volunteering is one way we can utilise our people's skills to build capacity in charity organisations and assist them in achieving their goals. As an experienced Lean Six Sigma organisation, the Optus Customer Experience team developed the Limelight pathway to provide pro-bono services to non-profit organisations that help add value to their business. Optus staff volunteered 153 hours through the programme in FY2014.

HELPING OUT IN TOUGH TIMES

Disasters are unpredictable. But at the SingTel Group, our coordinated efforts are planned to be responsive and effective to help our customers and the local community in times of need.

After Typhoon Haiyan ripped through the Philippines in November 2013, SingTel made a combined corporate and

staff-funded donation of more than S\$170,000. Optus also contributed 150 satellite phones to our regional mobile associate, Globe, to facilitate communication. In April 2014, 20 volunteers from SingTel and Optus travelled to the Philippines to help rebuild a village that was destroyed by Typhoon Haiyan, together with staff volunteers from Globe.

We also promptly stepped up when the bushfires in New South Wales, Australia struck in October 2013 to support customers in the affected areas. We waived disconnection fees and offered a call diversion service from landlines to mobiles at no cost. Free prepaid phones and SIM cards were made available in the stricken Blue Mountains and Richmond areas. We also supported the Red Cross Disaster Relief and Recovery effort by setting up an SMS donation system, enabling the public to make A\$5 donations to support the relief efforts.



- 1 Members of SingTel Management spent a fun afternoon with children from our beneficiaries
- 2 450 children from the STLF beneficiaries were treated to an exclusive carnival at the Marina Barrage organised by 600 SingTel volunteers
- 3 Globe paid for and handed out 7,000 bags of relief goods consisting of rice, noodles and canned food to Filipinos affected by Typhoon Haiyan

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People

Our people are the heart and soul of SingTel. It is their talent and commitment that propel the business forward, as we strive to be a company that they can be proud to be a part of. We provide a diverse, inclusive and collaborative workplace where each person is energised and engaged to perform and develop to their fullest potential.

ENGAGING ACTIVELY

SingTel has been measuring employee engagement since 1998 because we know employee satisfaction is fundamental to customer satisfaction, and ultimately to business performance.

Results from each engagement survey are rigorously analysed to guide meaningful action – from strategic initiatives at the Group level to business unit plans championed by employee Change Leaders in collaboration with their colleagues and managers.

Our holistic approach to employee engagement encompasses every aspect of their journey with us: attraction, selection, development, performance and even alumni initiatives should they leave the organisation.

At the heart of driving sustainable employee engagement is SingTel's Connect & Grow employee value proposition. Connect & Grow underscores our commitment to building strong relationships among our people, developing talent and enabling employees to grow their career with us.

CONNECTING AND GROWING AT SINGTEL

Sustainable business success entails ensuring a strong pipeline of talent – having the right people in the right roles at the right time.

We look out for strong candidates even before they join the workforce. Through our Management Associate Programme and various scholarship programmes, we identify and coach young talent with leadership potential.

We have comprehensive processes in place to identify high-potential employees starting at the team level and rolling up to the SingTel Board Talent review. Our review process was enhanced in 2013, enabling us to double the size of talent identified in this pool.

OUR COMMITMENT TO WORKFORCE DIVERSITY

We believe that workforce diversity is essential to building and sustaining our competitive advantage. Such diversity fosters innovative thinking and creative solutions to business challenges, beyond any single individual employee or department's experience and capabilities.

Diversity at the Group refers to the ways in which we differ, including gender, age, ethnicity, language, cultural background, physical ability and lifestyle choice. We accept and respect these differences, and leverage the richness of our varied backgrounds, ideas and perspectives to support the Group in realising our potential in a global market.

As a leading employer, we are committed to developing and maintaining a diverse, inclusive and collaborative workplace and culture. Through our values, policies and behaviours, we aim to promote an environment where individual differences are recognised and valued. All employees have the opportunity to realise their potential and contribute to our overall success.

This commitment includes establishing measurable diversity objectives, beginning with gender diversity in our main employee populations in Australia and Singapore. We will continuously improve the proportion of women across all levels of our workforce, ensuring that females are well represented across the Group throughout our pipeline of talent.

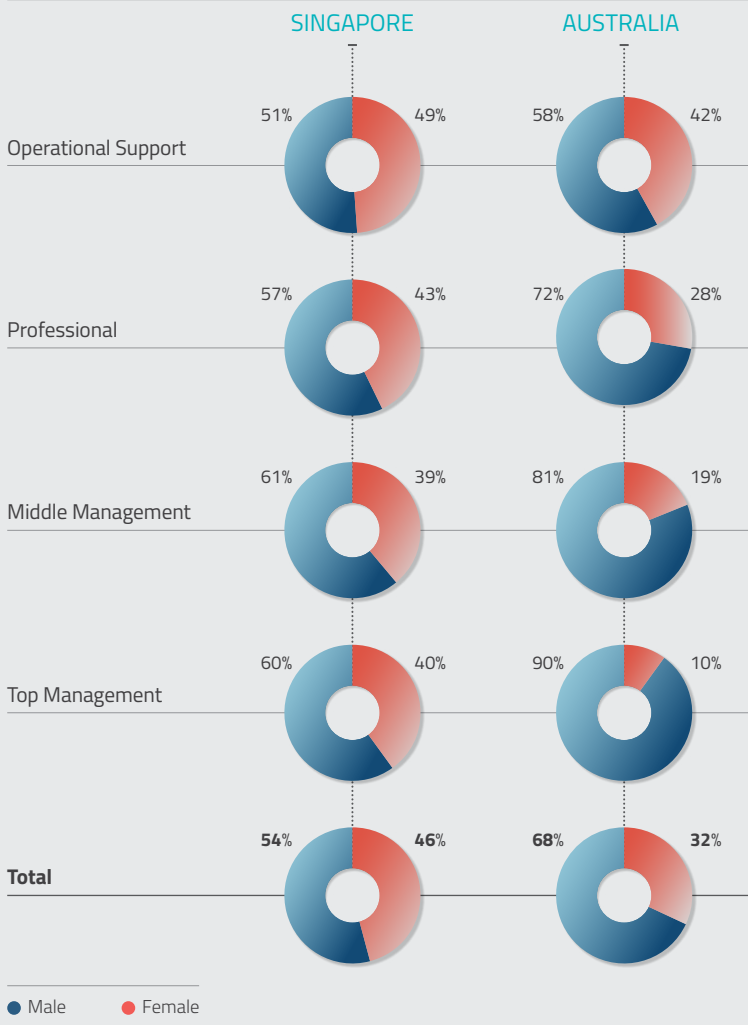
We are committed to workforce diversity whereby each person is energised and engaged to perform and develop to their fullest potential.



TOTAL STAFF:



GENDER DISTRIBUTION



Our flagship global executive development programmes continue to be reviewed and updated to build the leadership pipeline and talent bench strength across the company. In FY2014, our high-potential young executives from SingTel, Optus and our regional mobile associates attended the Regional Leadership in Action programme, a learning experience designed to stretch their thinking, provide new concepts and support more regional collaboration and peer learning.

PROVIDING THE RIGHT TOOLS

Our approach to learning and development takes into account that our talent pool is truly global, from diverse cultural backgrounds spanning multiple generations – from Baby Boomers all the way to Millennials.

One of the most popular events on our learning calendar is the annual SingTel Learning Fiesta (SLF), which has been growing from strength to strength since its introduction in 2008. It provides access to well-known keynote speakers and new business showcases. It also offers short courses and activities that cover a wide range of topics such as innovation, technology, health and well-being, and personal development. Held over four days, SLF 2013 covered more than 70 topics and almost 15,000 training places across Singapore, Australia and, for the first time, the US.

We further empower our people by providing the tools to plan and take charge of their own professional development. Career development is embedded into our performance management process so that employees can track their growth.

WORKING THE WAY WE LIVE

As a communications company in the digital media business, the way we work and engage with one another must reflect the ubiquity of social media and mobile technology.

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A key resource for engaging and enabling our people is ESPRESSO, our internal social network that connects our global workforce. ESPRESSO provides an open and integrated forum for reading company announcements, providing feedback to leaders or just sharing information.

To help our people stay connected on the move, we developed mobile app versions of ESPRESSO, our employee directory and HR systems. Our learning and development and recruitment mobile apps provide a highly interactive participant experience that includes gamification.

CELEBRATING OUR WORKPLACE

We promote a fair, performance-based culture anchored on our five core values of Customer Focus, Challenger Spirit, Teamwork, Integrity and Personal Excellence.

We understand the importance of flexible working arrangements, and supplement our annual leave policies with other forms of family leave. We also

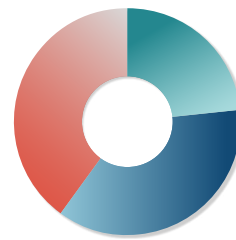
provide paid time-off for studies and volunteer activities.

Our reward policies are competitive against industry peers with a strong focus on paying for performance. We remain relentlessly committed to a safe, healthy work environment, and foster a proactive and collaborative partnership with employees directly, as well as through the Union of Telecoms Employees of Singapore. Our Employment Partnership Agreement in Australia, a collective agreement made directly between Optus and employees since 1994, was renewed in late 2012 for another three years.

We have progressed from defining employee engagement in terms of how our people think, feel and act, to also asking if employees feel enabled and energised. In 2013, we introduced a new dimension to our employee engagement survey to understand to what degree our employees are also our advocates – for instance, if they recommend SingTel as a workplace and if they recommend our products and services to friends and family. Our goal is to instil and strengthen pride in being part of SingTel.

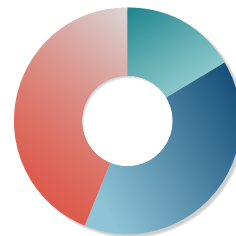
AGE DISTRIBUTION

Singapore FY2014 (%)



Boomers (Pre 1965)	23
Gen X (1965–1977)	37
Gen Y (1978 onwards)	40

Australia FY2014 (%)



Boomers (Pre 1965)	16
Gen X (1965–1977)	40
Gen Y (1978 onwards)	44



SingTel staff ushering in the Year of the Horse together

Our people
come from

88

different
countries

Environment

SingTel continues to manage and minimise the environmental impact of our business and operations. We focus on energy-efficient practices and technologies, resource conservation and pollution prevention.

Our early efforts to increase environmental awareness and reporting in this area have been recognised regionally. SingTel was listed on the CDP Asia (ex-Japan) 2013 Climate Disclosure Leadership Index, where CDP recognised SingTel for having the best disclosure score in the category of Best New Responding Companies in 2013.

In the coming year, we will continue to strengthen our governance, improve our programmes and enhance our disclosure on the company's impact on the environment.

We are committed to adopting a holistic approach to manage the environmental impact across our value chain as we engage our suppliers and customers in these processes.

CONTINUOUS IMPROVEMENTS AT WORK

To reduce our environmental footprint, we continue to implement various initiatives such as the Managed Printing System, which cuts wasteful printing by holding print jobs until the user taps his or her staff access card on the network printer.

In FY2014, our Singapore office at Serangoon North achieved the Green Mark certification for existing buildings, as well as the PUB Water Efficiency Building Award, after undergoing a major retrofitting exercise. In other premises and work areas, energy efficiency and management measures continue to be rolled out. This includes overhauling and replacing chillers to more energy efficient ones and exploring the use of alternative energy in our operations.

We are extending our Performance Enhancement Lighting Management System project to seven telephone exchanges and two satellite earth stations in Singapore as a result of a successful conclusion of a trial in one of our telephone exchanges.

CUSTOMER, PARTNER AND STAFF PARTICIPATION

We create opportunities for our stakeholders to contribute to our sustainability efforts.

Optus has been a member of MobileMuster since 2007, the official product stewardship programme for Australia's mobile phone industry. We support the programme by recycling mobile phones at our corporate offices and retail stores nationwide. Last year, we collected close to 20,000 phones and worked to prevent phones, batteries and accessories from ending up in landfills.

SingTel was the first to introduce an operator-led mobile phone recycling programme in Singapore via a partnership with Nokia. Since 2011, we have been providing a channel for customers and the public to recycle their old mobile phones, chargers and accessories regardless of brand. More than 5,000 handsets were collected via post and our mobile phone recycling bins.



More than 600 trees have been planted in Singapore since SingTel's inception of Plant-A-Tree Day five years ago

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KEY ENVIRONMENTAL AND SOCIAL PERFORMANCE INDICATORS

	Singapore		Australia		
	2014	2013	2014	2013	
Environmental Performance¹	Energy use (GJ)	1,274,390	1,270,488	1,407,028	1,370,288
	Carbon footprint (tonnes CO ₂ e)	186,303	189,107	346,102	344,997
	Water use (cubic metres)	705,886	788,726	91,955	97,872
	Hazardous and non-hazardous waste (tonnes)	4,124	4,293	1,271	658
Social Performance - People	Employee turnover (%)	12.9	15.4	8.4	10.0
	Employee turnover by gender (%)	Male 11.5 Female 15.1	Male 15.6 Female 15.1	Male 9.0 Female 10.0	Male 9.0 Female 14.0
	Gender diversity (% female of total)	38.0	38.0	32.0	31.0
	Average training hours	31.0	31.6	28.5	25.7
	Workplace injury rate (number of workplace injuries per 100,000 persons employed)	143.7	164.4	146.5	158.7
	Accident frequency rate (number of workplace accidents per million man hours worked)	0.3	0.5	0.7	0.8
	Accident severity rate (number of man days lost to workplace accidents per million man hours worked)	7.7	6.4	19.8	13.5
Social Performance - Community	Community investment	S\$9.3 million	S\$4.0 million	A\$9.7 million	A\$9.4 million
	Total volunteering hours	12,144	10,935	8,724	6,835

Note:

¹ Please refer to the SingTel and Optus sustainability reports for the reporting scope of environmental indicators.

For more details, refer to our
Sustainability Report at:
singtel.com/sr2014

