

Sustainability

As Asia Pacific's leading ICT service provider, Singtel recognises that our operations touch millions of people's lives in the region. Unlocking the potential of connectivity and giving more people access to technology are some of the ways that our business achieves social good. Yet our commitment to the communities we serve runs even broader. As a responsible corporate citizen, we believe in building a truly sustainable business – one that is a genuine force for social inclusion, with a value chain based on the highest standards of ethics and governance.

Our four sustainability pillars revolve around the marketplace and customers, community, people and the environment.

Marketplace and Customers

Being accountable in the marketplace is central to everything we do. This includes upholding important responsibilities when it comes to our customers.

To maintain their trust, we strive to meet the highest standards of ethical practices and transparency. We work closely with our business partners and supply chain to ensure that they too operate with care.

SAFEGUARDING PRIVACY

In today's digital world, we understand that the privacy and safety of personal and corporate data are important to our customers. We are committed to respecting customer privacy and keeping their data secure. We strive to comply with local laws and regulations, and we have implemented additional measures to safeguard their information.

We extended these privacy measures to our key supplier partners in 2015, following an information security review of our offshore IT and contact centre operations. We are also enlarging our market footprint as a trusted provider of cyber security

services and continuing to expand our capabilities to protect our government and enterprise customers.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Supply chain responsibility is a key part of our sustainability strategy. During the year, we put in place a Sustainable Supply Chain Management strategy and framework, with the goal of becoming an industry leader in this area by 2020. In addition, we updated our Group Supplier Code of Conduct in Singapore and Australia to ensure alignment across the Group and with our UN Global Compact commitments. We have integrated the updated Code into all new supplier contracts worth more than \$5,000 since September 2015.

Understanding the impact of how we source is essential to improving our sustainable practices. We initiated a Group-wide life cycle assessment as well as a social hotspot analysis. We will incorporate the knowledge we have gained into our ongoing materiality assessments, allowing us to sharpen our focus on the activities that are most relevant to us and our supply chain. We also developed a supplier

assessment framework, which involved mapping our material risks, and are currently conducting supplier self-assessments of key sustainability impacts and compliance requirements across 75% of our supply chain expenditure.

The key to solving these challenges lies in building greater sustainability awareness and expertise among our employees. During the year, we worked on embedding sustainable supply chain management practices into our existing policies and processes. We have also started to educate our employees to raise awareness and advocacy of sustainable procurement practices.



We presented a S\$3 million cheque to Singtel Touching Lives Fund beneficiaries and pledged our continued support to help children and young people with special needs.

Community

We are committed to empowering vulnerable children and youth, including persons with disabilities and special needs. Our fundraising efforts in this area have now been expanded to include hiring and training opportunities for young people, to support their economic potential and capacity to make a difference.

Our Singtel Enabling Innovation Centre (EIC), opened in October 2015 at the Enabling Village, reflects our belief that a truly integrated effort is needed to change lives. Through our expertise, advocacy and resources, we also seek to serve as a catalyst to advance the disability employment agenda and to encourage other

technology innovators and entrepreneurs to step forward and contribute solutions to address social challenges.

HOLISTIC SUPPORT FOR VULNERABLE CHILDREN AND YOUTH

Our programmes for vulnerable children and youth are designed to offer them holistic support. Since its launch in 2002, the Singtel Touching Lives Fund (STLF) has contributed more than S\$33 million towards charitable organisations in Singapore. Our aim is to help beneficiaries with special needs, or those experiencing financial or social disadvantage, to lead productive and independent lives.

We are committed to advancing the disability employment agenda in Singapore as young people require concerted support beyond school. In June 2015, we became a founding member of the Singapore Business Network on DisAbility, together with like-minded companies. This group aims to promote and create fairer access to employment opportunities for persons with disabilities through networking and advocacy.

Preparing students in special education schools for their transition to the workforce is also the focus of our new Singtel EIC. In addition to donating S\$1.99 million towards the facility and training curriculum development, our staff volunteers

Our Approach to Helping the Vulnerable and Disabled



Corporate philanthropy
Singtel Touching Lives Fund



Collaboration and Advocacy
National agencies, voluntary welfare organisations and corporate partners



Skills training
Singtel Enabling Innovation Centre



Social innovation
Singtel Social Innovation Programme

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contributed their specialist expertise in call centre management systems and training methods. The Singtel EIC has also brought in the latest assistive technologies from around the world, enabling persons with disabilities to contribute as equals at work.

In late 2015, the first intake of trainees graduated from the Singtel EIC call centre training programme and went on to take up hiring opportunities with Singapore-based companies. Singtel hired two graduates, both wheelchair users, as webchat call centre officers in our Customer Operations unit. We anticipate employing more persons with disabilities as part of our workforce, and continue to work closely with disability experts to improve the accessibility of our call centre and office premises.

Beyond that, we actively seek to share innovations in disability employment and foster learning and collaboration throughout the region. This year, we arranged for national agency SG Enable, the owner-operator of the Enabling Village, to visit our Thai associate AIS and study its call centre, which employs and supports persons with disabilities. We also referred Singapore government agencies involved in promoting disability employment to our partners in Australia.

PROMOTING SOCIAL INNOVATION FOR THE DISABILITY SECTOR

Singtel recognises the opportunities for the community sector to leverage technology and innovation. We also believe that we are well-positioned to nurture this ecosystem. As a strategic partner of the Enabling Change Social Innovation Programme, we advised entrepreneurs seeking unique solutions on ways to address the challenges faced by persons with disabilities.

This programme, involving 30 aspiring entrepreneurs, was the first of its kind in Singapore. It included a 10-week community engagement phase and a five-month incubation phase designed to support the start-up development process. Solutions were tailored to help people tackle mobility and hearing impairments, as well as caregiver support needs. Our contribution included seed funding for the shortlisted start-ups, logistical support and mentoring advice such as how to pitch ideas to venture capital firms.

CREATING EMPOWERED AND RESPONSIBLE DIGITAL CITIZENS

As a market leader in mobile data and fixed broadband services, we recognise our responsibility to promote good digital citizenship. The internet brings with it a wealth of opportunities, but also inherent risks such as device and gaming addiction, inappropriate content and cyber bullying. We are implementing measures to safeguard the well-being of users, particularly vulnerable children and youth, and promoting a safe online environment.



The Singtel Enabling Innovation Centre opened its doors in 2015 to help people with special needs and disabilities enhance their employability and lead independent lives.



High school students learn how to be digitally savvy through the Optus Digital Thumbprint programme's classroom activities.

Our educational resources have been meticulously designed to empower people in Australia and Singapore to be responsible digital citizens. We have also created a teaching toolkit for special education schools – a first in Singapore.

FOSTERING SOCIAL INCLUSION THROUGH VOLUNTEERING

Giving back to the community is integral to Singtel's culture. We believe that volunteerism not only helps the communities we serve, but also develops character and empathy among our own people – including compassion for the vulnerable in our society.

Our commitment to these values is backed by practical measures such as one day of paid volunteer leave each year for every employee. We also encourage our business units to adopt VolunTeaming, a concept where employees volunteer together for a good cause.

As part of our community outreach, we treated about 800 students from the STLF beneficiaries and other special education schools to a day of fun at our 3rd Singtel Carnival. 1,500 staff volunteers organised the carnival and supervised the food and games stalls. Our annual event is one of the largest in Singapore

organised solely for children with special needs.

This spirit of volunteering now extends to programmes that reach right across the region. In 2015, we held our first skilled Overseas Volunteering Programme, the inaugural AIS-Singtel English Camp, in partnership with our Thai associate. About 30 volunteers from Singtel, Optus and AIS helped 34 university students improve their English language skills. In Australia, our volunteering activities centre on mentoring vulnerable youth through the Australian Business and Community Network.

Our Digital Citizenship Initiatives



notAnoobie

notAnoobie
Singapore's first cyber wellness information resource mobile application to help parents better understand and protect their children from online risks.



iZ HERO

Digital citizenship programme for Singapore primary schools. More than 70,000 students from 170 schools participated in school assembly talks and iZHERO.net.



Optus Digital Thumbprint programme

Digital citizenship programme for Australian high school students. More than 30,000 students participated in over 1,000 sessions.

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People

We want to be an employer that our employees are proud to work for. To achieve this, we strive to create an equal opportunity working environment, and a diverse, inclusive and collaborative culture. Knowing that our employees are key to our successful transformation in this fast-changing digital world, we invest in our people so that they are empowered to grow both personally and professionally, to achieve their full potential.

CREATING A CARING AND SAFE ENVIRONMENT

We promote work-life balance for our employees by providing flexible work arrangements and a wide range

of benefits, including flexi-family leave. They can use this time to celebrate special occasions or to take care of their family.

The health, well-being and safety of our workforce are our priority. We have been offering free annual health screenings and chronic disease management counselling for all employees. This enables them to identify and address emerging health concerns early. They and their immediate family members also have access to the Work-Life Coaching Programme, a professional consultancy service for work-life and job-related issues, run by external consultants to ensure

confidentiality. In addition, the Singtel Recreation Club organises sports, recreational activities, workshops and talks to foster employee engagement and interaction.

We actively promote workplace occupational health awareness among our employees to cultivate a positive workplace health and safety culture. We became a bizSAFE Partner in Singapore in 2016, and we are also on track to certify our Workplace Safety and Health management system to the Singapore Standard SS506 certification and OHSAS18001 standards.



In celebration of SG50, Singtel staff spent an unforgettable evening with their families at Universal Studios Singapore.



1,500 Singtel staff took time off to arrange a day of fun at the 3rd Singtel Carnival for our beneficiaries and children from special education schools in Singapore.

FOSTERING DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY

Our global workforce is multicultural and multigenerational, consisting of more than 25,000 employees from over 90 different nationalities. This diversity is an innate strength that helps foster innovation across our organisation.

We actively promote diversity in the following four key areas: gender diversity, multigenerational workplace, multicultural awareness and differing abilities.

Gender Diversity

Female employees account for 37% of our workforce in Singapore and 33% in Australia. While women fill 30% of our upper and middle management positions overall, we recognise that more work needs to be done to improve the representation of female leaders, particularly at Optus. Our Women in Leadership Series is a multifaceted strategy designed to

build a durable pipeline of female talent, increase awareness and advocacy of equity goals across the organisation, and provide women with networking, coaching and mentoring opportunities. We have also established a Female Diversity Committee within our Group Enterprise business to advance these objectives.

Multigenerational Workplace

We value the contributions of all employees, irrespective of their age. To ensure that we can continue to tap on the wealth of knowledge and expertise of mature workers, we signed a memorandum of understanding with the Union of Telecoms Employees of Singapore, committing to offer re-employment opportunities to all Singtel employees approaching the retirement age of 62. During the year, we re-employed 86 out of these 113 employees, bringing our current number of employees aged over 62 to 290. We encourage

mature workers to upgrade and equip themselves with the skills to adapt as our industry rapidly evolves.

Multicultural Awareness

Cultural diversity is part of the Singtel DNA. Throughout the year, we supported awareness and inclusion through multicultural celebrations and events. In Australia, for instance, we hold regular cultural days and fairs at our Optus campus in Sydney. These events bring together employees from different backgrounds to showcase their unique culture through food, performances and artworks.

Differing Abilities

We believe in harnessing our diverse workforce to serve the common good. Our most significant community initiatives are targeted at groups with special needs, such as persons with disabilities or those experiencing financial or social disadvantage. For more information, refer to the Community section on page 92.

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PROVIDING OPPORTUNITIES FOR OUR PEOPLE

We actively nurture employees early in their careers and seek to develop the next generation of leaders at all levels of our organisation.

Our Cadet Scholarship Programme grooms high potential diploma students in the areas of network engineering, cyber security and customer experience. We offer a Management Associate Programme that gives top graduates and young professionals access to a structured developmental road map comprising meaningful job rotations, international assignments, leadership training, mentoring and career coaching. Another important initiative is SHINE, which offers internships to promising young

polytechnic and university students, and accelerated pathways for top performers.

High potential employees are given the chance to build critical skills and experiences through rotations, overseas assignments with a larger scope of responsibilities and to broaden their exposure through the Regional Leadership in Action and Game for Global Growth programmes. These initiatives aim to accelerate the creation of a strong regional talent pool across the Group – one that will support our future transformation goals.

With the rapid changes shaping our industry, it is important for our employees to keep abreast of the latest industry developments. We offer comprehensive training focused on

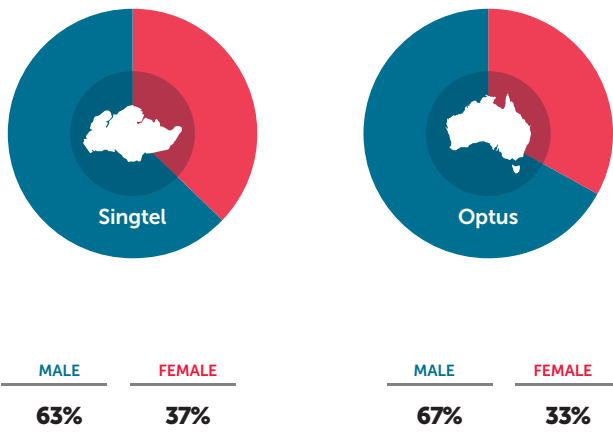
our strategic priorities and business needs including cloud services, analytics, cyber security and smart cities. Employees are also encouraged to map out their own professional development plans.

Our annual Learning Fiesta was once again a popular training initiative. Originally introduced in Singapore, we now offer the Learning Fiesta to employees in Australia, Malaysia, Hong Kong, the Philippines and the US. The event enables employees to listen to high-profile speakers, visit new business showcases and participate in courses and activities. This year, we offered more than 20,000 learning places across 170 courses.

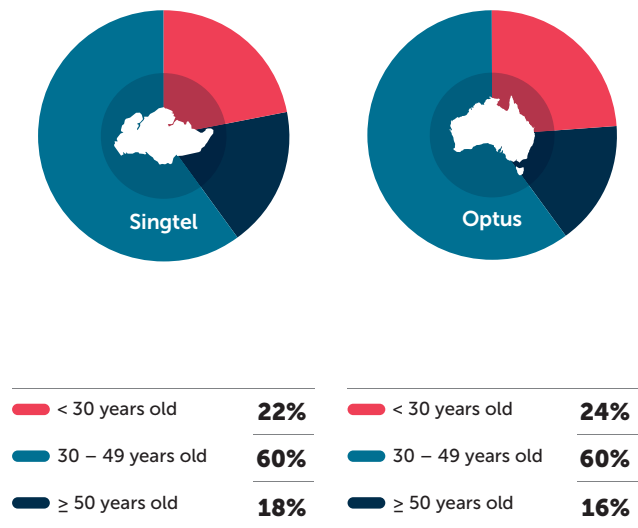
In FY 2016, each employee received an average of 32.2 hours of training.

Employee Diversity by Gender and Age

Gender Distribution



Age Distribution



Environment

Minimising our environmental impact is fundamental as we expand our network infrastructure to meet the ever-growing demand for communications services. As a recognised leader in this area, we strive to operate as efficiently as possible and pursue sustainable practices throughout our product and supply chain. Our longer-term goal is also to make our networks resilient to the effects of climate change.

Addressing Climate Change

In 2015, we commissioned an in-depth study on the impact of climate change across our operations and established an action plan to mitigate major impacts. This will support our efforts to minimise our carbon footprint and improve operational efficiency as our overall energy consumption increases along with our growing network.

Integrating the Environment Agenda into our Value Chain

Our 2020 Sustainable Supply Chain Management strategy is designed to ensure our business continues

to grow in harmony with the environment. For more information, refer to the Sustainable Supply Chain Management section on page 91.

Engaging our Stakeholders

In Australia, where natural disasters are prevalent, Optus is a founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities. The organisation promotes greater collaboration between government, industry and communities. It also conducts research and recommends policy changes that will improve society's capacity to withstand future climate change disasters.

Product and Resource Responsibility

Our commitment to sustainability extends to all aspects of our product and supply chain. To minimise electronic waste, we wipe data and resell, reuse or recycle employees' electronic devices that are no longer needed. We also offer a buyback scheme to encourage customers to trade-in used devices. Our retail

shops in Singapore and Australia offer recycling facilities, making it easy for customers to drop off products and accessories that have reached end-of-life.

OUR PERFORMANCE

Our environmental initiatives have received international recognition. We were ranked 81st globally and 1st among all Singapore companies in Newsweek Green Rankings' Top Green Companies in the World 2015. The rankings assess the overall environmental performance of the 500 largest publicly traded companies globally.

We also received a score of 93C in the Carbon Disclosure Project's Climate Performance Leadership Index 2015, an improvement on our score of 80B in 2014. This index recognises the achievements and transparency of international companies in their efforts to tackle climate change. Our score demonstrates the significant progress we have made in disclosure and reporting despite our growing energy requirements as a result of network expansion.

Our Environmental Strategy



Addressing climate change



Integrating the environment agenda into our value chain






Engaging our stakeholders



Product and resource responsibility

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KEY ENVIRONMENTAL AND SOCIAL PERFORMANCE INDICATORS

		Singapore		Australia	
		2016	2015	2016	2015
 Environmental Performance ⁽¹⁾	Energy use (GJ)	1,379,633	1,338,904	1,657,262	1,533,360
	Carbon footprint (tonnes CO ₂ e)	174,112	176,454	420,827	402,750
	Water use (cubic metres)	756,398	691,389	70,254 ⁽²⁾	60,422 ⁽²⁾
	Hazardous and non-hazardous waste (tonnes)	4,223	4,015	1,503	1,425
 Social Performance – People	Employee turnover (%)	14.5	13.8	10.7	10.4
	Employee turnover by gender (%)				
	– Male	14.7	14.7	9.1	9.0
	– Female	14.3	12.3	14.1	13.0
	Average training hours per employee	32.5	33.3	31.7	32.2
	Employee health and safety ⁽³⁾				
	– Workplace injury rate	1.3	1.4	1.3	2.6
	– Accident frequency rate	0.6	0.6	0.8	1.3
– Accident severity rate	5.9	7.4	12.9	18.6	
 Social Performance – Community	Community investment (\$ million)	S\$26.7 ⁽⁴⁾	S\$10.1	A\$8.7	A\$8.7
	Total volunteering hours	15,981	15,109	16,194	11,505

Notes:

⁽¹⁾ Please refer to the Singtel Group and Optus sustainability reports for the reporting scope of environmental indicators.

⁽²⁾ Water use for Optus Sydney Campus only.

⁽³⁾ Workplace Safety and Health (WSH) metrics have been realigned to the International Labour Organization (ILO) definitions. FY 2015 data has been restated.

⁽⁴⁾ This factored in a partial allocation of a one-time donation of S\$20 million to National Gallery Singapore. The London Benchmarking Group (LBG) guidelines are used to assess and calculate Singtel's community investment.

For more details, refer to our **SUSTAINABILITY REPORT** at: singtel.com/sr2016