






Singtel Group Sustainability Report 2017

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01 About this Report



This is the third Group Sustainability Report by Singapore Telecommunications Limited (Singtel). It covers the sustainability performance of our operations in Singapore, where Singtel is headquartered, and Optus, our wholly-owned subsidiary in Australia, for the financial year 1 April 2016 to 31 March 2017 (FY2017). [102–1] [102–3] [102–50]

Optus continues to produce a standalone Sustainability Report on our sustainability programmes in Australia (www.optus.com.au/about/sustainabilityreport2017).

This Sustainability Report covers the company's strategies, initiatives and performance in relation to Environmental, Social and Governance (ESG) issues. 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\$1.0426. [102–51] [102–52]

No restatements were made from the previous report except the financial figures for 2016 in the Economic Performance table (see page 9). There were no significant changes to the organisation and our supply chain during this reporting cycle. [102–10] [102–48]

GRI STANDARDS

This report has been prepared in accordance with the GRI Standards: Core option. The GRI content index and the relevant references are provided on pages 52–55. [102–54]

EXTERNAL ASSURANCE

We have engaged Ernst & Young to independently assure a selection of our key ESG disclosures. Please refer to pages 57–64 for the assurance statement and scope details, and the external assurance column of the GRI content index on pages 52–55 for the assurance coverage

of the disclosures. The findings of the external assurance engagement are shared with Singtel's senior management. [102–56]

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 Sustainability, at csr@singtel.com. [102–53]

02 Message from Chairman and Group CEO [102–14]



We are happy to announce that 2016 was another milestone year for sustainability development and progress for the Singtel Group.

With the 2016 Paris Agreement, there has been greater interest around the world in what companies are doing to reduce their carbon footprint. More emphasis is being placed on how companies manage waste, build resilience in the face of climate change, and ensure that corporate giving is done in a strategic and sustainable manner. More of our

enterprise customers are also focusing on sustainability and responsible practices in their supply chain.

As many sectors in the macro-economy have been undergoing some form of restructuring, issues such as employee well-being, skills and training, as well as talent development and retention have come to the fore. There are also more in-depth dialogues now in the social and public sectors about vulnerable communities and digital citizenship.

During the year, we undertook a formal stakeholder engagement and materiality assessment to update our 2014 findings which helped shape our sustainability strategy and roadmap. The refresh saw certain issues rise in importance with our stakeholders and on our materiality agenda. Personal data privacy and protection rose further to become the top issue, driven by greater awareness and global high profile incidents of cyber hacking of corporate networks and social media accounts.

The Singtel Board views these risks and opportunities as important drivers to value creation, risk management and long-term growth for our organisation. The Board also provides oversight through the Singtel Management Committee and Risk Management Committee where these material topics are reviewed.

More details are found within our third Singtel Group Sustainability Report 2017.

Below are highlights of some of our achievements and next steps.

LEAVING THE SMALLEST ENVIRONMENTAL FOOTPRINT

As a Group with a vast and growing network, electricity consumption as well as its associated carbon footprint is our main environmental and supply chain issue. This was also validated in the 2016 Life Cycle Assessment of our value chain where 60% of the Group's carbon footprint was found to be in our extensive supply chain. We have made good progress in understanding and reporting our carbon footprint as part of CDP,

We have made good progress in understanding and reporting our carbon footprint as part of CDP, which in 2016 acknowledged Singtel as one of the top three Singapore companies with comprehensive disclosures and performance of our carbon footprint.

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We recently commenced a comprehensive exercise to begin developing our 'Science Based Targets' for carbon reduction. This exercise, which will stretch into 2018, involves mapping and aligning our carbon reduction target and action roadmap to the global, national and sector carbon target reductions needed to achieve the 2016 Paris Agreement, which is to reduce carbon and cap temperature change to below 2 degrees centigrade by the end of the century.

For electronic waste, we are pleased to have forged a strategic partnership with SingPost to establish a national e-waste recycling programme. Combining the extensive retail footprint of both companies and leveraging the postal and reverse logistics capability of our partner, our programme aims to increase consumer awareness and the rate of e-waste recycling and recovery in Singapore.

We continue to review and adapt our network infrastructure to the longer-term risks of climate change. In Australia, we are progressively building network resilience to energy

outages from the public grid due to environment calamities and natural disasters. We have thus increased our power self-generation and storage capabilities in parts of our Optus network.

In February this year, our proactive network adaptation got to play a crucial role. Sydney's temperatures surged to record highs that month which placed significant strain on the public energy grid. We were able to activate our energy storage and self-generation to significantly offload our power demand equivalent to powering up 2,238 homes for a day from the grid. This enabled the grid to support other critical public services and infrastructure which would otherwise have been at risk of power outage or cut-back. Such interdependencies with other public infrastructure during extreme climate conditions were already identified in our climate change adaptation and resilience review conducted across our Singapore and Australian operations in 2015.

During the year, we launched a systematic and progressive engagement and assessment with our top 50 suppliers, constituting 75% of our vendor spend, to understand the environmental, social and governance (ESG) risks within their operations and supply chain. We identified areas of greatest

concerns and engaged our suppliers to understand their approach, policies and actions to address these possible ESG risks. In the next 12 months, we will extend the review to the next cohort of our 51-100 largest suppliers and their supply chain.

We are also in the process of establishing a regional Supplier Code of Conduct and policy with our regional mobile associates, as we see an opportunity to collaborate with and engage our supply chains collectively, given that many are the same global equipment and device vendors.

INVESTING IN OUR PEOPLE

With people as our greatest assets, we continue to focus on developing them and their career with us. In Singapore, we ramped up our reskilling programme and widened our talent programme to include more promising talent at every level of the organisation in leadership and career development. Our graduate management programme was recently ranked 17 out of the Top 75 employers in Australia.

Diversity and inclusion remain a key focus for the Singtel Group, with continued efforts to mentor and coach women talent for leadership positions in Australia. We also recognise the need to raise disability employment, which is where our community programme to develop skills and support for the disabled play a critical role.

ENABLING OUR COMMUNITIES

We continue to scale our reach and impact of our strategic community programmes through advocacy, innovation and partnership.

Message from Chairman and Group CEO



In the area of digital citizenship and cyber wellness, our Digital Thumbprint Programme is now run regionally in Singapore, Australia and the Philippines. We continue to roll out our programme to the high schools in Australia. We are a long-time supporter of Australia's Kids Helpline, which has also identified digital citizenship and cyber wellness issues becoming an increasing concern for children, parents and schools.

In Singapore, as a continuation of our digital citizenship programmes in primary schools, we co-funded and supported our long-time social enterprise partner DQ Institute, the brainchild of the iZ HERO programme, to develop and launch the new #DQEveryChild programme.

This programme, which has a new global Digital Intelligent Quotient or DQ measurement, takes our approach and reach in primary schools to a new level: gamifying learning and assessing the DQ of students and important attributes of knowledge, responsibility and safety in a digital world. #DQEveryChild has already received much global interest at the World Economic Forum and attention of many governments and educators.

Our various Digital Thumbprint initiatives have reached more than 160,000 students in the past two years. We are well on track to achieving our 2020 target to reach over half a million students and youth in Singapore and Australia.

In 2016, Singtel played an instrumental role in forging a partnership between the national



disability agency SG Enable, Australian Network on Disability and the Singapore Business Network on DisAbility (SBNoD), which we co-founded in May 2015, to collaboratively develop and launch the RISE Mentoring Programme for tertiary students with disabilities.

We participated in the pilot run which had 15 students with disabilities mentored by 15 executives. We are creating greater empathy and champions within our leaders to advocate and support disability employment within the

business, an area we recognise we can do more. This programme complements the Singtel Enabling Innovation Centre launched in October 2015.

We also continue to work with the Australian Business and Community Network (ABCN), where Optus staff volunteers mentor over 600 students from vulnerable backgrounds each year. Through such programmes, we hope to complete the loop of our community efforts in enabling the inclusion and independence of vulnerable persons

Our various Digital Thumbprint initiatives have reached more than 160,000 students in the past two years. We are well on track to achieving our 2020 target to reach over half a million students and youth in Singapore and Australia.

in our community. For them to find employment is the ultimate in achieving independence and to realise their potential and contribute back to society and economic development.

We are pleased to have successfully launched and completed the inaugural Singtel and Optus Future Makers social innovation programme during the year. Our programme provided funding and capacity building for 18 start-ups and non-profit organisations leveraging technology and innovation to solve social issues. Several have since gone on to raise additional funding for their business plans, or tied up with other partnerships which we connected them to.

The social sector today clearly under-leverages technology and innovation, something which is core to our business. We see ourselves playing a pivotal role to help build the ecosystem and connect partnerships in the non-profit and start-up sector, while involving our staff in skilled volunteering. We have expanded the new run of the Singtel Future

Makers 2017 programme to include a regional element, with Globe Future Makers launched by Globe, our Philippine associate.

COLLABORATION TO SCALE OUR CORPORATE SUSTAINABILITY REACH AND IMPACT

Through our sustainability journey, we have come to recognise the importance of partnership and collaboration in achieving collective positive outcomes. Whether in the environment, supply chain or community space, fostering partnership and collaboration has always been a key pillar of our approach.

Be it ABCN, SBNoD, the Australian Business Roundtable for Disaster Resilience and Safer Communities or partners of our Future Makers and other community programmes, our efforts and impact would not have been possible without taking such a collaborative approach, which incidentally is the crux of UN Sustainable Development Goal 17.

Throughout the year, we hosted and also participated in business roundtables to share and discuss topics such as sustainability reporting, supply chain and community engagement and partnerships. We see ourselves playing a key role to advocate and shape corporate sustainability and share best practices.

RECOGNITION OF OUR PROGRESS TOWARDS A SUSTAINABLE FUTURE

We are pleased that our efforts in corporate sustainability have been recognised globally, regionally and locally. For the seventh consecutive year, Singtel was

included in the World's Most Ethical Companies 2017 by Ethisphere. In 2016 Singtel was listed on FTSE4Good, one of the premier global sustainability indices.

Earlier this year, Singtel made our debut among the 100 World's Most Sustainable Corporations. Regionally, Singtel received the Top CSR Advocates Award in the Asia Corporate Excellence and Sustainability Awards, and Asia's Best Community Reporting in the Asia Sustainability Reporting Awards 2016. Locally, the Global Compact Network Singapore recognised Singtel in the inaugural Apex Honour Roll, at the Apex Corporate Sustainability Awards 2016.

We are honoured to have been recognised in these ways. But more importantly, they tell us we are on the right track and focusing correctly on those material topics that concern our key stakeholders. As sustainability issues and risks constantly evolve, we see this as an ongoing journey as we track towards our 2020 sustainability targets.

On behalf of the Singtel Board and Management, we would like to thank all our staff, partners and stakeholders who have been with us throughout our sustainability journey. We look forward to your continued engagement, partnership and support.

SIMON ISRAEL
Chairman

CHUA SOCK KOONG
Group CEO



03 About the Singtel Group



The Singtel Group is Asia's leading communications technology 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 about 640 million mobile customers in 22 countries across Asia, Australia and Africa. We also have a vast network of offices throughout Europe and the United States to serve enterprise customers. 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.

[102-2] [102-4] [102-5] [102-6] [102-7]

OUR BUSINESS UNITS

[102-2] [102-6]

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 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.

GROUP DIGITAL LIFE

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

Please refer to our Annual Report for more details of our products and services, activities, markets served and customer base.

Corporate Vision and Mission

We aspire to be Asia Pacific's best communications technology company. 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 [102-16]

Our five core values – Customer Focus, Challenger Spirit, Teamwork, Integrity and Personal Excellence – form the foundation of our culture and the way we interact with each other, conduct our business and go to market. They 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.

138
years
OF OPERATING EXPERIENCE

640
million

MOBILE CUSTOMERS IN 22 COUNTRIES

Key Highlights FY2017



ENVIRONMENT

- Commenced **Science Based Targets programme** to achieve carbon reduction
- Achieved an estimated **energy savings of 543 GJ/year or 65 tCO₂e/year** and **198 GJ/year or 24 tCO₂e/year** through the adoption of **more energy efficient T5 and LED lightings** and **operational improvements of Air Handling Units**
- Achieved improvement in **electricity intensity of 177 kWh/TB** from 260 kWh/TB last year
- **B score in CDP 2016** for Singtel Group's climate change disclosure and performance
- Our **first Green Mark Award (Platinum)** by BCA for our office at 1 Serangoon North Singapore



COMMUNITY

- **Community investment of S\$16.8 million** in Singapore and Australia
- Celebrated **15th anniversary of Singtel Touching Lives Fund**, our corporate philanthropy programme in Singapore
- Launched '**Pathways to Employment**' programme in Australia
- Conducted **10 workshops** for **2,500 senior citizens** in Singapore on using smartphones and staying safe online as part of our **digital inclusion and well-being** programmes
- **Singtel and Optus Future Makers 2016** supported **18 start-ups** and **non-profit organisations** in Singapore and Australia with over **S\$480,000 in cash grants** and **other programme benefits**
- Singtel became the strategic partner of **#DQEveryChild** programme which created the world's first measurement for **Digital Intelligence Quotient**



PEOPLE

- **12% of total employees** working in **high growth emerging technology segments**, compared with **< 1%** five years ago
- **Training investment of S\$25.1 million** in Singapore and Australia
- Launched a new **Cyber Security Associates and Technologists (CSAT) Programme** with IMDA and CSA of Singapore for talent pipeline and industry capacity building
- Offered programmes to **support employees' life-long learning**
- Supported SG Enable's pilot 12-week **RISE Mentoring Programme for tertiary students with disabilities** in Singapore
- Won the **HR Excellence Awards 2016** and **Singapore HR Awards 2016**



MARKETPLACE AND CUSTOMERS

- Included in **World's Most Ethical Companies 2017** for the seventh consecutive year
- Clinched **top spots in three categories** of Best Customer Experience, Best Contact Centre and Best Use of CEM Technology at the **Customer Experience Asia Excellence Awards 2016**
- Total **capital investment of S\$2.26 billion** in Singapore and Australia
- **All new suppliers** in FY2017 were **assessed against social and environmental criteria** through our sustainability questionnaire as part of their on-boarding tender process
- Piloted the **Singtel Contractor Accreditation scheme** as our new **health and safety initiatives** for our contractors in Singapore

Performance Highlights

FY2017

[102-7] [201-1]



	SINGTEL			OPTUS			SINGTEL GROUP		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
ENVIRONMENT									
Total energy use (GJ)	1,404,843	1,379,633	1,338,904	1,702,440	1,657,262	1,533,360	3,107,283	3,036,895	2,872,264
Energy intensity (GJ/\$M revenue)	177	180	182	194	178	155	186	179	167
Total carbon emissions (tCO ₂ e) ²	173,811	174,112	176,454	418,269	420,827	402,750	592,080	594,938	579,205
Carbon emissions intensity (tCO ₂ e/TB) ³	0.06	0.09	0.12	0.19	0.29	0.43	0.12	0.18	0.24
Water use (m ³) ⁴	814,447	756,398	691,389	82,111	70,254	60,422	896,558	826,652	751,811
Total waste, hazardous and non-hazardous (tonnes) ⁵	4,613	4,223	4,015	1,853	1,503	1,425	6,466	5,726	5,440
PEOPLE									
Total employees by gender									
• Male	63%	63%	62%	68%	67%	68%	65%	65%	65%
• Female	37%	37%	38%	32%	33%	32%	35%	35%	35%
Employee turnover (%)	16%	15%	16%	15%	11%	10%	16%	13%	13%
Total training investment (\$M)	\$S\$13.8	\$S\$10.9	\$S\$10.0	A\$10.8	A\$10.9	A\$11.5	\$S\$25.1	\$S\$22.1	\$S\$22.9
Average training hours per employee	30.4	32.5	33.3	30.9	31.7	32.2	30.5	32.2	32.8
Employee health and safety⁶									
• Workplace injury incidence rate	1.3	1.3	1.4	1.3	1.3	2.6	1.3	1.3	1.9
• Workplace injury frequency rate	0.6	0.6	0.6	0.8	0.8	1.3	0.7	0.7	0.9
• Workplace injury severity rate	3.3	5.9	7.4	8.7	12.9	18.6	5.1	8.3	11.3
COMMUNITY									
Community Investment (\$M)	\$S\$8.3	\$S\$26.7	\$S\$10.1	A\$8.2	A\$8.7	A\$8.7	\$S\$16.8	\$S\$35.6	\$S\$19.9
Total staff volunteering hours	17,140	15,981	15,109	16,420	16,194	11,505	33,560	32,175	26,614
MARKETPLACE AND CUSTOMERS									
Capital investment (\$M)	\$S\$851	\$S\$825	\$S\$789	A\$1,348	A\$1,083	A\$1,285	\$S\$2,261	\$S\$1,930	\$S\$2,238
Mobile network investment (\$M)	\$S\$168	\$S\$211	\$S\$233	A\$678	A\$536	A\$793	\$S\$875	\$S\$758	\$S\$1,124
ECONOMIC PERFORMANCE									
Revenue (\$M)	7,928	7,663	7,348	8,784	9,298	9,875	16,711	16,961	17,223
Operating costs (\$M)	5,776	5,524	5,262	6,153	6,573	7,022	11,929	12,097	12,284
Staff costs (\$M)	1,448	1,358	1,273	1,075	1,099	1,194	2,523	2,457	2,467
Tax expense (\$M)	1,191	1,198	1,092	356	399	418	1,548	1,597	1,510
Net profit (\$M)	3,023	2,953	2,840	830	918	942	3,853	3,871	3,782

¹ Exchange rate of A\$1 = \$S\$1.0426.

² 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).

³ Covers scope 1 and 2 only.

⁴ Water use for Optus Sydney campus only.

⁵ Waste across facility under Optus waste direct contract and not inclusive of all sites.

⁶ Workplace Health and Safety metrics are based on the International Labour Organization (ILO) definitions.

2020 Targets



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



TOP MATERIAL ISSUES
FOR THE SINGTEL GROUP

2020
TARGET

FY2017
ACHIEVEMENTS





ENVIRONMENT

To manage and minimise our environmental footprint across our business value chain

	Climate Change And Carbon	Reduce our carbon emissions intensity of kWh/TB by 30% by 2020 and 50% by 2030 using 2015 as baseline	Our energy consumption grew by 2.5% YOY as we expanded our network coverage and capacity to provide our customers with the best experience. However we delivered better data and carbon efficiency on our networks where we achieved 49% improvement in our intensity measure of kWh/TB against baseline year of FY2015. While we are well ahead of our original target of reducing our carbon emission intensity of kWh/TB by 50% between 2015 and 2030, it is our intent to develop additional Science Based Targets (see page 23–25)
	Waste Management	+	Over 85% of our hazardous waste was recycled in FY2017 (see page 25)



PEOPLE

To be an admired employer known for fair and inclusive employment practices which promote diversity and equal opportunity

	Diversity	+	Launched a Group Diversity microsite on our staff portal Espresso to help drive staff awareness by serving as a one-stop information and resource site (see page 29)
	Talent Attraction and Retention	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	Launched Singtel Apprenticeship Programme with Singapore Institute of Technology to nurture ICT and cyber security talents (see page 32)
	Training and Education	Training investment of S\$100 million between 2016 and 2020	Total training investment of S\$25.1 million in FY2017 (see page 34) <i>Cumulative S\$47.2 million of training investment since FY2016</i>
	Employee Health and Safety	Zero fatality rate	Zero fatality rate (see page 35)

COMMUNITY









To enable the inclusion and well-being of people, and help them realise their potential through our digital technologies and innovative programmes

	Inclusion of Vulnerable Groups	Community investment of S\$100 million to support vulnerable persons through our various enabling and inclusion programmes between 2016 and 2020	Continued with our community programmes and community investment in FY2017 was S\$16.8 million (see page 38) <i>Cumulative S\$52.4 million of community investment since FY2016</i>
	Digital Citizenship and Online Safety	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	Our digital citizenship programmes reached over 60,000 students in Singapore and Australia in FY2017 (see page 42–43) <i>Cumulative >160,000 students reached since FY2016</i>

+ We are in the process of target setting as these topics have only been identified from our recent materiality assessment.

MARKETPLACE AND CUSTOMERS

To be recognised as a responsible and innovative market leader who offers excellent customer experience

	Customer Satisfaction	Lead in 'Customer Experience' in major customer satisfaction measurement tools and indices over tier one telcos in Singapore and Australia	Top spots in three categories of Best Customer Experience, Best Contact Centre and Best Use of CEM Technology at the Customer Experience Asia Excellence Awards (see page 45)
	Product and Service Quality	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	Total capital investment of S\$2.26 billion in FY2017 (see page 46) <i>Cumulative S\$4.19 billion of capital investment since FY2016</i>
	Innovation	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	Continued to drive innovation at both our core and digital businesses through partnerships, acquisitions and organic innovation (see page 46)
	Customer Health and Safety	Maintain 100% compliance with RF radiation levels and safety guidelines set by local regulators and ICNIRP	100% compliant in FY2017 (see page 46–47)
	Customer Data Privacy and Protection	Uphold the highest standards of customer data privacy protection and ensure compliance by our supply chain	Took additional steps to improve our process for managing data security risks such as conducting an annual refresher programme for our people to reinforce their knowledge of the PDPA (see page 47–48)
	Fair Marketing Communications	Uphold the highest standards of professional values and integrity	Adherence to various laws and guidelines such as Singapore Code of Advertising Practice, IMDA Codes of Practice and Guidelines and PDPA (see page 48)
	Anti-Corruption	Uphold and adhere to the Group's zero tolerance policy towards fraud, corruption and unethical actions	Zero tolerance policy towards fraud, corruption and unethical actions (see page 48–49)
	Sustainable Supply Chain Management	To become an industry leader in this area by 2020: <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 	Strengthened our Sustainable Supply Chain Management efforts by building a supplier self-assessment questionnaire based on industry best practices to gather inputs from our key suppliers in FY2017 (see page 50–51)

04 Sustainability at Singtel



We are committed to creating sustainable and long-term business growth, while leading and shaping positive change for our marketplace and customers, the communities we operate in, our people and the environment.



SUSTAINABILITY STRATEGY

As a leader in the market, we are in a position to unlock the potential of connectivity and make a difference to the lives of our customers and the wider community, through our network investments, product and service innovations, and the skills and passion of our people.

Our sustainability strategy focuses on four key pillars: Environment, People, Community, and Marketplace and Customers.

GOVERNANCE STRUCTURE AND ESG ACCOUNTABILITY

Sustainability is governed across various levels in the organisation. All stakeholders including the board,

management, business units, local and regional working groups are involved in driving our sustainability agenda (see [website](#) for details).

Our environmental, social and governance (ESG) performance is integral to our success as we strive to build a sustainable future. Our Senior Management is assessed through a

balanced scorecard based on 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.

Our Group CEO has specific ESG KPIs tied to her performance-based compensation such as creating a bigger impact in the four areas of our community strategy: enabling innovation, digital citizenship, volunteerism and community involvement, and ensuring safety and health considerations in corporate processes and decision-making. Our Group Chief Information Officer is primarily accountable 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 among our senior management. [102–18]

STAKEHOLDER ENGAGEMENT AND MATERIALITY REVIEW

We are fully committed to on-going engagement with our stakeholders such as employees, community partners, non-profit organisations and government agencies. We find regular engagement very effective for keeping pulse on what is happening on the ground and what concerns and priorities our stakeholders have. This often

gives us the opportunity to initiate collaboration and be part of formulating or facilitating a solution.

We take employee engagement seriously as we know that engaged employees feel happier at work, perform better and are more motivated to succeed – ultimately contributing to our business performance.

The Singtel Group Your Voice Survey 2016 had 92% participation rate with a Group engagement score of 79, a one-point increase from a year ago. We found that many of our employees strongly believe in our core values and are committed to achieving our common goals. Corporate social responsibility and Sustainability continues to be among the top staff engagement drivers for the Group, indicating that most of our people identify with and support the company's community and environmental programmes.

We actively engage external stakeholders, such as our involvement in national committees like the Singapore Enabling Masterplan 3 and the National Volunteer Resource Committee, and through the Australian Business Roundtable (ABR) for Disaster Resilience and Safer Communities. We also actively participate in and host panel discussions and roundtables to learn, contribute, advocate and seek opportunities for collaboration. Further details of our stakeholder engagement can be found on our [website](#). [102–40] [102–42] [102–43] [102–44] [SDG 17]

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.

MATERIALITY REFRESH [102–46]

Following an extensive materiality assessment in FY2015, we conducted a Group-wide exercise during the year to review the relevance of our material topics, identify if there has been any shift in priorities among our stakeholders and examine any emerging areas of concern.

The assessment was conducted according to the GRI Standards' Principles for defining report content and covered our operations in Singapore (Singtel) and Australia (Optus). Our associate and regional businesses, minority stakes and shell entities were not included in this exercise.

We applied the materiality principle for defining report content based on inputs from:

- Survey results from both internal (top management and employees) and external stakeholders (e.g. consumers, corporate customers, investors and key suppliers)
- Findings of the Life Cycle Assessment
- Review of industry practices and global peers

Sustainability at Singtel



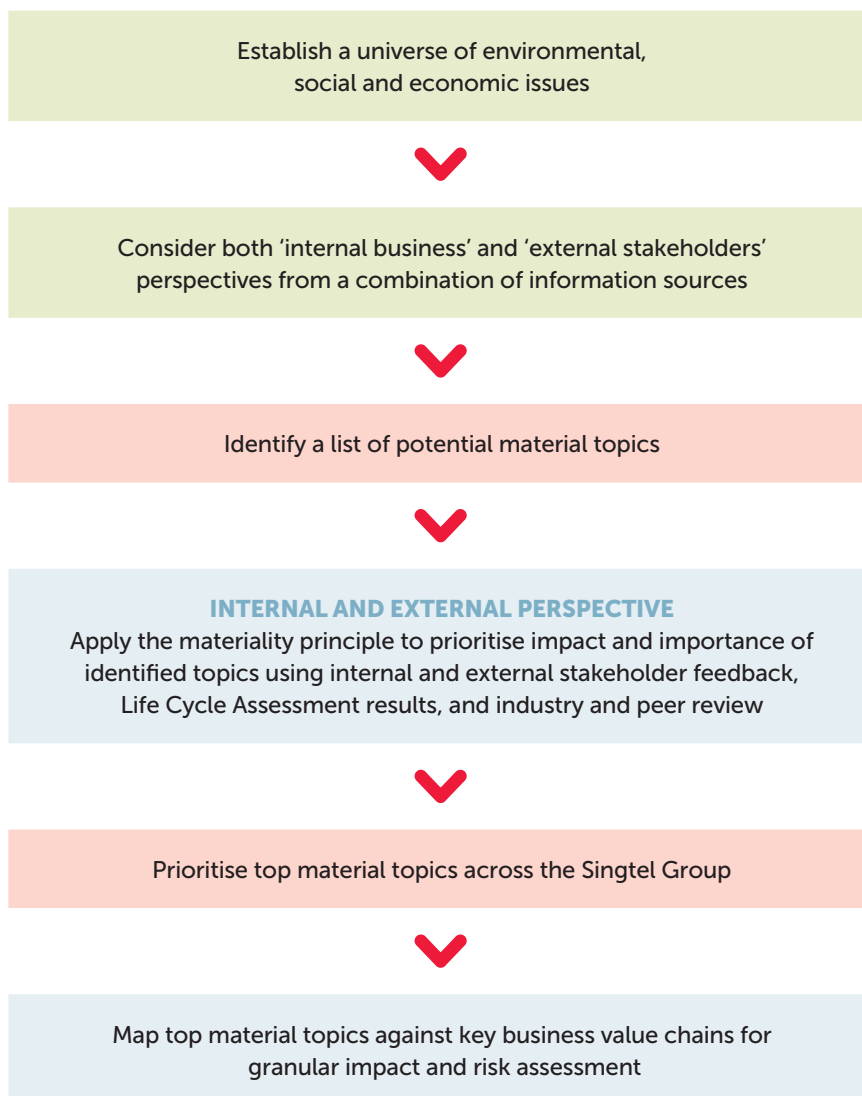
The findings from this materiality review has helped us to prioritise the important topics for Singtel, Optus and the Singtel Group. The exercise also provided an opportunity for us to formally receive and understand how our stakeholders perceive the importance and impact of each topic, and address their concerns (Figure 4.1).

RESULTS FROM MATERIALITY ASSESSMENT

The findings of the materiality assessment have been plotted in the materiality matrix based on their impact to the Group's business, and against their importance to both internal and external stakeholders (Figure 4.2).

Three new topics – anti-corruption, diversity and waste management – have emerged from this review, bringing the total number of material topics from 13 to 16. We have been reporting on these three topics in our last two Group sustainability reports. We also assessed their relevance and impact on our Singapore and Australia operations and which specific stakeholder groups outside our organisation as part of our Value Chain and Supply Chain analysis update (Table 4.3). [\[102–49\]](#)

Figure 4.1 Singtel Group's Materiality Review Process

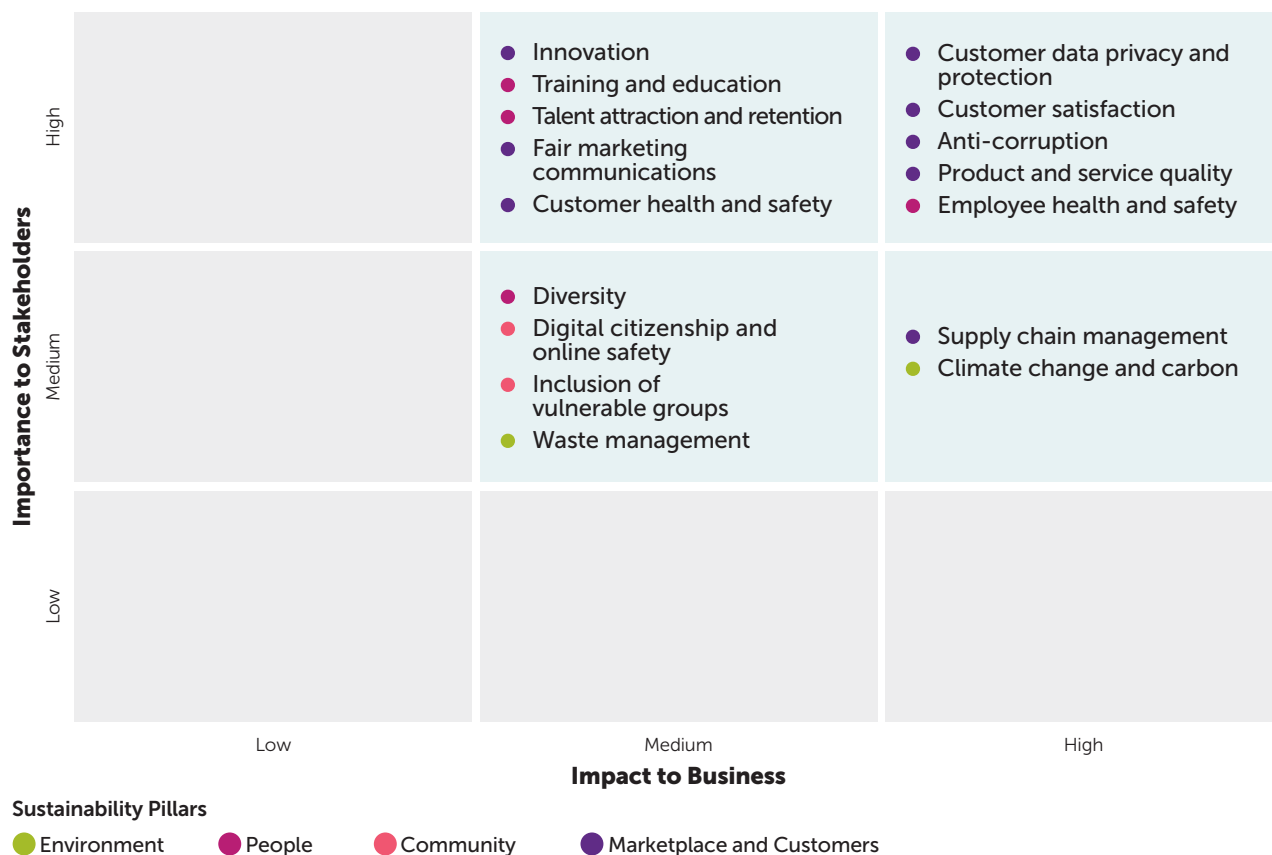


It is noteworthy that Customer Data Privacy and Protection has moved up to become the most important topic among our stakeholders, who have also singled out Corruption. These can be attributed to greater awareness and the high profile global incidents of cyber attacks on corporate networks and social media accounts as well as corporate corruption scandals.

While Supply Chain Management is now rated lower in importance compared to its previous ranking, our stakeholders recognised this topic has an even greater impact on our business. In this year's review, community-related topics on Inclusion of Vulnerable Groups and Digital Citizenship and Online Safety are both rated medium in importance to stakeholders and impact on business. Waste management has also become a new material topic raised by our stakeholders.

For the purpose of the report structure and clarity, the material topics are grouped into key themes and categorised according to our four sustainability pillars of Environment (E), People (S), Community (S), and Marketplace and Customers (G), which

Figure 4.2 Singtel Group Materiality Matrix



correspond to the ESG framework. The relevant GRI Standards disclosures have been linked to each topic and the topic's impact boundary has been established (Table 4.6).

A HOLISTIC APPROACH TO ADDRESS OUR MATERIAL TOPICS

While these represent individual material topics and themes identified through our stakeholder engagement and materiality review process, many are related with interdependencies.

Hence, we adopt a holistic approach to address our material topics, for instance, the way we address data privacy in our operations, educate the

young in our community on safety and responsibility in the cyber world, and offer cyber security solutions to our enterprise customers.

Innovation, for example, does not apply only to our products and services but also social innovation, where we build capacity with our broader ecosystem to solve social issues.

ESG matters are equally a focus in our own operations as with our supply chain. We will provide more examples of how these issues are interrelated and interdependent in this report.

For the purpose of the report structure and clarity, the material topics are grouped into key themes and categorised according to our four sustainability pillars.

Value Chain and Supply Chain Analysis ^{[102–9] [103–1]}



Table 4.3

Applicable Material Topics	Suppliers			Infrastructure		Operations			Products			Distribution			Customers									
	1	2	6	1	2	13	1	2	3	4	5	6	1	4	8	1	2	6	2	7	8			
	13	15	16				7	13	15				10	11	13	14	9	11	13	16	9	12	13	14
Group Consumer	Mobile	Infrastructure platform vendors	Own network 3G/4G	Customer management	Voice & SMS (e.g. local, roaming, international)			Own stores			Customers (e.g. residents, travellers)													
		Device vendors	Other operators (e.g. interconnect, roaming)	Network & IT operations	Data (e.g. local, roaming)	Franchise	Children & youth																	
						Direct sales	Enterprises																	
	Fixed Broadband	Next Generation Network & other carriers	Own network (e.g. ADSL, cable, fibre)	Customer management	Fixed broadband (e.g. ADSL, cable, fibre)	Own stores			Customers															
		Customer equipment vendors	Other operators (e.g. fibre, submarine cables)	Network & IT operations		Franchise	Children & youth																	
						Direct sales	Enterprises																	
Group Enterprise	Managed Services	Infrastructure platform vendors	Own network (e.g. IP VPN, data centres/servers)	Service delivery	Cloud			Enterprises																
					Managed hosting																			
		Customer equipment vendors	Other operators (e.g. fibre)	Monitoring & maintenance	Managed security			Government																
			Contact centres																					
Group Digital Life	Digital Marketing	Advertising agencies	Telco data centres/servers	Data analytics	Advertisement	Delivery through apps & widgets, banners, MMS, mobile search, QR codes, SMS	Customers (e.g. resident, travellers)																	
				Customer management																				
		Online content providers	Advertisement platform	Advertisers						Emerging customers														

Legend:

1

Climate change and carbon

2

Waste management

3

Diversity

4

Talent attraction and retention

5

Training and education

6

Employee health and safety

7

Inclusion of vulnerable groups

8

Digital citizenship and online safety

9

Customer satisfaction

10

Product and service quality

11

Innovation

12

Customer health and safety

13

Customer data privacy and protection

14

Fair marketing communications

15

Anti-corruption

16

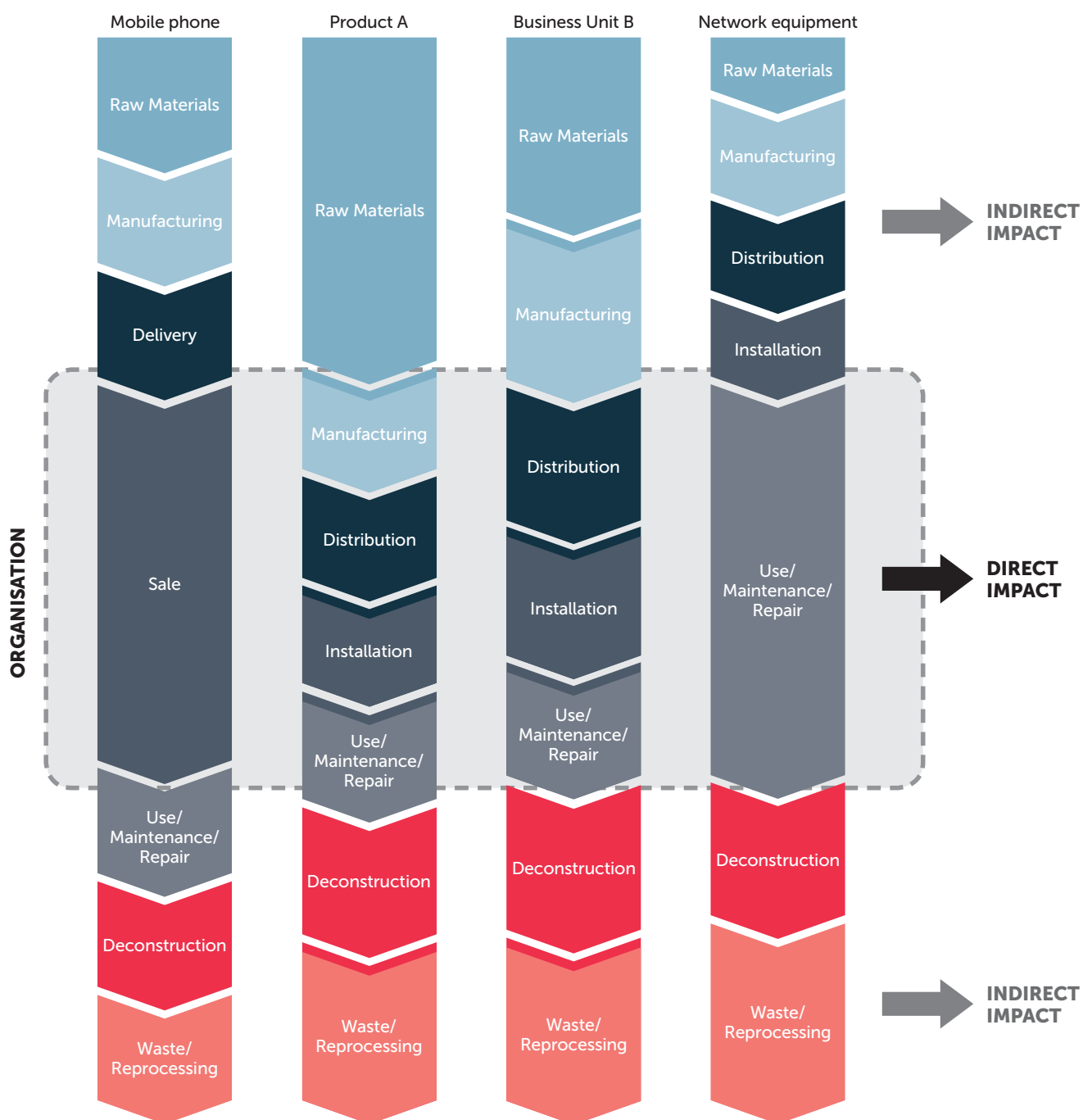
Supply chain management

Life Cycle Assessment



Our Life Cycle Assessment (LCA) looked 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.






Figure 4.4 Life Cycle Assessment of our business operations









UN Sustainable Development Goals



Table 4.5 Singtel Group programmes and UN SDGs

SDG	SINGTEL GROUP'S POSITION	SINGTEL GROUP'S EFFORTS AND PROGRAMMES
 <p>Goal 3: Good Health and Well-being</p> <p>Ensure healthy lives and promote well-being for all at all ages</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>Workplace health and safety:</p> <p>We provide a safe work environment for our people and actively promote awareness of workplace occupational health and safety. All our Field Operations employees must attend mandatory training that will enable them to perform their assigned roles safely and effectively. We achieved bizSAFE Star certification and our WSH management system was certified to the Singapore Standard SS506 and OHSAS 18001. page 34–35 ►</p> <p>Digital citizenship:</p> <p>Our efforts in cyber wellness and digital citizenship are part and parcel of the well-being and safety agenda. page 42–43 ►</p> <p>Electromagnetic energy:</p> <p>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. page 46–47 ►</p>
 <p>Goal 4: Quality Education</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</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>Staff training and development:</p> <p>We invest heavily in skills training, education and development of our people. page 34 ►</p> <p>Vulnerable children and youth:</p> <p>We support the education of children with special needs, at-risk youth and young people transitioning to the workforce. page 39–43 ►</p> <p>Digital citizenship:</p> <p>We actively promote responsible digital citizenship. We became a strategic partner of the #DQEveryChild learning programme which created the world's first measurement of Digital Intelligence Quotient. page 42–43 ►</p>
 <p>Goal 5: Gender Equality</p> <p>Achieve gender equality and empower all women and girls</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>Gender representation at work:</p> <p>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. We established new recruitment standards that require a minimum of one female candidate to be shortlisted and one female interviewer to be included for middle management roles at Optus. We launched a Gender Diversity Project to better understand the working experience of female employees in Optus Networks and their retention drivers. page 29–30, 37 ►</p> <p>Staff awareness:</p> <p>We celebrated International Women's Day across the Group by thanking our female staff for their contributions. We also created a special microsite where we curated videos of inspiring women and their work, with a section for employees to dedicate a message to the women in their life. page 30 ►</p>
 <p>Goal 7: Affordable and Clean Energy</p> <p>Increase substantially the share of renewable energy in the global energy mix</p>	<p>The Singtel Group is committed to adopting cleaner energy to reduce our reliance on fossil fuels.</p>	<p>Sustainable energy sources:</p> <p>We continue to explore opportunities in alternative energy forms to reduce our grid dependency. Details of our efforts can be found at our website. page 25 ►</p> <p>Greening our networks:</p> <p>We continue to invest in greening our networks and implement energy efficiency programmes. page 23–25 ►</p>
 <p>Goal 8: Decent Work and Economic Growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</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>Multigenerational workplace:</p> <p>We worked with UTEs and revised our re-employment terms and conditions by enhancing medical benefits, approving eligibility for flexible family leave and implementing consistent base pay for employees who reach retirement age. page 30 ►</p> <p>Fair employment:</p> <p>We employ over 25,000 people worldwide representing about 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 and labour rights practices among our vendors. page 28–31, 50–51 ►</p>





With the launch of the UN SDGs 2030 in 2015, we undertook an additional mapping last year 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 4.5 shows some of our key efforts and programmes in relation to the key SDGs.

SDG	SINGTEL GROUP'S POSITION	SINGTEL GROUP'S EFFORTS AND PROGRAMMES
 <p>Goal 9: Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	<p>The Singtel Group innovates continuously to stay at the forefront to bring the latest and the best services to our customers, and works with changemakers to bring creative solutions to solve social problems.</p>	<p>Social innovation: Our social innovation programme, the Singtel and Optus Future Makers, supports charities, social entrepreneurs and social enterprises that believe technological innovation plays a key role in addressing social causes in Singapore and Australia. page 44 ►</p> <p>Infrastructure: We continuously invest in our fixed and mobile networks to offer a superior customer experience. We also invest in cyber security to protect the ICT infrastructure of our enterprise customers as well as training of cyber security and smart cities professionals. page 32, 46 ►</p> <p>Innovation: We continuously innovate to bring the latest and the best services and experience to our customers. page 46 ►</p>
 <p>Goal 10: Reduced Inequality Reduce inequality within and among countries</p>	<p>The Singtel Group is committed to creating equal opportunity for both our people and our communities.</p>	<p>Workplace diversity: We create an open and trusting workplace environment characterised by equal opportunity, as well as a diverse, inclusive, collaborative and learning culture. We launched a Group Diversity microsite on our staff portal to help drive awareness and serve as a one-stop information site for upcoming events, trainings, useful resources and news on various diversity topics. page 28–32 ►</p> <p>Equal opportunity: We supported SG Enable's pilot 12-week RISE Mentoring Programme in Singapore with four executives from Consumer Operations, Finance, HR and IT who mentored tertiary students with disabilities. page 31 ►</p>
 <p>Goal 11: Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>The Singtel Group leverages our ICT competence to develop solutions that improve quality of living, and focuses on building a resilient network infrastructure.</p>	<p>Inclusive smart cities: We actively support Smart City and Smart Nation visions and we are developing a suite of smart home solutions for our customers. We conducted workshops for senior citizens in Singapore to use smartphones and social media apps, as well as online safety tips like protecting their online privacy and against scams. We are also a founding partner of the Australian Business Roundtable for Disaster Resilience and Safer Communities. page 40 ►</p>
 <p>Goal 12: Responsible Consumption and Production Ensure sustainable consumption and production patterns</p>	<p>The Singtel Groups actively monitors our waste management practices as part of our business operations and environmental conservation efforts.</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. We launched a joint e-waste recycling programme in Singapore with SingPost. We continue to support the Mobile Muster programme in Australia, and during the year, backed the campaign 'Mobile for a Meal' where one meal was donated to a charity for every phone recycled. page 25–26 ►</p>
 <p>Goal 13: Climate Action Take urgent action to combat climate change and its impacts</p>	<p>The Singtel Group is committed to understanding, managing and minimising our environmental footprint across our value chain, including our business operations, suppliers and customers.</p>	<p>Environmental focus: We undertook a Science Based Targets programme and engaged experts on developing science based targets to understand how the Singtel Group can align our business with the Paris COP21 climate deal to keep global warming below 2°C. These targets will focus on reducing our Scope 1 and 2 emissions using a science based approach, while Scope 3 emissions will also be addressed through our supply chain efforts. page 22 ►</p>
 <p>Goal 17: Partnerships for the Goals Revitalise the global partnership for sustainable development</p>	<p>The Singtel Group is committed to establishing partnerships and collaborations to solve some of the most pressing social or sustainability needs, whether locally or globally.</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, DQ Institute, Global Compact Network Singapore, National Council of Social Service, SG Enable, SPD, SingPost and Singapore Business Network on DisAbility. page 25–26, 39–40, 42–43 ►</p>

Summary of Material Topics and UN Sustainable Development Goals for the Singtel Group ^{[102–46] [102–47] [103–1]}



Table 4.6

Our Sustainability Pillars	Top material topics for the Singtel Group (Singtel and Optus)	GRI Standards disclosure	UN Sustainable Development Goals	Material outside the organisation
 ENVIRONMENT	Climate change and carbon	Energy	7. Affordable and clean energy	Society and suppliers
		Emissions	9. Industry, innovation and infrastructure	
	Waste management	Effluents and waste	11. Sustainable cities and communities	Society
			12. Responsible consumption and production	
			13. Climate action	
 PEOPLE	Diversity	Diversity and equal opportunity	3. Good health and well-being	Society
	Talent attraction and retention	Employment	5. Gender equality	
	Training and education	Training and education	8. Decent work and economic growth	
			10. Reduced inequalities	
	Employee health and safety	Occupational health and safety		Regulators
 COMMUNITY	Inclusion of vulnerable groups	Economic performance	3. Good health and well-being	Communities
	Digital citizenship and online safety	Local communities	4. Quality education	
			8. Decent work and economic growth	Communities, particularly children and youth
			9. Industry, innovation and infrastructure	
			10. Reduced inequalities	
 MARKETPLACE AND CUSTOMERS	Customer satisfaction	–	11. Sustainable cities and communities	
			17. Partnerships for the goals	
	Product and service quality	Socio economic compliance	3. Good health and well-being	Distributors and customers
	Innovation	Indirect economic impacts	5. Gender equality	
	Customer health and safety	Customer health and safety	8. Decent work and economic growth	Customers and regulators
	Customer data privacy and protection	Customer privacy	9. Industry, innovation and infrastructure	Advertisers for digital advertising
	Fair marketing communications	Marketing and labelling	11. Sustainable cities and communities	Customers and regulators
	Anti-corruption	Anti-corruption	12. Responsible consumption and production	Offshore and outsource vendors, particularly in India and the Philippines
	Supply chain management	Supplier social assessment		Customers, digital advertisers and regulators
		Supplier environmental assessment		Suppliers and regulators
				Mobile and fixed broadband service vendors and distributors

05 Environment – The Smallest Footprint



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

OUR APPROACH

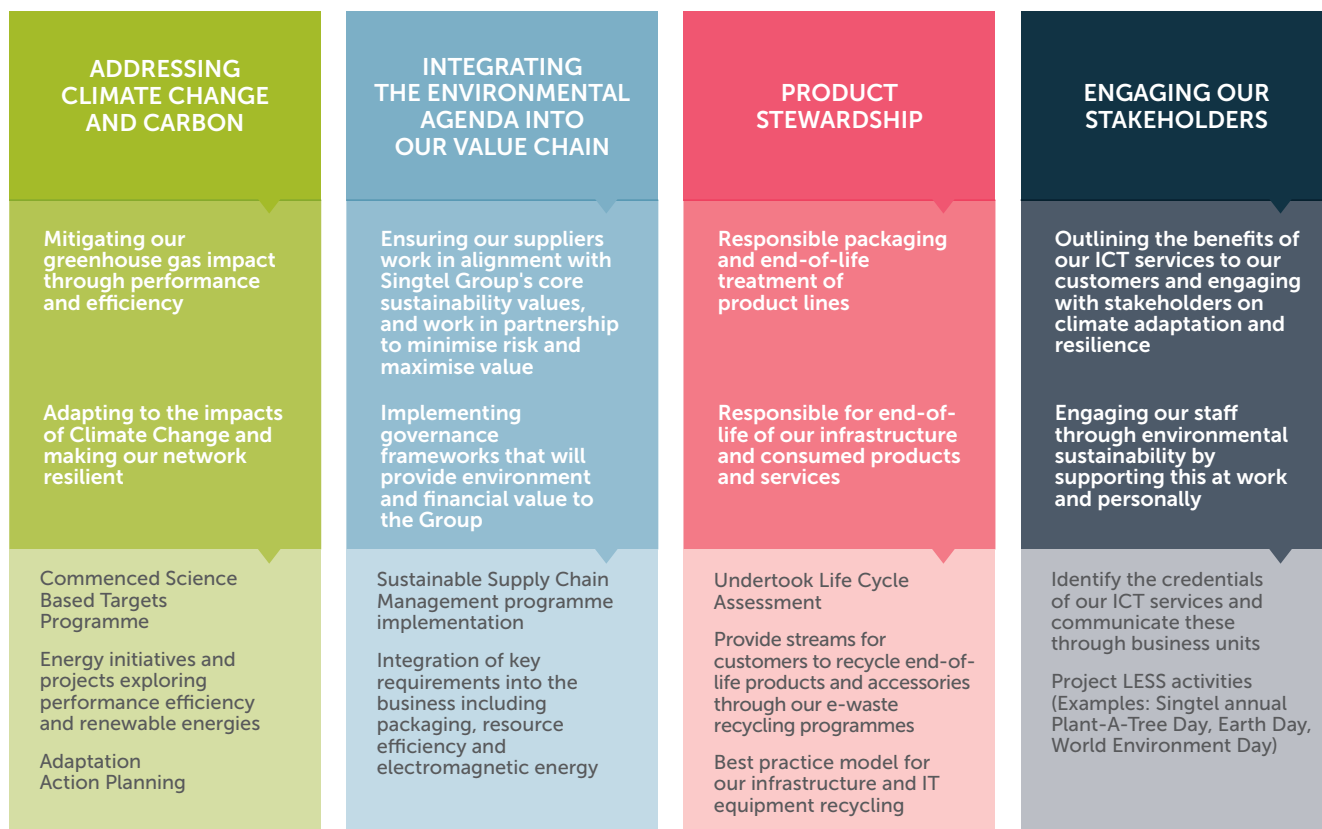
With our refreshed materiality matrix and clearer priorities reflected in our Life Cycle Assessment (LCA), the Singtel Group is more focused than ever in moving towards decarbonisation and better resource management to minimise our environmental footprint. We continue to strengthen our environmental programmes and focus on strategic initiatives which we believe will yield greater impact over the long term.

The Singapore government has also stepped up their efforts to lower the nation's environmental impact through the introduction of increased water prices this year and a planned carbon tax in 2019. We remain committed to aligning our business activities to support the government's agenda and UN Sustainable Development Goal 13 of Climate Action. **[SDG 13]**

We are guided by our Environmental Management System (EMS) and the Group's environmental strategy. We continued our efforts to align with the ISO 14001 management system and will be pursuing certification next year across our entire operations in Australia. This approach also reflects our support towards the precautionary principle of the 'Rio Declaration on Environment', 1992. **[102–11]**

Figure 5.1

SINGTEL GROUP'S ENVIRONMENTAL STRATEGY



The Smallest Footprint



LIFE CYCLE ASSESSMENT AND SCIENCE BASED TARGETS [SDG 13]

Life Cycle Assessment (LCA) analyses the environmental impact at every stage of a product's life. Instead of a traditional product LCA, we undertook an organisational LCA in FY2016 to get a deep understanding of our direct and indirect impact.

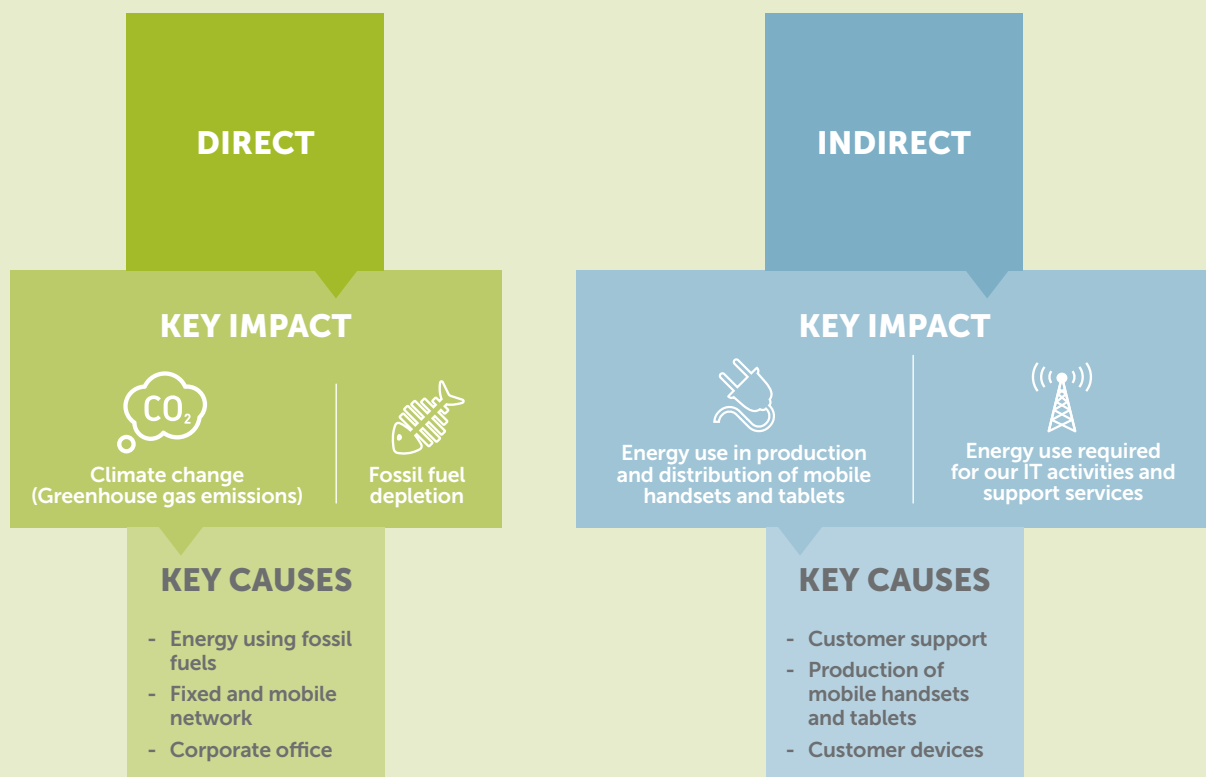
The assessment has enabled us to focus on areas of greatest environmental and social impacts, which we embedded into our strategies to guide our approach and targets (see Figure 4.4 on page 17).

Carbon has been identified as a key area we need to focus on and we continuously look at ways to reduce our carbon emissions. For example, while actively working on energy efficiency projects, we will also investigate options for further investments in renewable energy to reduce our emissions and secure our future energy needs.

During the year, we undertook a Science Based Targets programme and engaged experts on developing science based targets to understand how the Singtel Group can align our business with the Paris COP21

climate deal to keep global warming below 2°C. These targets will focus on reducing our Scope 1 and 2 emissions using a science based approach, while Scope 3 emissions will also be addressed through our supply chain efforts.

Our work on Science Based Targets is at an advanced stage and the assessment will inform and guide our strategy. We are now working on our implementation roadmap to chart our key focus and initiatives over the next decade and will share more information in our next report.



ADDRESSING CLIMATE CHANGE

CLIMATE CHANGE AND CARBON [103-1] [103-2]

We continue to address the threat of climate change through mitigation and adaptation efforts, with a focus on improving our energy performance and efficiency measures. We are also faced with the challenge of decoupling our carbon footprint from business growth and continue to identify sustainable pathways for the future. Hence, we are building and maintaining a resilient network to adapt to climate change. [SDG 7] [SDG 13]

Energy performance and efficiency [103-2] [103-3]

In FY2017, over 95% of Singtel 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 main areas of energy use within our Group are predominantly across our network infrastructure like telephone exchanges, base stations and mobile access network. We also use significant energy across our data centres, satellite earth stations, office buildings and retail stores. The Group's total energy increased to 3.1 million GJ in FY2017. Despite an increase in total energy use, we achieved an improvement in electricity intensity of 177 kWh/TB. 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 experience to our mobile customers.

In Singapore, we continue to reap savings from our chiller overhaul and replacement, and the energy saving lighting system projects implemented over the past few years. We also looked at optimising our air handling units during the year. [302-4] [305-5] [SDG 7]

Chiller overhaul and lightings retrofit [103-2] [103-3]

Chillers are often a building's single, biggest user of electricity and hence it is important that our chillers operate at the most efficient level. We will continue the cyclical replacement of aging chiller units, targeting those that have been in operation for 15 years or more. Our roadmap for the next three to five years is to replace 33 units of aging chillers and related Mechanical and Engineering (M&E) equipment located at our exchanges and office buildings, with a potential reduction of a total of 31,090 GJ annually when fully completed. This will reduce our carbon footprint by 3,725 tCO₂e per year.

In Australia, there has been a concerted effort on energy reductions across our network. During the year, we decommissioned equipment and improved base station efficiency with savings of 7,884 GJ and 7,200 GJ respectively. Additionally, we implemented new cooling systems which are 15% more efficient than the replaced systems. We also piloted the use of lithium ion batteries in facilities to reduce cooling requirements and improve our infrastructure resilience.

In FY2017, we retrofitted conventional T8 fluorescent light tubes with more energy efficient

T5 and LED lightings at NCS Hub achieving an estimated energy savings of 543 GJ/year or 65 tCO₂e/year. [302-4] [305-5] [SDG 7]

Operational improvements of Air Handling Units [103-2] [103-3]

Besides capital investments to improve energy efficiency of our operations, we created energy savings through operational improvements of our Air Handling Units (AHUs). At our new Yio Chu Kang exchange, we modified the program logic for the operations of the AHUs to effectively change the AHU from a Constant Air Volume (CAV) to a Variable Air Volume (VAV) system. The AHU fans can now reduce their speed and prevent over-supply of cool air to the offices.

We were also able to switch off one of the AHUs and still meet the cooling load while not sacrificing room thermal comfort, resulting in further energy savings. Through this project, we achieved an energy reduction of 198 GJ/year or 24 tCO₂e/year. [302-4] [305-5] [SDG 7]



AT NCS HUB, WE RETROFITTED CONVENTIONAL T8 FLUORESCENT LIGHT TUBES WITH MORE

ENERGY EFFICIENT T5 AND LED LIGHTINGS ACHIEVING AN ESTIMATED ENERGY SAVINGS OF

543 GJ/year or 65 tCO₂e/year

The Smallest Footprint



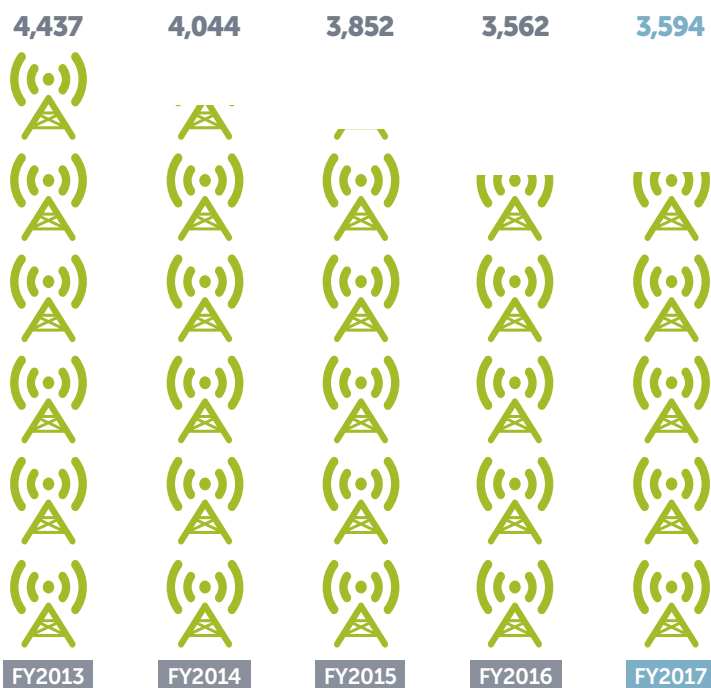
Energy-efficient mobile base stations [103–2] [103–3]

Over the years, we have been upgrading our mobile networks and converting to energy efficient base stations in Singapore and Australia. As at 31 March 2017, 98.8% of all our base stations in Singapore were 'green' base stations, up from 97% last year, despite our network growth. We activated an energy efficient feature in the mobile base station – Micro sleep mode – and achieved an estimated savings of 5,154 GJ/year or 617 tCO₂e per year.

In Australia, through our upgrading efforts, we have observed improved efficiencies in our base stations during low data traffic times with preliminary results indicating a potential annual reduction of up to 7,200 GJ.

[302–4] [305–5] [SDG 7]

Figure 5.2 Electricity use per cell carrier (kWh) in Singapore



OUR FIRST GREEN MARK PLATINUM OFFICE BUILDING [103–2] [103–3]

Our Singapore office at 1 Serangoon North was awarded the Green Mark Award (Platinum) by the Building and Construction Authority in March 2017, under which a building is rated based on criteria such as energy and water efficiency as well as environmental protection. The key conservation features in this building include:

- New efficient chiller plant with efficiency of 0.65 kW/tonne
- Retrofitting of T8 lightings to LEDs at common areas achieving an energy reduction of 327 GJ/year or 39 tCO₂e/year
- Use of sensors in carpark to monitor and ensure carbon monoxide concentration is maintained below the recommended level
- Use of motion sensors in all toilets and photocells in carpark for turning on lights



- Certified PUB Water Efficient Building
- Designated parking lots for hybrid vehicles and electric cars
- Achieved a 29% improvement of Energy Efficiency Index

[302–4] [305–5] [SDG 7]

Sustainable sources of energy

[103–2] [103–3]

We continue to explore opportunities in alternative energy forms to reduce our grid dependency. Details of our efforts can be found at our [website](#).

In Australia, we manage our impact by reducing fuel consumption and Optus has become Australia's leading Sustainable Transport workplace. We run one of Australia's largest fleets of employee shuttle service with over 100 buses each day. We continue to make sustainable transport more attractive for our employees and reduced the percentage of employees who drive to our Sydney HQ campus by 2% to 41% during the year.

We also piloted decentralised working hubs where employees who work a distance from the office can use these hub office amenities to access all corporate resources. The result was a reduction in average travel time from 125 minutes to 26 minutes for the 30 Optus employees who participated in the trial. [SDG 7] [SDG 13]

OPTUS HAS BECOME AUSTRALIA'S LEADING SUSTAINABLE TRANSPORT WORKPLACE.

WE RUN ONE OF AUSTRALIA'S LARGEST FLEETS OF EMPLOYEE SHUTTLE SERVICE WITH

over 100 buses each day



Our roadmap for the next three to five years is to replace 33 units of aging chillers and related Mechanical and Engineering (M&E) equipment located at our exchanges and office buildings, with a potential reduction of a total of 31,090 GJ annually when fully completed. This will reduce our carbon footprint by 3,725 tCO₂e per year.

Climate change resilience

[103–2] [103–3]

We have developed a climate change adaptation plan working closely with our operations staff to identify areas that build redundancy into our network. We are looking at long-term solutions that have design implications to activities that we are currently undertaking. We can then decide on what is needed that best supports our adaptation strategy and stay resilient to the impact from climate change, at both operational efficiency and cost angles.

To champion resilience against natural disasters, we continue to participate actively at the Australian Business Roundtable on Climate Change (ABR), of which Optus is a founding member. During the year, we also worked to help our people and customers better prepare themselves for emergencies through promoting Red Cross' Rediplan campaign. [102–13] [SDG 11] [SDG 13] [SDG 17]

Value chain integration

[103–2] [103–3]

We have made good progress in improving the sustainability of our supply chain in both environmental and social aspects identified by our LCA. The LCA identified our total impact, including our Scope 3 third party carbon emissions which we can

only address through working closely with our suppliers. See Chapter 8 on our Sustainable Supply Chain Management efforts. [SDG 13]

PRODUCT STEWARDSHIP

WASTE MANAGEMENT [103–2]

Waste management has been identified as a material topic in our latest materiality review. Although we have been actively monitoring our waste management processes and promoting best practices all these years, we are highlighting our efforts in recycling e-waste and reducing packaging in this report. [SDG 12]

E-waste [103–1] [103–2] [103–3]

E-waste contains a combination of valuable and reusable raw materials as well as materials that are toxic. We have a two-pronged approach to e-waste: recycling our own e-waste and providing solutions for customers to recycle theirs.

We have always maintained high standards in this area and in Singapore, over 80% of our hazardous waste such as scrap copper cables and UPS lead acid batteries are recycled with National Environment Agency licensed vendors. In Australia, we are recycling 98.5% of our own e-waste.

The Smallest Footprint



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 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 responsibly. We provide recycling facilities at our outlets so that customers can bring back end-of-life products and accessories. We are also collaborating with SingPost to make recycling easier for people (see boxed-up story).

In Australia, we continue to support the Mobile Muster programme,

enabling customers to recycle their old mobile phones free of charge by taking them to any Optus retail outlet. During the year, we supported Mobile Muster's campaign 'Mobile for a Meal' where one meal was donated to a charity for every phone recycled over the period. Thanks to our customers, about 5,400 mobile handsets were donated during the appeal. Over 3.8 tonnes of handsets, batteries and accessories were recycled during the year. [\[102–13\]](#)

Packaging [\[103–2\]](#) [\[103–3\]](#)

We are committed to responsible packaging and have responsibilities under the Australian Packaging Covenant (APC). We improved our

APC rating from 4 to 4.2 out of 5 points in its latest assessment.

During the year, we made changes to our SIM card packaging in Australia which resulted in a savings of 50 tonnes of cardboard. Previously, our packaging contained welcome and instructions that customers did not need as they had their SIM inserted at the stores. By removing this unnecessary packaging, we are helping the environment without compromising on customer service and expectations. With its successful introduction at our Optus stores, we rolled out this new SIM packaging to our retailers across Australia. [\[SDG 12\]](#) [\[SDG 17\]](#)

ENGAGING OUR STAKEHOLDERS

TACKLING E-WASTE IN COLLABORATION WITH SINGPOST

[\[103–2\]](#) [\[103–3\]](#)

The Singtel x SingPost E-waste Recycling Programme, launched on World Environment Day, 5 June 2017, is a collaboration between the two leading communications technology and postal companies as part of our environmental sustainability efforts.

Called ReCYCLE, the programme provides the means for people to do their part for the environment by recycling their mobile and internet-related electronic waste such as mobile phones and chargers, laptops and tablets, modems and routers, and other related accessories like lithium ion batteries and cables. These unwanted devices can be dropped off into the

ReCYCLE bins at selected Singtel Shop, Singtel Exclusive Retailer and SingPost outlets. ReCYCLE envelopes are also available at all outlets for people to bring home with them and mail their mobile devices and accessories at their own convenience and no charge as postage is waived.

This programme reduces waste as it ensures that the valuable metals and components the devices contain get recovered and a new lease of life. Otherwise, e-waste that is thrown away, including all the precious metals that it contains, will be incinerated and become landfill in Pulau Semakau, Singapore. We will share the programme's performance in next year's report. [\[SDG 12\]](#) [\[SDG 17\]](#)



Environment Performance Indicators

[302-1] [302-3] [302-4] [303-1] [305-1] [305-2] [305-3] [305-4] [305-5] [306-2]



Environment	SINGTEL			OPTUS			SINGTEL GROUP		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
Total energy use (GJ)	1,404,843	1,379,633	1,338,904	1,702,440	1,657,262	1,533,360	3,107,283	3,036,895	2,872,264
Energy intensity (GJ/\$million revenue)	177	180	182	194	178	155	186	179	167
Energy intensity (GJ/TB*)	0.53	0.77	0.98	0.80	1.19	1.73	0.65	0.95	1.27
(i) Electricity Use (GJ)	1,385,099	1,358,030	1,316,905	1,665,694	1,618,544	1,494,342	3,050,793	2,976,574	2,811,247
Network	876,666	920,165	848,989	803,724	818,904	801,349	1,680,390	1,739,069	1,650,338
Mobile	257,048	235,294	247,855	751,966	715,108	610,268	1,009,014	950,402	858,123
Corporate	251,385	202,572	220,061	110,004	84,532	82,724	361,389	287,104	302,786
Electricity Intensity (GJ/\$million revenue)	175	177	179	190	174	151	183	175	163
Electricity Intensity (GJ/TB)	0.52	0.76	0.97	0.79	1.17	1.69	0.64	0.94	1.25
Electricity Intensity (kWh/TB)	144	210	268	218	324	468	177	260	347
(ii) Fuel use from non-renewable sources (GJ)	19,369	21,198	21,696	36,282	38,255	39,018	55,651	59,453	60,714
(iii) Fuel use from renewable sources (GJ)	375	405	303	464	463	464	839	868	768
Total carbon emissions (tonnes CO₂ equivalent)¹	173,811	174,112	176,454	418,269	420,827	402,750	592,080	594,938	579,205
(i) Scope 1	1,992	4,629	5,947	2,495	2,614	2,694	4,487	7,243	8,641
Refrigerants	643	3,174	4,477	N.A. ²	N.A. ²	N.A. ²	643	3,174	4,477
Fuel combustion	582	525	446	397	355	252	979	880	698
Company fleet	767	929	1,024	2,097	2,259	2,442	2,864	3,188	3,466
(ii) Scope 2	165,943	163,416	164,577	397,785	394,249	374,825	563,728	557,665	539,402
(iii) Scope 3	5,876	6,067	5,931	17,989	23,964	25,231	23,865	30,030	31,162
Contractor fleet	733	813	766	1,119	4,810	6,954	1,852	5,623	7,720
Air travel	3,113	3,180	3,141	8,551	9,442	8,564	11,664	12,621	11,705
Employee commute ³	1,821	1,821	1,821	8,319	9,712	9,713	10,140	11,533	11,534
Retail franchisees	209	253	202	N.A.	N.A.	N.A.	209	253	202
Carbon Intensity (tCO₂e/\$ million revenue)	22	23	24	48	45	41	35	35	34
Carbon Intensity (tCO₂e/TB)⁴	0.06	0.09	0.12	0.19	0.29	0.43	0.12	0.18	0.24
Total Water Use (m³)	814,447⁵	756,398	691,389	82,111⁶	70,254 ⁶	60,422 ⁶	896,558	826,652	751,811
Total Waste – hazardous and non-hazardous (tonnes)	4,613	4,223	4,015	1,853⁸	1,503 ⁸	1,425 ⁸	6,466	5,726	5,440
Total Non-Hazardous Waste by disposal method (tonnes)⁷	2,194	–	–	1,177⁸	–	–	3,371	–	–
Incineration with energy recovered	2,116			N.A.			2,116		
Landfill	0			517			517		
Recycle	78			121			199		
Reuse	N.A.			539			539		
Total Hazardous Waste by disposal method (tonnes)⁷	2,419	–	–	677⁸	–	–	3,095	–	–
Incineration with energy recovered	285			N.A.			285		
Landfill	184			10			193		
Recycle	1,950			667			2,617		
Reuse	N.A.			0			0		
Customer E-waste Recycling (tonnes)	21	–	–	4	–	–	25	–	–

Footnotes:

* TB refers to terabyte of data transported across our network.

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 Covers Scope 1 and 2 only.

⁵ Total volume withdrawn from municipal water supply and includes use of NEWater 119,148m³.

⁶ Total volume withdrawn from municipal water supply and includes rainwater harvesting of 21,340m³. Water use for Optus Sydney campus only.

⁷ New GRI standards indicators tracked from FY2017.

⁸ Waste across facility under Optus waste direct contract and not inclusive of all sites.

06 People – Our Greatest Asset



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

As a global communications technology company in a highly disruptive and competitive industry, investing in our people is the key to sustainable business results. To achieve this, we provide a fair, performance-based work culture that is diverse, inclusive and collaborative. We also develop our people to reach their fullest potential and provide them with a fulfilling and meaningful career. Above all, ensuring the safety and well-being of our people is of utmost importance to us.

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. [\[102–12\]](#)

The Union of Telecom Employees (UTES) for many years has been a valued partner whom we actively engage in all matters related to our people represented by the union. We had 5,442 bargainable employees

(42%) in Singapore and 3,862 employees (43%) in Australia who were covered by the Employment Partnership Agreement as at 31 March 2017. We continue to administer our annual Singtel-UTES Bursary Awards, first introduced in 2003, and disbursed S\$60,000 to about 100 schooling children of our staff during the year. [\[102–41\]](#)

Our efforts to economic growth and providing employment support the UN Sustainable Development Goal 8. [\[SDG 8\]](#)

DIVERSITY [103–1] [103–2]

We believe that workforce diversity is essential to building and sustaining our competitive advantage. Such diversity fosters innovative thinking and helps tackle business challenges through different perspectives.

For example, we have close to 3,000 employees working in our high growth emerging technology segments today, representing 12% of our entire workforce, compared with less than 1% five years ago.

Both internal and external stakeholders acknowledged in our latest materiality review that diversity

is an important topic for them and the Singtel Group, making it to be among the top priorities of our materiality matrix (see page 13).

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, community and in the marketplace

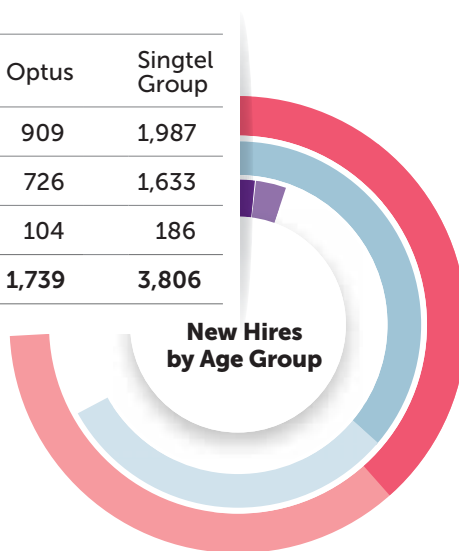
with our customers and supply chain. We actively promote diversity in the key areas of gender, multigenerational workplaces, multicultural awareness and differing abilities.

We launched a Group Diversity microsite on our staff portal Espresso to help drive awareness and serve as a one-stop information site for upcoming events, trainings, useful resources and news on various diversity topics.



Our initiatives contribute towards the UN Sustainable Development Goals on Gender Diversity and Reduced Inequalities. [\[SDG 5\]](#) [\[SDG 10\]](#)

New Hires by Age Group [401–1]

	Singtel	Optus	Singtel Group
< 30 years old	1,078	909	1,987
30-49 years old	907	726	1,633
≥ 50 years old	82	104	186
Total	2,067	1,739	3,806



New Hires by Gender [401–1]

	SINGTEL	OPTUS	SINGTEL GROUP
 MALE	1,316	1,139	2,455
 FEMALE	751	600	1,351
TOTAL	2,067	1,739	3,806

Gender diversity [103–2] [103–3]

As a leading employer, we are committed to supporting a gender balanced workforce and offering equal opportunities in all aspects of employment. Female employees account for 37% of our total workforce in Singapore and 32% in Australia. Women represent 27% of our upper and middle management positions in the Group.

We recognise that we need to do more to improve the representation of female leaders in Optus. Last year, we established new recruitment standards that require a minimum of one female candidate to be shortlisted and one female interviewer to be included for middle management roles at Optus. At the same time, we launched a Gender Diversity Project to better understand the working experience of female employees in Optus Networks and their retention drivers.

The Women in Leadership Series continues as a multifaceted strategy designed to build a durable pipeline of female talent, increase

Our Greatest Asset



awareness and advocacy of equity goals across the Group, and provide women with networking, coaching and mentoring opportunities.

At the Group level, we also started to analyse the recruitment funnel to identify entry and drop-off points for female applicants and highlight job areas where female applicants are disproportionately fewer compared to male applicants. We will use this data to continue our efforts at policy and operational level, such as talent attraction campaigns.

This year, we celebrated International Women's Day across the Group by thanking our female staff for their contributions. We also created a special microsite where we curated videos of inspiring women and their work, with a section for employees to dedicate a message to the women in their lives.

Singtel was also among the first to support the Singapore Government's call to double paternity leave for eligible fathers in our workforce.

We continue to be recognised for our efforts in promoting gender diversity with Singtel winning the prestigious Board Diversity Award for the 5th time at the 17th Investors' Choice Awards 2016 organised by the Securities Investors Association Singapore (SIAS). [\[SDG 5\]](#)

Multigenerational workplace [\[103-2\]](#) [\[103-3\]](#)

We value the experience, perspectives and wisdom that silver talents, or employees 50 years old and above, bring to the organisation. We collaborate with statutory board Workforce Singapore and the Employment and Employability

Institute (E2I) to deliver Silver Talent programmes to integrate mature talent into our workforce.

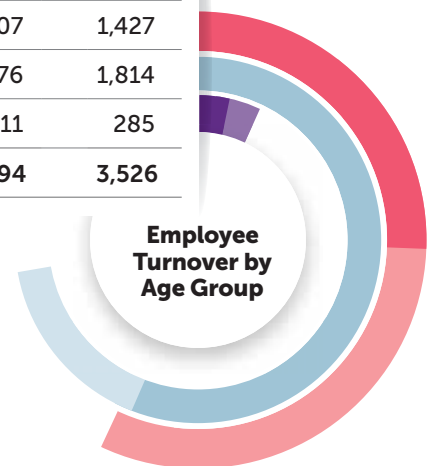
We offer two programmes to support our silver talents as part of life-long learning: Re-employment: Equipping and Developing Yourself (READY) and Rethink 50: Preparing for Change. Such programmes prepare our people to cope with possible life changes and career transitions and encourage older employees to continue working beyond retirement age. A key outcome is to learn about their career options and understand transition as a change opportunity. 59 employees above 50 years old

attended these two programmes in FY2017.

During the year, we worked with UTES and revised our re-employment terms and conditions by enhancing medical benefits, approving eligibility for flexible family leave, and implementing consistent base pay for re-employment. For our efforts, Singtel was honoured at the May Day Awards 2016, where our Group CEO received the Medal of Commendation (Gold) from the National Trades Union Congress for her significant contributions to the labour movement in Singapore. [\[SDG 8\]](#)

Employee Turnover by Age Group [\[401-1\]](#)

	Singtel	Optus	Singtel Group
< 30 years old	720	707	1,427
30-49 years old	1,238	576	1,814
≥ 50 years old	174	111	285
Total	2,132	1,394	3,526



Employee Turnover by Gender [\[401-1\]](#)

	SINGTEL	OPTUS	SINGTEL GROUP
MALE	1,390	877	2,267
FEMALE	742	517	1,259
TOTAL	2,132	1,394	3,526

Multicultural awareness

With over 25,000 employees covering about 90 different nationalities across our global business operations, cultural diversity is indeed part of our DNA.

We continue to 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. We celebrate the festivals of all the major races in Singapore.

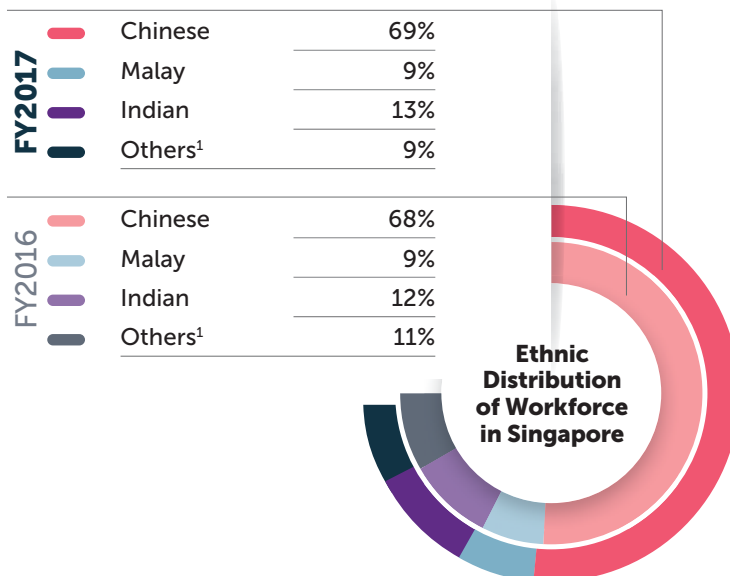
Differing abilities [103-2] [103-3]

We value the inclusion of persons with differing abilities in our organisation to support an inclusive workplace and society. In Singapore, we work closely with national agency SG Enable on training, internships and employment of persons with disabilities. We have taken on three tertiary students with disabilities working in our Group IT since this internship programme started two years ago. This is a great platform for students with disabilities to experience working in a corporate environment and for our people to build empathy and an inclusive workplace.

As one of the founding members, Singtel continued to participate actively in the Singapore Business Network on DisAbility (SBNoD) set up in 2015. The network meets regularly to share expertise, experiences and resources to help advance the equitable inclusion of persons with disabilities in all aspects of business.

Singtel, together with three other SBNoD companies, supported SG Enable's pilot 12-week RISE Mentoring Programme in Singapore with four middle and top management members from Consumer Operations, Finance, HR and

Ethnic Distribution of Workforce in Singapore



¹ Singtel recognises non-locals outside these three ethnic groups under this category.



Staff posing with the lobby festive panel at Comcentre.

Our Greatest Asset



IT mentoring tertiary students with disabilities. We played an instrumental role in orchestrating the partnerships between SG Enable, Australian Network on Disability and SBNOD to make this first-of-its-kind programme in Singapore a reality.

[\[SDG 10\]](#) [\[SDG 17\]](#)

HUMAN CAPITAL DEVELOPMENT

[\[103-1\]](#) [\[103-2\]](#) [\[103-3\]](#)

Investing in our people is critical to our success. We manage our human capital investment by attracting and nurturing the right talent, as well as their professional growth and personal well-being during their career with us. 100% of our employees across the different levels in the organisation also undergo regular performance and career development reviews. [\[404-3\]](#)

TALENT ATTRACTION AND RETENTION [\[103-2\]](#) [\[103-3\]](#)

We continue to develop and engage our talent pool across four segments: Aspiring Talents, Young Leaders, Emerging Leaders and Future Leaders. We leverage our partnerships with local and international institutions, social media platforms and career fairs to promote Singtel as an employer of choice.

Aspiring Talents and Young Leaders [\[103-2\]](#) [\[103-3\]](#)

We have a robust talent review process with a focus on identifying talent earlier in their career so that we can accelerate their development and progression. We have started to use video interviews and aptitude testing to identify candidates for entry level roles. This allows the candidates with limited experience to present a more well-rounded view of themselves.

We continued to build a strong pipeline of talent across high growth emerging technology segments. This year we focused on digitising our talent marketing approach and rolled out talent attraction and brand campaigns to reach out to potential candidates in cyber security and data analytics.

In FY2017, Singtel partnered the Singapore Institute of Technology (SIT) to support work-study programmes aimed at nurturing infocomm technology (ICT) and cyber security talents. The programme is designed to prepare students for the future workforce by equipping them with employable, real-world skills and experiences, while meeting their aspirations to pursue a university degree.

Optus also inked a strategic partnership with Macquarie University to support the cyber security agenda. The Optus sponsored Macquarie University Cyber Hub runs short courses for our staff and provides a platform for us to tap into the graduate pool for talent recruitment.

Emerging Leaders and Future Leaders [\[103-2\]](#) [\[103-3\]](#)

Our flagship leadership programmes such as the Regional Leadership in

Action programme and Game for Global Growth continue to stretch and grow our talent across the region. A total of 132 high calibre employees attended these two regional programmes in FY2017. We also supported many of our talents through one-on-one executive and leadership coaching.

During the year, we launched a brand new Cyber Security Associates and Technologists (CSAT) Programme with the Info-communications Media Development Authority of Singapore and the Cyber Security Agency of Singapore. The programme aims to help fresh and mid-career ICT individuals attain the necessary practical skills to better equip them for cyber security roles and positions.

Under this programme, we recruited and provided training to 10 fresh ICT professionals to equip them with basic cyber security skills. At the same time, we recruited 24 mid-career ICT individuals to convert them into cyber security professionals. Internally we provided 15 of our people the opportunity to enhance their skills by training with leading cyber security experts overseas. [\[SDG 9\]](#)

In FY2017, Singtel partnered the Singapore Institute of Technology (SIT) to support work-study programmes aimed at nurturing infocomm technology (ICT) and cyber security talents. The programme is designed to prepare students for the future workforce by equipping them with employable, real-world skills and experiences, while meeting their aspirations to pursue a university degree.



ATTRACTING AND NURTURING YOUNG TALENT [103-2] [103-3]

We continue to grow our pipeline of technical young talent through the Singtel Cadet and Undergraduate Scholarships, SHINE programme and Management Associate Programme.

The Singtel Cadet Scholarship Programme offers up to 90 students scholarships for diplomas from the five polytechnics in Singapore in the areas of Network Engineering, Cyber Security and Customer Experience. In FY2017, we offered 48 scholarships in Singapore and five scholarships in Australia to aspiring talent to join us as Cadet Scholars.

All our Cadet Scholars have the opportunity to undergo SHINE, a structured internship programme to develop young, high performing students by offering real-world, meaningful assignments, mentoring by experienced professionals, networking

events and on-the-job training. The SHINE internship programme is also offered to university students who wish to gain exposure and deepen their technical expertise in areas such as Business Analytics, Cyber Security, Engineering, Information Technology, Internet of Things (IoT) and Smart and Safe Cities.

Top performing SHINE interns are also offered a fast-track pass to the last assessment phase of our Management Associate Programme or Undergraduate Scholarship Programme. In FY2017, we hired 88 SHINE interns in Singapore and Australia.

In FY2017, 82 recent graduates across Singapore and Australia joined our two-year Management Associate Programme. For our programme, Optus was ranked 17 out of the Top 75 Grad employers by the Australian Association of Graduate Employers.

Our Greatest Asset



TRAINING AND EDUCATION

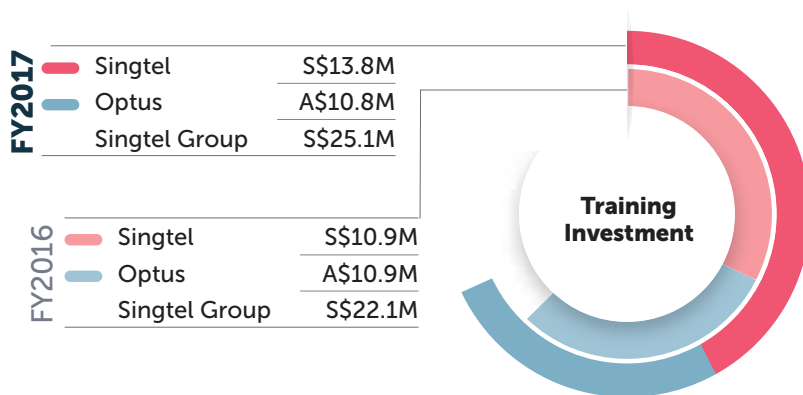
[103-1] [103-2] [103-3]

With the rapid changes in our industry, it is important for our people 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. During the year, we invested S\$25.1 million to train our staff in Singapore and Australia.

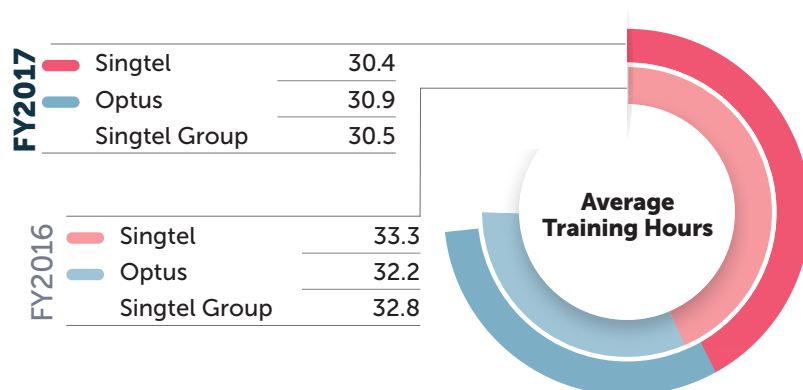
One of our popular learning events is the annual Learning Fiesta, where all employees can learn from well-known speakers, new business showcases and short courses. In FY2017, there were over 27,000 learning places across the Group. The Learning Fiesta started in Singapore, but has since been extended to our staff in Australia, China, Hong Kong, Israel, Malaysia, Philippines and the US.

We also conducted a two-day SkillsFuture roadshow in June 2016 to support Singapore's national movement on lifelong learning. We encourage our people to develop their skillsets and competencies and stay relevant as they prepare to learn and develop future skills in this evolving technological landscape. The event recorded more than 2,000 learning places. In the following month, Singtel introduced two days of Skills Advancement Leave that our staff can utilise to attend courses approved under the government's SkillsFuture initiative. [404-2] [SDG 4]

Training Investment



Average Training Hours [404-1]



EMPLOYEE HEALTH AND SAFETY

[103-1] [103-2] [103-3]

We strive to take care of our employees' safety, work-life integration, as well as physical and mental health. Our Employee Assistance Programme offers services such as clinical counselling and work-life support like financial and legal assistance. We also run a very successful mental health programme for our employees in Australia. These in turn help 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. [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. [102-12]

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



Hence, we offer a very comprehensive range of programmes from flexible working arrangements to healthcare packages that cater to the different needs and stages of life of our people – from the millennials who are new to the workforce to our silver generation employees. Please refer to our website for more information about our programmes and initiatives.

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 of our stakeholders including our contractors through our WSH workplan. In Singapore, we focus on four key areas: 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 and capabilities.

During the year, we installed Workplace Safety dashboards at

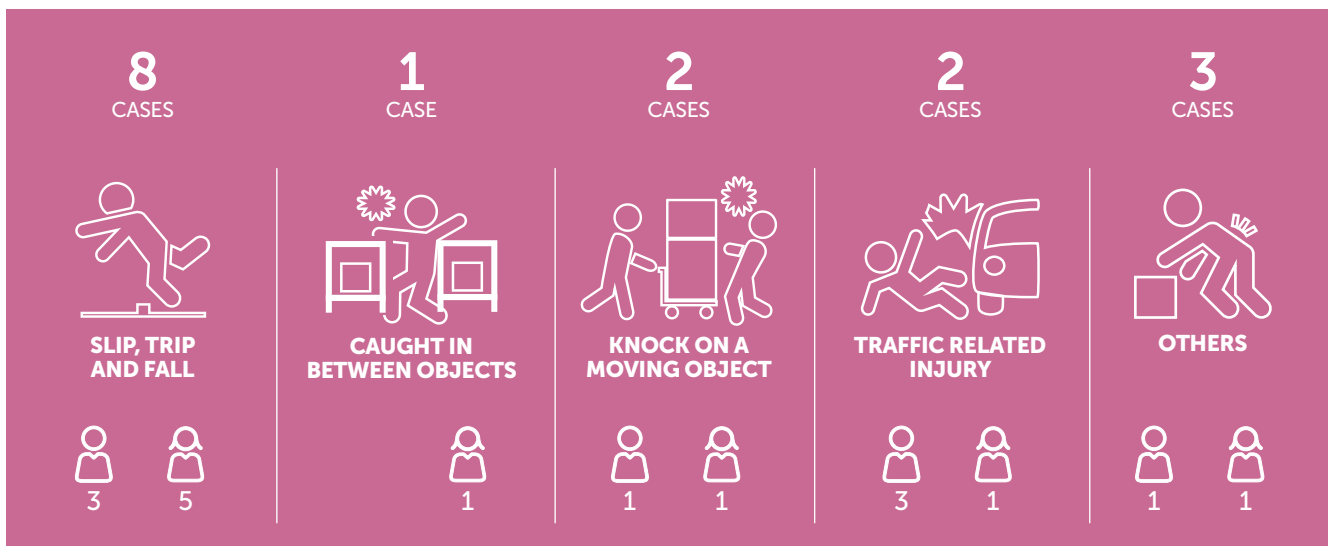
our 14 telephone exchanges and over 130 automated external defibrillator (AED) devices at all our office buildings and exchanges in Singapore. To date, we have trained over 250 employees on AED, CPR and first aid.

Following our bizSAFE Partner status, we achieved bizSAFE Star certification in November 2016. During the year, our WSH management system was certified to the Singapore Standard SS506 and OHSAS 18001.

All our Field Operations employees must attend mandatory WSH training that will enable them to perform their assigned roles safely and effectively. We continue to drive awareness among our people via WSH Forum at the annual Learning Fiesta, WSH Day campaign and roadshows.

We recorded zero fatality at our workplace across the Group. [403–2]

Types of injury by number and gender at Singtel [403–2]



People Performance Indicators

[102-8] [401-1] [403-2] [404-1] [405-2]



People	SINGTEL			OPTUS			SINGTEL GROUP		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
Total employees by gender¹									
Male	8,185	–	–	6,112	–	–	14,297	–	–
Female	4,822	–	–	2,938	–	–	7,760	–	–
Total employees¹	13,007	–	–	9,050	–	–	22,057	–	–
Total employees by employment contract and gender¹									
Regular employees (Male)	6,742	–	–	6,005	–	–	12,747	–	–
Contract employees (Male)	1,443	–	–	107	–	–	1,550	–	–
Regular employees (Female)	4,193	–	–	2,874	–	–	7,067	–	–
Contract employees (Female)	629	–	–	64	–	–	693	–	–
Total regular employees by employment type and gender¹									
Full time (Male)	8,178	–	–	5,385	–	–	13,563	–	–
Part time (Male)	7	–	–	727	–	–	734	–	–
Full time (Female)	4,803	–	–	2,101	–	–	6,904	–	–
Part time (Female)	19	–	–	837	–	–	856	–	–
Total employees by age group									
<30 years old	22%	22%	21%	24%	24%	23%	23%	23%	22%
30-49 years old	60%	60%	60%	60%	60%	62%	60%	60%	61%
≥ 50 years old	18%	18%	19%	16%	16%	15%	17%	17%	17%
Gender mix by employee category (% female)									
Operations & Support	43%	43%	45%	43%	40%	38%	43%	42%	41%
Professional	33%	32%	32%	29%	27%	28%	31%	30%	30%
Middle Management	35%	36%	37%	21%	27%	29%	27%	30%	32%
Top Management	25%	31%	33%	7%	16%	19%	21%	21%	22%
New employee hires by age group¹									
<30 years old	8.3%	–	–	10.0%	–	–	9.0%	–	–
30-49 years old	7.0%	–	–	8.0%	–	–	7.4%	–	–
≥ 50 years old	0.6%	–	–	1.2%	–	–	0.9%	–	–
New employee hires by gender¹									
Male	10.1%	–	–	12.6%	–	–	11.2%	–	–
Female	5.8%	–	–	6.6%	–	–	6.1%	–	–
New employee hires¹	15.9%	–	–	19.2%	–	–	17.3%	–	–
Employee turnover by gender¹									
Male	10.7%	–	–	9.7%	–	–	10.3%	–	–
Female	5.7%	–	–	5.7%	–	–	5.7%	–	–
Employee turnover by age¹									
<30 years old	5.6%	–	–	7.8%	–	–	6.5%	–	–
30-49 years old	9.5%	–	–	6.4%	–	–	8.2%	–	–
≥ 50 years old	1.3%	–	–	1.2%	–	–	1.3%	–	–
Employee turnover¹	16.4%	14.5%	15.6%	15.4%	10.7%	10.4%	16.0%	13.0%	13.4%

People	SINGTEL			OPTUS			SINGTEL GROUP		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
Salary ratio (female:male)²									
Operations & Support	1 : 0.99	0.96 : 1	0.96 : 1	1 : 0.98	0.96 : 1	0.96 : 1	1 : 0.95	0.96 : 1	0.96 : 1
Professional	0.98 : 1	0.99 : 1	1 : 1	0.96 : 1	0.91 : 1	0.91 : 1	0.97 : 1	0.94 : 1	0.94 : 1
Middle Management	0.99 : 1	0.97 : 1	0.98 : 1	0.97 : 1	0.94 : 1	0.94 : 1	0.98 : 1	0.95 : 1	0.96 : 1
Workforce ethnicity									
Chinese	69%	68%	72%	–	–	–	–	–	–
Malay	9%	9%	8%	–	–	–	–	–	–
Indian	13%	12%	10%	–	–	–	–	–	–
Others	9%	11%	10%	–	–	–	–	–	–
Total training investment (\$million)	S\$13.8	S\$10.9	S\$10.0	A\$10.8	A\$10.9	A\$11.5	S\$25.1	S\$22.1	S\$22.9
Average training hours per employee	30.4	32.5	33.3	30.9	31.7	32.2	30.5	32.2	32.8
Average training hours by gender¹									
Male	30.4	–	–	31.2	–	–	30.6	–	–
Female	30.3	–	–	30.2	–	–	30.2	–	–
Average training hours by employee category¹									
Operation & Support	31.8	–	–	36.5	–	–	33.2	–	–
Professional	30.1	–	–	28.5	–	–	29.3	–	–
Middle Management and Above	23.3	–	–	28.1	–	–	25.9	–	–
Employee health and safety³									
Workplace injury incidence rate	1.3	1.3	1.4	1.3	1.3	2.6	1.3	1.3	1.9
Workplace injury frequency rate	0.6	0.6	0.6	0.8	0.8	1.3	0.7	0.7	0.9
Workplace injury frequency rate (Male) ¹	0.5	–	–	0.4	–	–	0.5	–	–
Workplace injury frequency rate (Female) ¹	0.8	–	–	1.9	–	–	1.1	–	–
Workplace injury severity rate	3.3	5.9	7.4	8.7	12.9	18.6	5.1	8.3	11.3
Workplace injury severity rate (Male) ¹	1.5	–	–	4.9	–	–	2.9	–	–
Workplace injury severity rate (Female) ¹	6.3	–	–	17.9	–	–	10.2	–	–
Absenteeism rate¹	0.017	–	–	0.015	–	–	0.017	–	–
Absenteeism rate (Male) ¹	0.014	–	–	0.014	–	–	0.014	–	–
Absenteeism rate (Female) ¹	0.024	–	–	0.017	–	–	0.021	–	–
Occupational disease rate¹	0	–	–	0	–	–	0	–	–
Fatalities	0	0	0	0	0	0	0	0	0

Footnotes:

¹ New GRI Standards indicators tracked from FY2017.

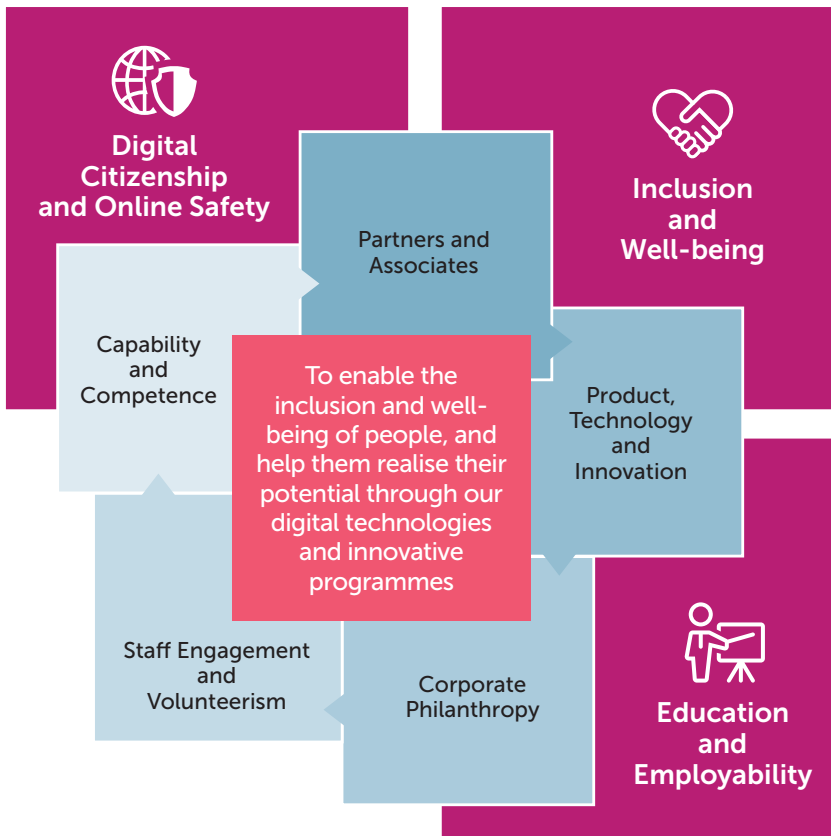
² Based on average monthly salary of regular employees.

³ Workplace health and safety metrics are based on the International Labour Organization (ILO) definitions.

07 Community – The Most Connected Communities



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. Through our key partnerships, programmes and people engagement initiatives, we combine our collective resources and leverage our skills and core competence to make a positive and sustainable change to communities in need.

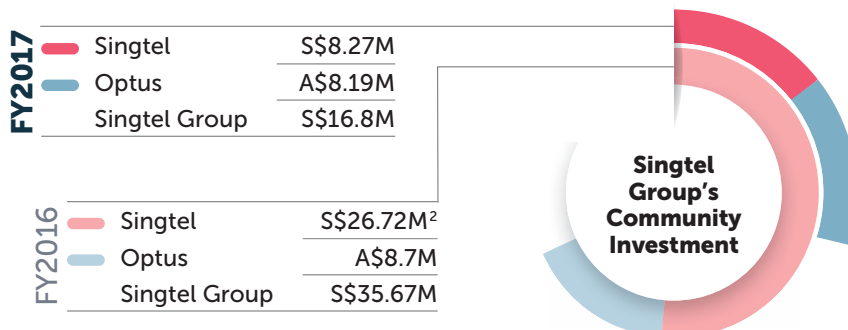
Our main community focus is to support vulnerable persons to realise their potential. Our programmes fall under three key pillars of Inclusion and well-being, Education and employability, and Digital citizenship and online safety.

In FY2017, the Singtel Group's total community investment¹ was S\$16.8 million (Singtel S\$8.27 million, Optus A\$8.19 million), which included direct financial support, in-kind charitable sponsorships and staff volunteering hours.

[201–1]

Our community strategy helps us to contribute towards the UN Sustainable Development Goals on good health and well-being, quality education, decent work

Singtel Group's Community Investment



¹ Our community investment figure has been verified by the London Benchmarking Group (LBG).

² Included a partial allocation of a one-time donation of S\$20 million to National Gallery Singapore.



6,000 runners including Singtel management and staff members at the 8th Race Against Cancer.



Singtel Group CEO, Chua Sock Koong, and STLF Chairman Yuen Kuan Moon (extreme right) presented the funds raised at Singtel Charity Golf to Community Chest Chairman Phillip Tan and Managing Director, Ng Ling Ling, who received the cheque on behalf of the beneficiary organisations.

and economic growth, industry, innovation and infrastructure, reduced inequalities and sustainable cities and communities.

[\[SDG 3\]](#) [\[SDG 4\]](#) [\[SDG 8\]](#) [\[SDG 9\]](#)
[\[SDG 10\]](#) [\[SDG 11\]](#)

SUPPORTING THE VULNERABLE **[103–1]**

Rapid developments in infocomm technology (ICT) inadvertently also widen 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 society.

INCLUSION OF VULNERABLE GROUPS **[103–2]** **[103–3]**

The Singtel Touching Lives Fund (STLF) is our flagship corporate philanthropy programme to support

children and youth with special needs in Singapore. Since 2002, STLF has been raising money for special educational programmes that help them lead independent lives. To date, STLF has raised over S\$36 million, with S\$3 million raised in FY2017.

Marking STLF's 15th anniversary in FY2017, Singtel donated S\$2 for every dollar donated by employees to STLF during the year. This also led to an increase in the number of fundraising activities by departments that opted to do their part for STLF while VolunTeaming. We also organised a novelty game for our golfers to raise even more money for the five special education schools that are our STLF beneficiaries. The golfers raised an additional S\$54,000 which Singtel topped up to S\$150,000, bringing the total funds raised to S\$1.15 million at the annual Singtel Charity Golf 2016.

Our STLF beneficiaries are APSN Chaoyang School, APSN Tanglin School, Cerebral Palsy Alliance Singapore School, Eden School and MINDS Lee Kong Chian Gardens School. [\[SDG 4\]](#) [\[SDG 17\]](#)

In addition, we donated close to S\$2 million to non-STLF charitable organisations and contributed over S\$850,000 of in-kind sponsorship of telecommunications and media services to charities, social enterprises and nation-building activities in Singapore during the year.

We continue to support the cancer cause given its pervasiveness in the society. We were the title sponsor of the Singapore Cancer Society's Race Against Cancer for the 8th consecutive year and participated in the 7th Tour de Cure in Australia.

The Most Connected Communities



In Australia, we remain committed to partnering the Australian Business and Community Network (ABCN) and support the ABCN Scholarship Foundation, which provides financial and mentoring scholarships to high potential students facing economic, family or social challenges. There were 480 volunteer positions in FY2017 and our staff volunteers mentored more than 600 vulnerable youths to help them learn, grow and navigate their way through life. **[203–2]**

To help disadvantaged students, we continue to support The Smith Family's mobile student2student reading programme. Students are paired with reading buddies to improve their reading using Optus mobile handsets and network. Since 2010, we have helped more than 1,750 students improve their reading.

We also conducted 10 workshops for 2,500 senior citizens in Singapore who learnt to use smartphones and social media apps, as well as online safety tips like protecting their online privacy and against scams. For the first time,

we partnered the People's Association to organise a digital literacy and photography workshop to teach 600 senior citizens how to make full use of their smartphones. 34 Singtel staff volunteers guided them during the workshop held at Gardens by the Bay. **[SDG 4] [SDG 11]**

EMPLOYEE VOLUNTEERISM

We encourage our people to volunteer on an individual or team basis. We believe active employee volunteerism not only helps the community but contributes to the

holistic development of our people in terms of empathy, perspective and character building.

Besides giving our employees one day of paid volunteer leave each year, we encourage business units to adopt VolunTeaming, our concept of teambuilding with a volunteering element, where our employees volunteer together as a department.



From left: Sharing with ABCN students on Optus Career Choice Day; Singtel volunteers and seniors bonded during the photography workshop.

Staff Volunteering Hours

FY2017	Singtel	17,140
	Optus	16,420
	Singtel Group	33,560
FY2016	Singtel	15,981
	Optus	16,194
	Singtel Group	32,175



4TH SINGTEL CARNIVAL FOR CHILDREN WITH SPECIAL NEEDS

More than 1,000 students from all Special Education (SPED) schools across the island enjoyed a mega carnival organised by Singtel staff volunteers at Singapore Expo, as part of the 15th anniversary celebrations of Singtel Touching Lives Fund (STLF).

The event, which was in its 4th year, saw more than 1,700 Singtel staff volunteers put up a superhero-themed carnival for the special guests, with stage entertainment, food and game stalls designed to transport them into a world of fantasy. Each student was paired with a staff volunteer, who brought them around to participate in various activities.

Mr Yuen Kuan Moon, STLF Chairman and CEO Consumer Singapore, Singtel, said: "The Singtel Carnival provides an opportunity for the special needs children to interact and enjoy themselves in a safe and fun environment. I'm glad to see that volunteerism is on the rise among our employees and we are fostering a meaningful bond with the community."



OUR REGIONAL CSR EFFORTS

Beyond volunteering to support our local beneficiaries, we organise expeditions under our annual Overseas Volunteering Programme (OVP), now in its 7th year, where our employees volunteer their time to support communities in the markets where the Singtel Group operates.

The biggest OVP to date was held in the Philippines in April 2016 where 10 volunteers each from Singtel, Optus and our contact centre partners were joined by volunteers from Globe, our associate company in the Philippines. Through the volunteers' joint efforts, a community area in Parañaque, Metro Manila was refurbished and learning workshops were conducted for the children and youth in the village.

20 volunteers from AIS, Singtel and Optus participated in our second skilled volunteering programme in partnership with our Thai associate AIS. The second run of the AIS-Singtel English Camp was held from 25 to



From top: Singtel Group volunteers participating in a clean-up activity at Las Piñas-Parañaque Critical Habitat and Ecotourism in the Philippines; Singtel Group volunteers helping Thai students improve their conversational English.

29 July 2016 at the Rimkhobfa Camp, Samut Prakan Province in Thailand. Our staff volunteers spent their time mentoring and encouraging 35 undergraduates who are scholarship beneficiaries of the AIS CSR programme, Good Kids Great Hearts, to speak English and improve their confidence and communications skills.

The Most Connected Communities



DIGITAL CITIZENSHIP AND ONLINE SAFETY [103–1] [103–2]

Internet and mobile apps have greatly benefitted 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.

We recognise the potential negative impact this has across the globe. Hence, we strive to play a proactive role to mitigate such risks by educating our customers and promoting responsible digital citizenship especially among vulnerable children and youth. These interventions also support our efforts towards the UN Sustainable Development Goal on Good Health and Well-being. [413–2] [SDG 3]

INCREASING AWARENESS OF CYBER RELATED ISSUES [103–2] [103–3]

During the year, we introduced in Australia Kids Helpline@School Digital, a revised version of Kids Helpline @ School. This programme focuses specifically on digital literacy and education modules delivered via webstream to primary schools across the country. To date, the programme

Our longstanding partnership with Kids Helpline also received international recognition by United Nations agency, ITU, for global best practice.



Students with special needs enjoying the lessons in the Singtel Cyber Wellness Toolkit workbooks.

has reached over 9,600 students across 121 schools. Our longstanding partnership with Kids Helpline also received international recognition by United Nations agency, ITU, for global best practice.

We launched in January 2017 the Singtel Cyber Wellness Toolkit that we developed last year for special education schools in Singapore to teach this important topic to their students, age seven to 18, with intellectual disability. Lesson plans for teachers were developed as a 'plug and play' presentation with notes to help them conduct lessons covering four main themes on cyber relationships, online information, online harassment and bullying, as well as time management online. During the December school holiday last year, we conducted teacher workshops to help them use our Toolkit effectively. We also developed three levels of workbooks for the students to reinforce their learning.



Optus Digital Thumbprint

Since its launch in Australia in 2013, the Optus Digital Thumbprint Programme has reached more than 140,000 high school students. Our regional associates have also adopted the agenda of digital citizenship. Globe introduced its Digital Thumbprint Programme in May 2016 and has since reached more than 6,000 students. Telkomsel in Indonesia has rolled out their TV and social media campaigns to raise awareness of the issue and risks.

In Singapore, we became a strategic partner of the #DQEveryChild programme which has created the world's first measurement of Digital Intelligence Quotient. We co-funded and supported our long-time social enterprise partner DQ Institute, the brainchild of iZ HERO programme that we have been supporting in the

“As an integrated school for special needs from primary to vocational senior school, APSN leverages technologies to overcome learning disability through mobility learning, gamification, robotics and augmented reality. This new opportunity however presented new risks to unwary students who are vulnerable to the ungoverned side of cyberworld. It is a timely move to launch the Singtel Cyber Wellness Toolkit.”

Mr Victor Tay
President of Association for
Persons with Special Needs
(APSN)

past few years, to develop and launch the new #DQEveryChild learning platform in Singapore.

We are encouraged to see these programmes creating an impact. In the pilot for #DQEveryChild in Singapore which involved about 3,300 students in 17 schools last year, we saw the students' Digital Intelligence Quotient improve by 10 points from an average of 100 after going through the programme. Our Digital Thumbprint Programme in Australia continues to be effective, with almost 100% of the students



agreed that they are inspired to adopt and share what they have learnt from our programme, and 90% of primary school age students said they now have more ideas on how to deal with cyber issues. [SDG 3] [SDG 4] [SDG 17]

EDUCATION AND EMPLOYABILITY

A key focus of our community strategy is to support youth with disabilities so that they can be equipped to join the workforce and be ready to lead independent lives.

We committed S\$1.99 million to build and fund the operations of the Singtel Enabling Innovation Centre (EIC) to help persons with disabilities in Singapore by offering customised ICT and contact centre training. The Singtel EIC also brought in assistive technologies (AT) in a showcase to potential users and employers. Within its first year of operations, we hosted about 8,000 visits, 300 client assessments and more than 600 training sessions for 100 organisations in the use of AT for persons with disabilities. We also conducted 20 IT and contact centre skill workshops for 200 participants.

As one of the founding members, Singtel continues to participate actively in the Singapore Business Network on DisAbility (SBNod). The network meets regularly to share expertise, experiences and resources to help advance the equitable inclusion of people with disability

in all aspects of business. Please see page 31 in People Chapter for more information about the RISE Mentoring Programme for tertiary students with disabilities. We hope to create greater empathy and champions among our leaders to advocate and support disability employment within the business.

In Australia, we launched 'Pathways to Employment' programme which was a first for Optus and for our non-profit partner ABCN. This programme builds on our existing mentoring and employment programmes to provide not only skills, but the opportunity to secure employment with Optus. Our staff volunteers helped 56 ABCN students develop skills and grow their confidence and by the end of the programme, six students were selected for roles in our Optus stores over the busy Christmas period with one securing a permanent position. [102–13]

AT THE SINGTEL ENABLING INNOVATION CENTRE



The Most Connected Communities



Supporting participants of the Singtel and Optus Future Makers 2016 programmes to scale their social impact and reach with technology.

SUPPORTING INNOVATION FOR SOCIAL IMPACT

We launched Singtel and Optus Future Makers, our inaugural six-month social innovation programme aimed at helping charities, social entrepreneurs and social enterprises that believe technological innovation plays a key role in addressing social causes in Singapore and Australia.

We supported 18 start-ups and non-profit organisations in both countries with over S\$480,000 in cash grants and other programme benefits. These include workshops, community engagement events, mentoring and coaching. Participants learnt the ropes of building their capacity and scaling the reach and impact of their social impact businesses.

Our programme also involved partners from our broader network of social enterprises, non-profit sector and venture capital as mentors and coaches. We were

able to use this as our skilled volunteering platform by having our employees, who are subject matter experts on areas like digital marketing, HR, legal, strategy and capital venture financing, as mentors and coaches.

We have announced our 2017 Future Makers programme in partnership with our Philippine associate Globe. The joint initiative seeks to help enterprising individuals and organisations in these three markets addressing community needs – through bold and innovative use of technology to grow and scale their businesses. The new programme will provide successful applicants with more than S\$500,000 in cash grants and four months of business workshops, mentoring and coaching support from industry experts. Participants with the biggest potential to scale their solutions regionally have the chance to participate in a regional tier of funding and a workshop for regional capability building. [SDG 9]

SUPPORTING THE HEARING IMPAIRED THROUGH TECHNOLOGICAL INNOVATION

Founded in 2015, social impact start-up CaptionCube is an advocate for developing an inclusive learning environment for the deaf and the hard-of-hearing community. It provides subtitles for digital media, transcribing and translation services, and live captioning.

It is also an inclusive organisation and hires persons with disabilities and caregivers both locally and regionally.

As one of our seven successful Singtel Future Makers 2016 participants, we supported CaptionCube with competency workshops and by connecting them to experienced industry mentors and technical coaches. We also organised monthly thematic community networking events with relevant partners to help scale their social impact and business growth.

It has since pivoted from focusing on the education sector to a broader vision of being the fastest and most accurate subtitling service provider in Asia for Asian languages. They also leveraged our various Singtel Future Makers events to refine their live captioning systems for upcoming showcase opportunities such as TEDxPickeringStreet later this year. [203–2]

08 Marketplace and Customers – The Best Experience



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 while embracing responsible business practices, both across our operations and our supply chain.

CUSTOMER EXPERIENCE

[103–1] [103–2] [103–3]

We strive to serve our customers in the best way possible by delivering a truly differentiated customer experience. 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.

CUSTOMER SATISFACTION

We constantly endeavour to raise the bar of customer satisfaction by focusing on giving the best value and experience to our customers, deepening our engagement and relationship with them as a pivotal part of our customer experience strategy.



'Customer Focus' is one of our five core values. To truly immerse everyone across the Group with a customer focus mindset, we introduced a Customer Appreciation Programme in Singapore and Australia in 2012. Regardless of job grade, employees of all job functions, including top management, will observe customer interactions at our call centres, retail shops and during installation at customer premises. With the insights, our people can take improvement actions to make a difference to our customers.

During the year, a new retail concept was introduced in our stores in Singapore and Australia to bring an attractive and intuitive in-store

experience for our customers. Customers at Singtel Shop for example can scan the barcode on their queue ticket at any of the special signages of the product or service on display, like the latest mobile phones. These will be added to their interest list which is linked to our sales specialists' tablets, who can now give relevant recommendations and advice to our customers, making this important face-time interaction highly effective.

In Singapore, for every 10 customer complaints via the media, social media, our website and management, we received 25 compliments in FY2017, up from 22 a year ago.

In Australia, the monthly average for Telecommunications Industry Ombudsman (TIO) complaints for phone and internet users about Optus was 2.66 complaints per 10,000 services, down from 7.9 last year.

Our relentless focus on customer satisfaction and excellence is recognised at the Customer Experience Asia Excellence Awards 2016 which honoured the highest level of achievement in customer experience across Asia Pacific. Singtel clinched top spots in three categories of Best Customer Experience, Best Contact Centre and Best Use of CEM Technology for My Singtel app.

The Best Experience



PRODUCT AND SERVICE QUALITY

[103-1] [103-2]

The Singtel Group is 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 as well as Industry, Innovation and Infrastructure. [SDG 9] [SDG 11]

Enhancing Network Reliability

[103-2] [103-3]

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\$2.26 billion in FY2017 (Singtel S\$851 million, Optus A\$1.35 billion). Of this investment, S\$168 million and A\$678 million were invested in our mobile networks in Singapore and Australia. [203-1] [SDG 9]

TOTAL CAPITAL INVESTMENT OF

S\$2.26 billion
in FY2017



S\$168 million and A\$678 million

WERE INVESTED IN OUR MOBILE NETWORKS IN SINGAPORE AND AUSTRALIA.

Ensuring Quality Standards

[103-2] [103-3]

In Singapore, Singtel adheres to the Quality of Service standards set by the newly merged regulatory entity, the Info-communications Media Development Authority of Singapore (IMDA), for the services that we offer. IMDA 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.imda.gov.sg. [102-12]

Despite our efforts, there were occasional shortfalls. In FY2017, we paid five fines totalling S\$525,000 imposed by IMDA and there was no non-monetary sanction against Singtel. [419-1]

- Two fines totalling S\$255,000 for voice service difficulty incidents in 2014 and 2015, and a Singtel TV service difficulty in October 2015 arising from equipment faults.
- Two fines totalling S\$240,000 for a voice service difficulty in November 2015 and a Singtel TV service difficulty in January 2016 arising from equipment configuration.
- One S\$30,000 fine for a voice and broadband service difficulty in March 2014 from power loss to network equipment.

During FY2017, there was no legal action regarding anti-competitive behaviour and violation of anti-trust legislation against the Singtel Group.

INNOVATION

[103-1] [103-2] [103-3]

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]

For example, during the year, we introduced Singtel Dash, Singapore's first all-in-one mobile payment solution and Optus Sport, a 24/7 sport channel with on-demand capacity and live multi-screen capability in Australia. Please refer to our Annual Report 2017 for details. [203-2]

ETHICAL AND RESPONSIBLE BUSINESS PRACTICES

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

CUSTOMER HEALTH AND SAFETY

[103-1] [103-2] [103-3]

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 the health and safety of people due to the emission of Electromagnetic Energy (EME) from mobile devices, base stations and tower infrastructure. There is however no conclusive evidence on adverse health effects caused by mobile phone usage.

The perceived health risks remain a concern for our customers, the community and regulators. We take

measures to ensure compliance with both local and global standards. We also continue to closely monitor research findings by key bodies such as World Health Organisation (WHO) on EME risks and their implications on relevant standards and regulations in our markets and the rest of the world. The WHO article can be found at <http://www.who.int/mediacentre/factsheets/fs193/en/>.

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 level of mobile phone radiation permitted in Singapore complies with the WHO's recommended International Commission on Non-ionizing Radiation Protection (ICNIRP) Standards and 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. [102–12]

Our engineering teams work hard to provide the needed outdoor and indoor mobile coverage that customers expect to enjoy while taking into consideration factors such as feasibility and aesthetics as well as addressing concerns from the public and building owners. In Singapore, we engage NEA to conduct radiation measurements near the mobile base stations, antenna locations and the locations of concern. In FY2017, we engaged NEA to conduct eight measurements island-wide. The results showed that our mobile base stations complied with the radio frequency radiation levels and safety guidelines set by ICNIRP. [416–2]

The mobile phone handsets sold at our Singtel Shop and Optus Shop outlets also comply with regulatory guidelines set out by bodies like RPNSD, IMDA and Australian Radiation Protection and Nuclear Safety Agency (ARPANSA). [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 ARPANSA, which is part of the Commonwealth Department of Health. ARPANSA's standards are based upon those recommended by the ICNIRP. [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.

CUSTOMER DATA PRIVACY AND PROTECTION

[103–1] [103–2] [103–3]

Our recent materiality assessment has indicated that customer data privacy and protection is of paramount importance to our stakeholders, making this the number one material topic for the Singtel Group. We recognise our customers' need for privacy and are determined to spare no effort in our pursuit to continue to be recognised as a trusted operator by our customers and all stakeholders.

In Singapore, we conduct our business in compliance with the Personal Data Protection Act (PDPA), which comprises various rules governing the collection, use,

disclosure and care of personal data. Singtel's Group Chief Information Officer is also our Data Protection Officer and reports to the Board Risk Committee to manage this important matter. [102–12]

We have also invested heavily in global capabilities, partnerships and technology to provide cyber security solutions, and have established cyber security operation centres to support our global enterprise customers. Data privacy protection is also a key focus area in our supply chain. We continue to conduct awareness sessions for external partners along with compliance checks on our suppliers and outsourced vendors in offshore locations providing customer care and IT support.

During the year, we took additional steps to improve our process for managing data security risks. An annual refresher programme was conducted for our people to reinforce their knowledge of the PDPA. We also provided FAQs, a quarterly e-newsletter called DPO Connect featuring issues and tips, handbooks and a website on our staff portal Espresso to train our people in this area.

In Singapore, we recorded 20 minor incidents of unintended data disclosure during the year with human lapses and negligence being the major cause. Four of these cases came to our attention via the Personal Data Protection Commission. The majority of incidents involved sending documents containing personal data to the wrong email or postal address. We continue to work with our staff to mitigate the recurrence of such lapses. [418–1]

The Best Experience



We reported last year a technical glitch which led to the personal data of one customer being published on the My Singtel app. The regulator after investigation fined Tech Mahindra (Singapore), our data intermediary, S\$10,000 for failing to make reasonable security arrangements to protect our customer's personal data. [\[418-1\]](#)

In Australia, we have instituted an incident management policy that focuses on early reporting and rapid containment of incidents. Hence, we are now in a better position to efficiently implement the new data breach notification laws.

We have put in place a privacy-by-design approach. This is done through our Privacy Impact Assessments which aim to gauge whether activities are permissible from a privacy perspective and to set up appropriate controls and processes where needed. During the year, we conducted over 300 of these assessments. We are therefore better placed to ensure that our activities are set up for privacy best practice and to anticipate and avoid potential incidents.

FAIR MARKETING COMMUNICATIONS

[\[103-1\]](#) [\[103-2\]](#) [\[103-3\]](#)

We recognise that fair marketing practices and being transparent in the way we communicate can build trust and loyalty among our customers. To achieve this, we have incorporated a marketing code into the Singtel Code of Conduct. The marketing code sets out the requirements that Singtel organisations and representatives must follow to ensure that all marketing activities comply with

various laws and guidelines such as the Singapore Code of Advertising Practice, IMDA Codes of Practice and Guidelines and PDPA.

By incorporating these regulatory elements, our marketing code provides holistic guidance to fair, accurate, respectful, transparent and professional advertisements and marketing materials as well as our marketing conduct.

All new marketing hires must undergo this online training by their second week with the company.

Failure to comply with our Code is a serious matter that can lead to disciplinary action, up to and including termination of employment or dismissal of the relevant Singtel representative, as well as civil action and penalty.

There were no cases of non-compliance with regulations and voluntary codes concerning marketing communications at Singtel in Singapore during the year. In March 2017, the Advertising Standards Authority of Singapore clarified with us on the start date of a promotion in which we gave free 1GB local data to customers during their birthday month. Optus entered into an enforceable undertaking with the Australian Competition and Consumer Commission on 1 June 2017. Customers who purchased specific prepaid products between August 2013 and June 2016 may not have received all the benefits offered and/or received a shorter expiry period than was advertised at the time of their purchase. We undertook to inform and compensate affected customers and update our compliance programme. [\[417-3\]](#)

ANTI-CORRUPTION

[\[103-1\]](#) [\[103-2\]](#) [\[103-3\]](#)

The Singtel Group, with our significant workforce size operating across different geographies around the world and multiple partnerships across the value chain, has multiple points which can render us vulnerable to corruption. Our stakeholders have recognised this too during our recent materiality assessment and highlighted anti-corruption as a material topic. 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



Number of confirmed incidents in which employees were dismissed or disciplined for corruption

Singtel	3
Optus	1




Number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption

Singtel	1
Optus	1

internal controls in business processes as our core approach.

Our efforts in this area have been recognised through the 2017 World's Most Ethical Companies ranking by Ethisphere Institute for the 7th consecutive year. The award honours companies that excel in three areas – promoting ethical business standards and practices internally, enabling managers and employees to make good choices, and shaping future industry standards by introducing tomorrow's best practices today. Singtel is the only company in Singapore as well as in Asia's telecommunications industry to be honoured with this award.

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 Programme underpin our fraud risk management framework and processes. We conduct fraud and control awareness programmes throughout the year to constantly refresh and update our people in this area, as well as to reinforce our strong anti-corruption stance. Our independent and accessible whistleblower channels, including the external whistleblower hotlines managed out of Australia and Singapore by PKF and KPMG respectively, allow our people and external parties to report incidents of misconduct or suspected misconduct, including corruption. We also require all new employees to acknowledge the requirements of our Code of Conduct and our existing staff to make an annual declaration on any conflict of interest.

	Number of cases received in FY2017 via Whistleblower channels			
	Received	Substantiated	Not Substantiated	Under Investigation
Singtel	29	12	10	7
Optus	109	49	51	9
Singtel Group	138	61	61	16

Nevertheless, control measures can only provide reasonable but not absolute assurance of conformance to policies. For this reason, there were occasional instances of policy breaches that surfaced in our businesses in Australia and Singapore during the year.

We are disclosing the performance and effectiveness of our Whistleblower channels from this report. [\[205–3\]](#)

We received a total of 138 cases via our whistleblower channels during the year. After investigation, 61 cases were substantiated and 61 cases were not, with the remaining 16 cases under investigation at the end of the year. In addition, we closed 15 matters received in the prior year that were still under investigation as at 31 March 2016.

Highlights of the substantiated cases:

- One case of fabrication of resume and one case of falsifying reported working hours in Singapore.
- Four cases of internal fraud or asset theft by staff in Australia.
- Six cases of conflict of interest situations involving our people and contractors.

- Seven cases of inappropriate employee behaviour, including workplace harassment, in Singapore and Australia.
- 15 cases involved breach of Optus policy and business processes by employees.
- 29 cases of identity theft related issues in Australia that affected customers or members of the public.

We noted that in Australia, customers and the general public are increasingly using our Whistleblower hotlines to report identity theft, instead of calling our customer service hotlines. We also noted that of the 12 substantiated cases by Singtel, six involved an overseas entity or the reported incident took place outside Singapore and Australia.

When these cases came to our attention, independent internal investigations were immediately conducted by our Internal Audit or investigation teams led by our subject matter experts. When an alleged corrupt or other criminal act by an employee is substantiated, the persons of interest were terminated and the matters reported to the relevant law enforcement authority. [\[205–3\]](#)

The Best Experience



SUSTAINABLE SUPPLY CHAIN MANAGEMENT [103–1]

The Singtel Group is committed to collaborating with transparent, ethical as well as socially and environmentally responsible suppliers. Our preference is to procure from vendors who currently are or working towards being responsible and sustainable companies.

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. [102–9]

We contract with local and global vendors for our different lines of businesses. In FY2017, we contracted about 6,500 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.

Embedding sustainability in our supply chain [103–2] [103–3]

As part of our Sustainable Supply Chain Management (SSCM) programme for FY2017, we built a supplier self-assessment questionnaire based on industry best practices to gather inputs from our key suppliers. The questionnaire addressed eight key environmental, social and governance (ESG) categories: Corporate governance,

Anti-bribery and corruption, Environmental and energy management, Workplace safety and health (WSH), Human and labour rights, Conflict minerals, Data privacy and cyber security, and Electromagnetic energy. The results gave us in-depth insights into the practices of our key suppliers (see Figure 8.1). [SDG 8]

We also audited 17 high-risk suppliers against our material topic of data privacy. Information Security (InfoSec) under our Group IT undertook a Security Compliance Assessment and visited 17 offshore facilities to ensure that they were set up according to the agreed architecture and security controls. There were no significant issues identified. We will perform Security Compliance Assessment for key offshore function on an annual basis.

Going forward, we are looking at auditing suppliers using a risk-based approach: our top 50 suppliers that make up 75% of our total procurement spend and other suppliers in locations which we considered have high ESG risks. We also undertook a risk analysis across our procurement categories and sub-categories to provide a lens to where possible risks may exist deeper in our supplier base. We overlaid other risk lenses to tease out higher risk suppliers outside of the category risk analysis and are working on ESG issue identification.

In addition, all new suppliers from FY2017 were assessed against social and environmental criteria through our sustainability questionnaire as part of their on-boarding tender

process. This is applied to tenders above \$200,000 across the Singtel Group. 100% of such new suppliers were assessed against both criteria during the year. [308–1] [414–1]

The Life Cycle Assessment (LCA) exercise for our Singapore and Australia operations we conducted last year helped us to identify the direct and indirect environmental impact of how we source for our business needs (see Figure 4.4 on page 17). We also conducted a Social Hotspot Analysis which identified sources of vulnerability within our supply chain such as human and labour rights and environmental issues.

We see the importance and value of having a consistent approach towards SSCM and are working towards developing a regional approach to manage our supply chain. We are currently working with our regional associates in Thailand, Indonesia and the Philippines to align our Supplier Code of Conduct to help provide consistency in our SSCM approach across the Group.

Safety of our contractors

During the year, we introduced new health and safety initiatives to our contractors in Singapore. We piloted the Singtel Contractor Accreditation (SCA) scheme where 10 of our contractors, who perform high-risk technical or physical work such as cable pulling and building facilities jobs, participated and were subsequently accredited with our SCA certificates. The SCA scheme is compatible with bizSAFE Level 3, bizSAFE STAR, SS506 and OHSAS 18001 management systems standards.

In addition, 103 of our contractors have signed with us a Pledge for Zero Accident to show their commitment towards an accident-free work environment for their workers when performing our jobs. We introduced STOP (Safety Time Out Programme) training in January 2017 as part of our WSH safety infringement process. We enforce stop-work orders to our contractors should they have major violations. They either stop deploying their workers involved or send them to attend our STOP Programme before they are allowed to work on Singtel projects. We have seen a marked improvement and observed more safety improvements at worksites.

Ongoing pursuit for excellence

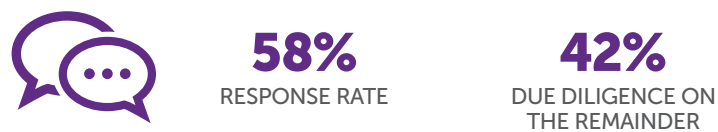
In the coming year, we will conduct risk assessments on the next batch of key suppliers. We are also exploring a third party audit regime that can help to identify areas in our supply chain which are performing well and those requiring more ESG attention.

We acknowledge the importance of building internal capabilities and awareness in the SSCM domain. We are therefore looking at providing training to our procurement employees on SSCM. We will also review the KPIs of relevant staff to encourage SSCM implementation in their daily tasks.

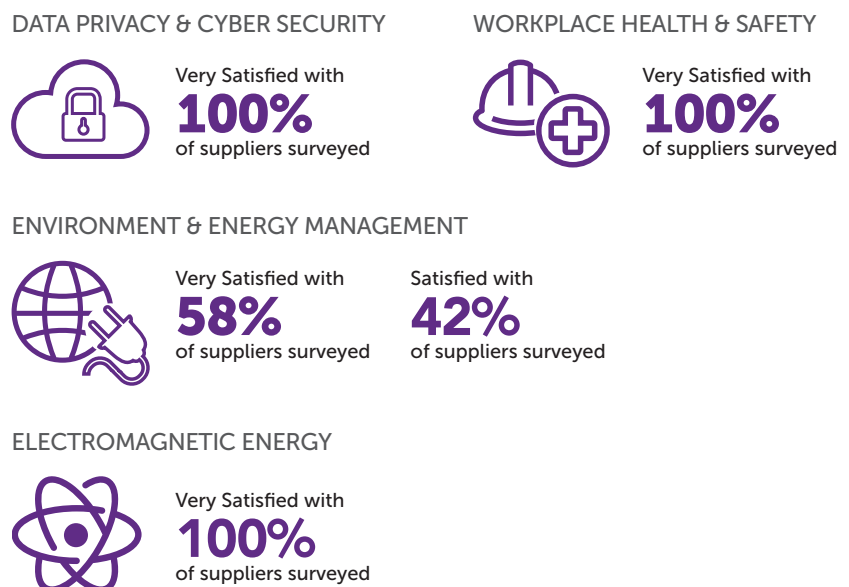
We have started embedding Science Based Targets into our SSCM strategy to address the Singtel Group's environmental footprint that is contributed indirectly by our suppliers. Please refer to Chapter 5 for more information.

Figure 8.1

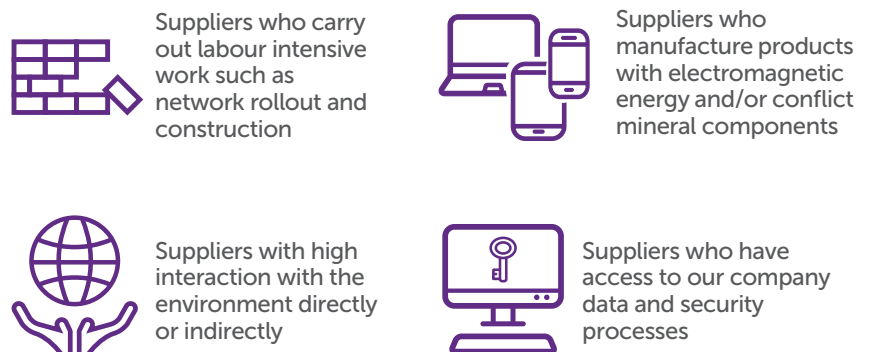
Our insights from the supplier questionnaire are as follows:



Singtel Group's level of satisfaction for our supplier performance in four material areas¹:



Categories of suppliers that the Singtel Group has greater concern:



¹ Based on supplier responses, information provided and our own policy desktop review.

09 GRI Content Index



GENERAL DISCLOSURES

GRI Standard	Disclosure	Page number
GRI 101: Foundation 2016		see Singtel Group Sustainability Report 2017
GRI 102: General disclosures 2016	Organisational Profile	
	102-1 Name of the organisation	1
	102-2 Activities, brands, products, and services	7, Annual Report
	102-3 Location of headquarters	1
	102-4 Location of operations	7
	102-5 Ownership and legal form	7
	102-6 Markets served	7
	102-7 Scale of the organisation	7, 9, Annual Report
	102-8 Information on employees and other workers	36
	102-9 Supply chain	16, 50
	102-10 Significant changes to the organisation and its supply chain	1
	102-11 Precautionary Principle or approach	21
	102-12 External initiatives	28, 34, 46, 47
	102-13 Membership of associations	25, 26, 43
	Strategy	
	102-14 Statement from senior decision-maker	2-5
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behaviour	7
	Governance	
	102-18 Governance structure	12-13, Annual Report
	Stakeholder engagement	
	102-40 List of stakeholder groups	13, see website for details
	102-41 Collective bargaining agreements	28
	102-42 Identifying and selecting stakeholders	13, see website for details
	102-43 Approach to stakeholder engagement	13, see website for details
	102-44 Key topics and concerns raised	14-15, see website for details
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	Annual Report
	102-46 Defining report content and topic Boundaries	13-14, 20
	102-47 List of material topics	20
	102-48 Restatements of information	1
	102-49 Changes in reporting	14

GENERAL DISCLOSURES

GRI Standard	Disclosure	Page number
	102-50 Reporting period	1
	102-51 Date of most recent report	1
	102-52 Reporting cycle	1
	102-53 Contact point for questions regarding the report	1
	102-54 Claims of reporting in accordance with the GRI Standards	1
	102-55 GRI content index	52-55
	102-56 External assurance	1, 57-64

MATERIAL TOPICS

GRI Standard	Disclosure	Page number	Level of External Assurance
	Inclusion of vulnerable groups		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16, 20, 39	
	103-2 The management approach and its components	39	
	103-3 Evaluation of the management approach	39	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	9, 38	
	Innovation		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16, 20, 46	
	103-2 The management approach and its components	46	
	103-3 Evaluation of the management approach	46	
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	46	
	203-2 Significant indirect economic impacts	Annual Report 40, 44, 46	
	Anti-corruption		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16, 20, 48	
	103-2 The management approach and its components	48	
	103-3 Evaluation of the management approach	48	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	48-49	Singtel
	Employee health and safety		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16, 20, 34	
	103-2 The management approach and its components	34	
	103-3 Evaluation of the management approach	34	
GRI 403: Occupational health and safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	35-37	Singtel Group
	Talent attraction and retention		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16, 20, 32	
	103-2 The management approach and its components	32,33	
	103-3 Evaluation of the management approach	32,33	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	29, 30, 36	Singtel

GRI Content Index



MATERIAL TOPICS

GRI Standard	Disclosure	Page number	Level of External Assurance
Training and education			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 34
	103-2	The management approach and its components	34
	103-3	Evaluation of the management approach	34
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	34, 36-37
	404-2	Programs for upgrading employee skills and transition assistance programs	34
	404-3	Percentage of employees receiving regular performance and career development reviews	32
Diversity and equal opportunity			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 29
	103-2	The management approach and its components	29-32
	103-3	Evaluation of the management approach	29-32
GRI 405: Diversity and equal opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	36-37
Digital citizenship and online safety			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 42
	103-2	The management approach and its components	42-43
	103-3	Evaluation of the management approach	42-43
GRI 413: Local communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	42
Supply chain management			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 50
	103-2	The management approach and its components	50-51
	103-3	Evaluation of the management approach	50-51
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	50
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	50
Customer health and safety			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 46
	103-2	The management approach and its components	46-47
	103-3	Evaluation of the management approach	46-47
GRI 416: Supplier social assessment 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	47
Fair marketing communications			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 48
	103-2	The management approach and its components	48
	103-3	Evaluation of the management approach	48
GRI 417: Marketing and labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	48

MATERIAL TOPICS

GRI Standard	Disclosure	Page number	Level of External Assurance
Customer data privacy and protection			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 47
	103-2	The management approach and its components	47-48
	103-3	Evaluation of the management approach	47-48
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	48 Singtel
Product and service quality			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 46
	103-2	The management approach and its components	46
	103-3	Evaluation of the management approach	46
GRI 419: Socioeconomic compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	46 Singtel
Climate change and carbon			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 23
	103-2	The management approach and its components	23-25
	103-3	Evaluation of the management approach	23-25
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	27 Singtel Group
	302-3	Energy intensity	27 Singtel Group
	302-4	Reduction of energy consumption	23, 24, 27 Singtel
GRI 305: Emissions 2016	305-1	Direct (scope 1) GHG emissions	27 Singtel Group
	305-2	Energy indirect (scope 2) GHG emissions	27 Singtel Group
	305-3	Other indirect (scope 3) GHG emissions	27 Singtel Group
	305-4	GHG emissions intensity	27 Singtel Group
	305-5	Reduction of GHG emissions	23, 24, 27 Singtel
Waste management			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 25
	103-2	The management approach and its components	25-26
	103-3	Evaluation of the management approach	25-26
GRI 306: Effluents and waste 2016	306-2	Waste by type and disposal method	27 Singtel
Customer satisfaction			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	16, 20, 45
	103-2	The management approach and its components	45
	103-3	Evaluation of the management approach	45
		Customer satisfaction score	45

NON-MATERIAL TOPICS

GRI Standard	Disclosure	Page number	Level of External Assurance
Water			
GRI 303: Water 2016	303-1	Water withdrawal by source	27 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	28, 50
Principle 2	make sure that they are not complicit in human rights abuses.	28, 50
LABOUR		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	28
Principle 4	the elimination of all forms of forced and compulsory labour;	28, 50
Principle 5	the effective abolition of child labour; and	28, 50
Principle 6	the elimination of discrimination in respect of employment and occupation.	29-32
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	21
Principle 8	undertake initiatives to promote greater environmental responsibility; and	22-27
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	23-25
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	48

11 Independent Limited Assurance Statement ^[102–56]



INDEPENDENT LIMITED ASSURANCE STATEMENT TO THE MANAGEMENT OF SINGAPORE TELECOMMUNICATIONS LIMITED ("SINGTEL")

We have performed limited assurance procedures in relation to the Sustainability Report 2017 of Singapore Telecommunications Limited ("Singtel") and Singtel Optus Pty Ltd ("Optus") (Collectively referred to as "Singtel Group") as detailed in the 'Subject Matter' below.

THE MANAGEMENT'S RESPONSIBILITY

Singtel Group's Sustainability Report 2017 ("the Report") has been prepared by the Management of Singtel Group, who is responsible for the collection and presentation of the information and for maintaining adequate records and internal controls that are designed to support the sustainability reporting process. There are currently no legally prescribed requirements in Singapore relating to the preparation, publication and verification of sustainability reports.

THE AUDITOR'S RESPONSIBILITY

Our responsibility in performing our limited assurance activities is to the Management of Singtel Group only and in accordance with the terms of reference agreed with them. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such

third party may place on the Report is entirely at their own risk.

Our review was limited to the information on the select indicators set out within the Report from 01 April 2016 to 31 March 2017 and our responsibility does not include:

- Any work in respect of sustainability information published elsewhere in Singtel Telecommunications Limited's annual report, website and other publications,
- Sustainability information prior to 01 April 2016 and subsequent to 31 March 2017, and
- Management's forward looking statements such as targets, plans and intentions.

Our multi-disciplinary team has the required competencies and experience to conduct this assurance engagement. Our professionals have experience in both assurance skills and in the applicable subject matter including environmental, social and financial aspects.

REPORTING CRITERIA

As a basis for the assurance engagement, we have used relevant criteria in the Global Reporting Initiative (GRI) Standards for sustainability reporting and specific criteria determined by Singtel Group as being relevant for its sustainability performance. We consider these reporting criteria to be relevant and appropriate to review the Report.

ASSURANCE STANDARD USED AND LEVEL OF ASSURANCE

Our limited assurance engagement has been planned and performed in accordance with the ISAE 3000¹ Assurance Engagement Other

Than Audits or Reviews of Historical Financial Information. We have also considered the Global Reporting Initiative (GRI) reporting standards in conducting our limited assurance procedures.

A limited assurance engagement consists of making enquiries and applying analytical and other limited assurance procedures. Our procedures were designed to provide a limited level of assurance and as such do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

SCOPE OF WORK

We have been engaged by the Management of Singtel Group to perform limited assurance on selected indicators in the Report as set out in Subject Matter below.

SUBJECT MATTER

The Subject Matter and GRI disclosures for our limited assurance engagement are as follows:

¹ International Federation of the Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000)

Independent Limited Assurance Statement



GRI TOPIC-SPECIFIC DISCLOSURES

* Pertains to only Singtel's Sustainability Performance Data

** Pertains to Singtel Group's Sustainability Performance Data

Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure
Corruption	GRI 205-3* Confirmed incidents of corruption and actions taken	<ol style="list-style-type: none"> Total number and nature of confirmed incidents of corruption. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases.
Climate change and energy management	GRI 302-1** Energy consumption within the organisation	<ol style="list-style-type: none"> Total fuel consumption within the organisation from non-renewable sources, in joules or multiples, and including fuel types used. Total fuel consumption within the organisation from renewable sources, in joules or multiples, and including fuel types used. In joules, watt-hours or multiples, the total: <ol style="list-style-type: none"> Electricity consumption Heating consumption Cooling consumption Steam consumption In joules, watt-hours or multiples, the total: <ol style="list-style-type: none"> Electricity sold Heating sold Cooling sold Steam sold <ol style="list-style-type: none"> Total energy consumption within the organisation, in joules or multiples. Standards, methodologies, assumptions, and/or calculation tools used. Source of the conversion factors used. <p>2.1 When compiling the information specified in Disclosure 302-1, the reporting organisation shall:</p> <p>2.1.1 avoid the double-counting of fuel consumption, when reporting self-generated energy consumption. If the organisation generates electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted once under fuel consumption;</p> <p>2.1.2 report fuel consumption separately for non-renewable and renewable fuel sources;</p> <p>2.1.3 only report energy consumed by entities owned or controlled by the organisation;</p> <p>2.1.4 calculate the total energy consumption within the organisation in joules or multiples using the following formula: Total energy consumption within the organisation = Non-renewable fuel consumed + Renewable fuel consumed + Electricity, heating, cooling, and steam purchased for consumption + Self-generated electricity, heating, cooling, and steam, which are not consumed (see clause 2.1.1) – Electricity, heating, cooling, and steam sold</p>
	GRI 302-3** Energy intensity	<ol style="list-style-type: none"> Energy intensity ratio for the organisation. Organisation-specific metric (the denominator) chosen to calculate the ratio. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. Whether the ratio uses energy consumption within the organisation, outside of it, or both. <p>2.5 When compiling the information specified in Disclosure 302-3, the reporting organisation shall:</p> <p>2.5.1 calculate the ratio by dividing the absolute energy consumption (the numerator) by the organisation-specific metric (the denominator);</p> <p>2.5.2 if reporting an intensity ratio both for the energy consumed within the organisation and outside of it, report these intensity ratios separately.</p>

Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure
	GRI 302-4* Reduction of energy consumption	<ul style="list-style-type: none"> a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. d. Standards, methodologies, assumptions, and/or calculation tools used. <p>2.7 When compiling the information specified in Disclosure 302-4, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.7.1 exclude reductions resulting from reduced production capacity or outsourcing; 2.7.2 describe whether energy reduction is estimated, modelled, or sourced from direct measurements. If estimation or modelling is used, the organisation shall disclose the methods used.
	GRI 303-1* Water withdrawal by source	<ul style="list-style-type: none"> a. Total volume of water withdrawn, with a breakdown by the following sources: <ul style="list-style-type: none"> i. Surface water, including water from wetlands, rivers, lakes, and oceans; ii. Ground water iii. Rainwater collected directly and stored by the organisation; iv. Waste water from another organisation; v. Municipal water supplies or other public or private water utilities. b. Standards, methodologies, and assumptions used.
	GRI 305-1** Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> a. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. c. Biogenic CO2 emissions in metric tons of CO2 equivalent. d. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> v. the rationale for choosing it; vi. emissions in the base year; vii. the context for any significant changes in emissions that triggered recalculations of base year emissions. e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f. Consolidation approach for emissions; whether equity share, financial control, or operational control. g. Standards, methodologies, assumptions, and/or calculation tools used. <p>2.1 When compiling the information specified in Disclosure 305-1, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.1.1 exclude any GHG trades from the calculation of gross direct (Scope 1) GHG emissions; 2.1.2 report biogenic emissions of CO2 from the combustion or biodegradation of biomass separately from the gross direct (Scope 1) GHG emissions. Exclude biogenic emissions of other types of GHG (such as CH4 and N2O), and biogenic emissions of CO2 that occur in the life cycle of biomass other than from combustion or biodegradation (such as GHG emissions from processing or transporting biomass).
	GRI 305-2** Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. c. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. d. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

Independent Limited Assurance Statement



Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure
		<ul style="list-style-type: none"> e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f. Consolidation approach for emissions; whether equity share, financial control, or operational control. g. Standards, methodologies, assumptions, and/or calculation tools used. <p>2.3 When compiling the information specified in Disclosure 305-2, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.3.1 exclude any GHG trades from the calculation of gross energy indirect (Scope 2) GHG emissions; 2.3.2 exclude other indirect (Scope 3) GHG emissions that are disclosed as specified in Disclosure 305-3; 2.3.3 account and report energy indirect (Scope 2) GHG emissions based on the location-based method, if it has operations in markets without product or supplier-specific data; 2.3.4 account and report energy indirect (Scope 2) GHG emissions based on both the location-based and market-based methods, if it has any operations in markets providing product or supplier-specific data in the form of contractual instruments.
	GRI 305-3** Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent. b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all. c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent. d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation. e. Base year for the calculation, if applicable, including: <ul style="list-style-type: none"> i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. g. Standards, methodologies, assumptions, and/or calculation tools used. <p>2.5 When compiling the information specified in Disclosure 305-3, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.5.1 exclude any GHG trades from the calculation of gross other indirect (Scope 3) GHG emissions; 2.5.2 exclude energy indirect (Scope 2) GHG emissions from this disclosure. Energy indirect (Scope 2) GHG emissions are disclosed as specified in Disclosure 305-2; 2.5.3 report biogenic emissions of CO₂ from the combustion or biodegradation of biomass that occur in its value chain separately from the gross other indirect (Scope 3) GHG emissions. Exclude biogenic emissions of other types of GHG (such as CH₄ and N₂O), and biogenic emissions of CO₂ that occur in the life cycle of biomass other than from combustion or biodegradation (such as GHG emissions from processing or transporting biomass).
	GRI 305-4** GHG emissions intensity	<ul style="list-style-type: none"> a. GHG emissions intensity ratio for the organisation. b. Organisation-specific metric (the denominator) chosen to calculate the ratio. c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). d. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all. <p>2.7 When compiling the information specified in Disclosure 305-4, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.7.1 calculate the ratio by dividing the absolute GHG emissions (the numerator) by the organisation-specific metric (the denominator); 2.7.2 if reporting an intensity ratio for other indirect (Scope 3) GHG emissions, report this intensity ratio separately from the intensity ratios for direct (Scope 1) and energy indirect (Scope 2) emissions.

Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure
	GRI 305-5* Reduction of GHG emissions	<ul style="list-style-type: none"> a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent. b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. c. Base year or baseline, including the rationale for choosing it. d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). e. Standards, methodologies, assumptions, and/or calculation tools used. <p>2.9 When compiling the information specified in Disclosure 305-5, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.9.1 exclude reductions resulting from reduced production capacity or outsourcing; 2.9.2 use the inventory or project method to account for reductions; 2.9.3 calculate an initiative's total reductions of GHG emissions as the sum of its associated primary effects and any significant secondary effects; 2.9.4 if reporting two or more Scope types, report the reductions for each separately; 2.9.5 report reductions from offsets separately.
Waste management	GRI 306-2* Waste by type and disposal method	<ul style="list-style-type: none"> a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable: <ul style="list-style-type: none"> vi. Reuse vii. Recycling viii. Composting ix. Recovery, including energy recovery x. Incineration (mass burn) xi. Deep well injection xii. Landfill xiii. On-site storage xiv. Other (to be specified by the organisation) b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable: <ul style="list-style-type: none"> i. Reuse ii. Recycling iii. Composting iv. Recovery, including energy recovery v. Incineration (mass burn) vi. Deep well injection vii. Landfill viii. On-site storage ix. Other (to be specified by the organisation) c. How the waste disposal method has been determined: <ul style="list-style-type: none"> i. Disposed of directly by the organisation, or otherwise directly confirmed ii. Information provided by the waste disposal contractor iii. Organisational defaults of the waste disposal contractor <p>2.3 When compiling the information specified in Disclosure 306-2, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.3.1 identify hazardous waste as defined by national legislation at the point of generation; 2.3.2 exclude non-hazardous wastewater from the calculation of non-hazardous waste; 2.3.3 if no weight data are available, estimate the weight using available information on waste density and volume collected, mass balances, or similar information.

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Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure
Supply chain management	GRI 308-1**	New suppliers that were screened using environmental criteria a. Percentage of new suppliers that were screened using environmental criteria
	GRI 414-1**	New suppliers that were screened using social criteria a. Percentage of new suppliers that were screened using social criteria
Talent attraction and retention; Diversity	GRI 401-1*	New employee hires and employee turnover a. Total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Total number and rate of employee turnover during the reporting period, by age group, gender and region. 2.1 When compiling the information specified in Disclosure 401-1, the reporting organisation shall use the total employee numbers at the end of the reporting period to calculate the rates of new employee hires and employee turnover.
Employee health and safety	GRI 403-2**	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by: i. region; ii. gender. c. The system of rules applied in recording and reporting accident statistics. 2.2 When compiling the information specified in Disclosure 403-2, the reporting organisation shall: 2.2.1 indicate whether minor (first-aid level) injuries are included or excluded in the injury rate (IR); 2.2.2 include fatalities in the injury rate (IR); 2.2.3 in calculating 'lost days', indicate: 2.2.3.1 whether 'days' means 'calendar days' or 'scheduled work days'; 2.2.3.2 at what point the 'lost days' count begins (for example, the day after the accident or three days after the accident).
Training and education	GRI 404-1**	Average hours of training per year per employee a. Average hours of training that the organisation's employees have undertaken during the reporting period, by: i. gender; ii. employee category.
	GRI 404-3*	Percentage of employees receiving regular performance and career development reviews a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.

Material Issues	GRI Topic-Specific Disclosure	"Shall" requirements under each disclosure	
Customer health and safety	GRI 416-2*	Incidents of non-compliance concerning the health and safety	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <ol style="list-style-type: none"> incidents of non-compliance with regulations resulting in a fine or penalty; incidents of non-compliance with regulations resulting in a warning; incidents of non-compliance with voluntary codes. <p>b. If the organisation has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p> <p>2.1 When compiling the information specified in Disclosure 416-2, the reporting organisation shall:</p> <p>2.1.1 exclude incidents of non-compliance in which the organisation was determined not to be at fault;</p> <p>2.1.2 exclude incidents of non-compliance related to labelling. Incidents related to labelling are reported in Disclosure 417-2 of GRI 417: Marketing and Labelling;</p> <p>2.1.3 if applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.</p>
Fair marketing communications	GRI 417-3*	Incidents of non-compliance concerning marketing communications	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</p> <ol style="list-style-type: none"> incidents of non-compliance with regulations resulting in a fine or penalty; incidents of non-compliance with regulations resulting in a warning; incidents of non-compliance with voluntary codes. <p>b. If the organisation has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p> <p>2.2 When compiling the information specified in Disclosure 417-3, the reporting organisation shall:</p> <p>2.2.1 exclude incidents of non-compliance in which the organisation was determined not to be at fault;</p> <p>2.2.2 if applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.</p>
Customer data privacy and protection	GRI 418-1*	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorised by:</p> <ol style="list-style-type: none"> complaints received from outside parties and substantiated by the organisation; complaints from regulatory bodies. <p>b. Total number of identified leaks, thefts, or losses of customer data.</p> <p>c. If the organisation has not identified any substantiated complaints, a brief statement of this fact is sufficient.</p> <p>2.1 When compiling the information specified in Disclosure 418-1, the reporting organisation shall indicate if a substantial number of these breaches relate to events in preceding years.</p>
Product and service quality	GRI 419-1*	Non-compliance with laws and regulations in the social and economic area	<p>a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:</p> <ol style="list-style-type: none"> total monetary value of significant fines; total number of non-monetary sanctions; cases brought through dispute resolution mechanisms. <p>b. If the organisation has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.</p> <p>c. The context against which significant fines and non-monetary sanctions were incurred.</p>

Note: Singtel Group sustainability performance data includes sustainability data of Optus which is Singtel's subsidiary in Australia. Assurance of Optus sustainability performance for the relevant data was carried out by EY Australia and assurance statement provided in Optus' Sustainability Report.

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WHAT WE DID TO FORM OUR CONCLUSIONS

The procedures performed aim to verify the plausibility of information. We designed our procedures in order to state whether anything has come to our attention to suggest that the Subject Matter detailed above has not been reported in accordance with the reporting criteria cited earlier. In order to form our conclusions we undertook the steps below:

1. Inquiries with Singtel Group's Sustainability team to
 - a. Understand principal business operations,
 - b. Appreciate key sustainability issues and developments,
 - c. Map out information flow for sustainability reporting and the controls on information collation,
 - d. Identify data providers with their responsibilities, and
 - e. Recognise the likelihood of possible manipulation of sustainability data.
2. Conduct visits to Singtel Group's offices.
3. Conduct process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms, assessing and testing the controls in relation to the concerned subject matters in the Report.
4. Interviews with employees and management based in Singapore (Group Sustainability, Human Resources, Learning and Development, Rewards, Energy, Utilities, Workplace Safety & Health, Group Internal Audit, Supply Chain, Regulations, Brand Development, Information Technology, Customer Resolution & Competitor Intelligence) to understand key sustainability

issues related to the select indicators and processes for the collection and accurate reporting of performance information.

5. Collect samples through sampling methods and obtain documentation for the sample to verify assumptions, estimations and computations made by management in relation to the concerned subject matters in the Report.
6. Conduct general media research on the concerned subject matters.
7. Checking that data and statements had been correctly transcribed from corporate systems and / or supporting evidence, into the Report.
8. Obtain investigation reports in relation to the concerned subject matters in the Report.
9. Perform work on specific Optus sustainability performance information, and rely on EY Australia's assurance statement for Optus and Singtel's management representation letter for Singtel Group on the concerned subject matters in the Report.

OUR INDEPENDENCE

EY has provided independent assurance services in relation to Singtel Group's Sustainability Report 2017.

In conducting our assurance engagement we have met the independence requirements of the Institute of Singapore Chartered Accountants and Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities. Our EY independence policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners

and staff are required to confirm their compliance with the firm's policies.

OBSERVATIONS AND AREAS FOR IMPROVEMENT

Our observations and areas for improvement will be raised in an internal report to Singtel Group's Management. These observations do not affect our conclusions on the Report set out below.

CONCLUSION

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the information in the Report was not presented fairly, and calculated in all material respects in accordance with the reporting criteria detailed above.

Ernst & Young LLP
Signed for Ernst & Young LLP by
K Sadashiv

Managing Director, Climate Change and Sustainability Services
Singapore, 12 July 2017



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