



Changing the Game Creating Sustainability

Singapore Telecommunications Limited
Sustainability Report 2009/2010



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01

About this report

SingTel's Sustainability Report 2009/2010 is the inaugural issue related to our financial year ended 31 March 2010. It provides an overview of our approach, priorities and performance in the area of sustainability for our business operations and how we work with our regional associates. Policies and programmes are covered under four key areas – Marketplace, People, Environment and Community.

REPORTING SCOPE

This report covers the sustainability practices and initiatives of SingTel Group's business in Singapore where it is headquartered. All data, statistics and improvement targets reported refer to the Singapore operations unless otherwise stated.

SingTel's wholly-owned subsidiary in Australia, Optus, has been producing its Corporate Responsibility Reports since 2000. These reports are available on the [Optus website](#).

The SingTel Sustainability Report adopts the reporting principles from the Global Reporting Initiative (GRI) G3 Guidelines and follows the requirements of the "B" Application level and will be produced annually. The GRI Index is listed at the end of this report.



Contact us

We welcome your feedback at csr@singtel.com.



Message from Group CEO

02

It's about touching lives!

At the heart of SingTel, we are passionate about making a positive impact on our communities and delivering our business commitments.

Our first Sustainability Report 2009/2010 underscores our belief in shaping a sustainable future, and our firm adherence to a high standard of corporate governance and transparency.

I am pleased to present SingTel's inaugural Sustainability Report 2009/2010.

This report marks a significant milestone for SingTel as it demonstrates our commitment to engaging stakeholders in our sustainability vision, goals and practices. Through this report, we hope to provide better appreciation of how we intend to drive improvements across our operations. We are all geared up to stay ahead of the competition and build a sustainable future.

As a leading multi-country operator with diverse operations in emerging and mature markets, our sustainability vision centres on continuous innovation to build customer loyalty and long-term business value in order to deliver continued financial returns to our shareholders.

To continue to be successful and gain stakeholder confidence, we recognise that we cannot focus just on bottom line. Companies are increasingly being evaluated on their corporate social responsibility (CSR) and how they give back to their communities.

CSR is certainly not new to us. SingTel is built on a solid foundation of corporate governance and transparency. For years, we have publicly declared our commitment to be a responsible corporate citizen. We drive and support many programmes for the benefit of our communities, our environment, our customers and our employees.

Ultimately, we believe that 'it's about touching lives', which is our CSR motto in Singapore. SingTel hopes to touch the lives of the people of the communities in which we operate, using telecommunications, multimedia solutions and other resources to help those in need. Our programmes seek to support disadvantaged children and youth, and help them to realise their potential.



We also endeavour to instil a culture of staff volunteerism by creating the right opportunities and environment for our people to volunteer their time and contribute to the society in the most meaningful way.

We recently established a new Group CSR function to drive sustainability programmes and promote staff volunteerism in the company. All of us at SingTel look forward to continuing our CSR journey, which we believe will be an extremely rewarding and enriching experience to us as individuals and to the SingTel Group.

I invite our business and community partners to join us in supporting our quest to build better communities in which we operate for this generation and the ones to come.

Chua Sock Koong
Group Chief Executive Officer
SingTel Group



SingTel at a glance

03

At SingTel, our vision is to lead and shape the communications landscape by creating sustainability in whatever we do.

As Asia's leading communications group, SingTel is committed to innovating and driving business excellence for sustainable business growth and continued financial returns to our shareholders.

Singapore Telecommunications Limited (SingTel) has over 130 years of operating experience and has played an integral role in the development of Singapore as a major communications hub in the region.

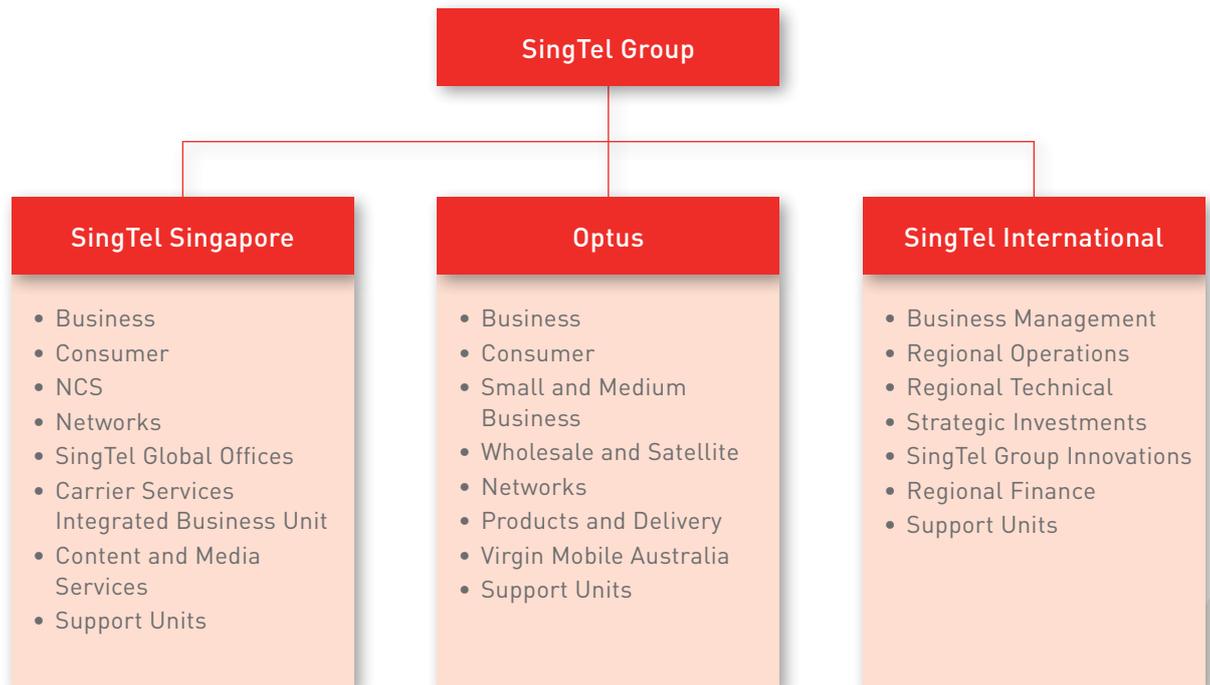
We have since expanded our footprint to become Asia's leading communications group, with significant presence in Australia, Bangladesh, India, Indonesia, Pakistan, the Philippines and Thailand. Through our investment in India, the Group's footprint covers another 15 Africa countries. 73% of the Group's EBITDA was derived from our overseas operations in the financial year ended 31 March 2010. Together with our regional partners, SingTel served 351 million mobile customers in Asia Pacific and Africa as at 30 June 2010.

We are committed to bringing the best-in-class global communications solutions to our customers in both the corporate and consumer markets in Singapore and beyond. Serving the needs of local and multinational corporations, SingTel has a network of 37 offices in 20 countries and territories throughout Asia Pacific, Europe and the United States. These offices enable us to deliver reliable and quality network solutions to our customers, either on our own or jointly with our local partners.

SingTel is listed on both the Singapore Exchange (SGX) since October 1993 and the Australian Securities Exchange (ASX) since September 2001.

We employ more than 23,000 people worldwide, with over 12,000 employees in Singapore and more than 10,000 in Australia.

OVERVIEW OF SINGTEL'S BUSINESS OPERATIONS



Our operations in Singapore (collectively described as “SingTel Singapore” in this report) remain the market leader after nearly a decade of full market liberalisation. We provide a diverse portfolio of innovative communications services, including voice and data solutions over fixed, wireless and Internet

platforms, and Infocomm Technology (ICT) services. We have steered boldly into delivering IPTV and innovative content and integrated services to accelerate SingTel’s transformation into Asia’s leading ICT and multimedia solutions company.

OVERVIEW OF SINGTEL’S BUSINESS OPERATIONS



SingTel's Singapore business*

- Market leader in Singapore
- Biggest mobile operator with 3.12 million customers and 45.2% market share
- Leading broadband operator with 515,000 customers and 45.7% market share
- Biggest fixed-line operator with 1.67 million telephone lines, representing 86.6% market share
- Fast-growing IPTV service provider with 191,000 customers
- Largest professional IT service provider in Singapore with 19.52% market share
- Leading satellite service provider with four satellite teleports

* As at 31 March 2010

SINGTEL'S FINANCIAL PERFORMANCE FY09/10

KEY FINANCIAL HIGHLIGHTS	GROUP (S\$M)	GROWTH (%)	SINGAPORE (S\$M)	GROWTH (%)
Revenue	16,871	13	5,995	8
Retained earnings	23,082	9	N.A.	N.A.
Net profit	3,907	13	1,343	(1)
Operating costs (excluding staff costs)	9,997	16	2,956	11
Staff costs	2,122	8	859	7
Dividends to shareholders	2,262	14	-	-
Tax expense	1,136	22	136	21

N.A. denotes Not Available

For the full year, the Group's net profit increased 13% to S\$3.91 billion, reflecting strong performances from Singapore and Australia as well as significant improvements in Telkomsel's performance in Indonesia. Over the same period, revenues increased 13% to S\$16.87 billion and free cash flow grew from S\$3.25 billion to S\$3.41 billion.

In FY09/10, SingTel Singapore achieved 8% revenue growth to S\$6.0 billion. Our mobile services continued to outperform the market with growth of 8% as revenue rose on strong customer growth and increased data usage. Data and Internet revenue rose 3%. Managed Services revenue posted a solid 17% growth as SingTel extended its lead in the international Internet Protocol Virtual Private Network (IP VPN) market. At the same time, IT and Engineering revenue grew significantly by 32% on the back of strong performance from NCS, and boosted by first time recognition of fibre rollout revenue.

Optus reported a strong 8% increase in operating revenue to A\$8.95 billion. Operational EBITDA grew 4% to A\$2.15 billion, with operational EBITDA margin at 24%. Net profit grew 16% to A\$676 million and Optus delivered its strongest free cash flow in five years, with full-year free cash flow exceeding A\$1.0 billion.

The Group's share of pre-tax ordinary profit from the regional mobile associates increased 19% to S\$2.3 billion, with a higher contribution from Telkomsel and fair value gains.

SingTel has a strong track record of cash returns to shareholders, with steady increases in ordinary dividend per share. Dividends paid and proposed in respect of the financial year ended 31 March 2010 represent a 14% increase from the previous year. This brings our total shareholder payout to S\$24 billion over the last ten years or 74% of earnings over the same period.



Sustainability vision at SingTel

04

SingTel's vision and framework encapsulate our commitment to sustainable development.

We are embarking on a progressive roadmap to monitor and benchmark our economic, environmental and social performance, i.e. a triple bottom-line approach.

Our vision

SingTel’s sustainability vision centres on continuous innovation to build customer loyalty and long-term business value in order to deliver financial returns to our shareholders. We strive to create a compelling competitive edge through innovation, excellent customer experience, good stewardship of resources and responsible corporate citizenship. We are geared up to stay ahead of the competition and build a sustainable future for all our stakeholders.

Through our communications business, we support local communities and connect people with new opportunities in the markets where we operate. We endeavour to fulfil our business commitments with responsible impact on environment, health and safety.

Our sustainability framework comprises four key pillars: Marketplace, People, Environment and Community. We seek to uphold 14 key sustainability goals that impact our organisation and are significant to our stakeholders. For our first year of reporting, we have placed equal emphasis on all 14 goals to establish a baseline performance review for ourselves along the four key dimensions.

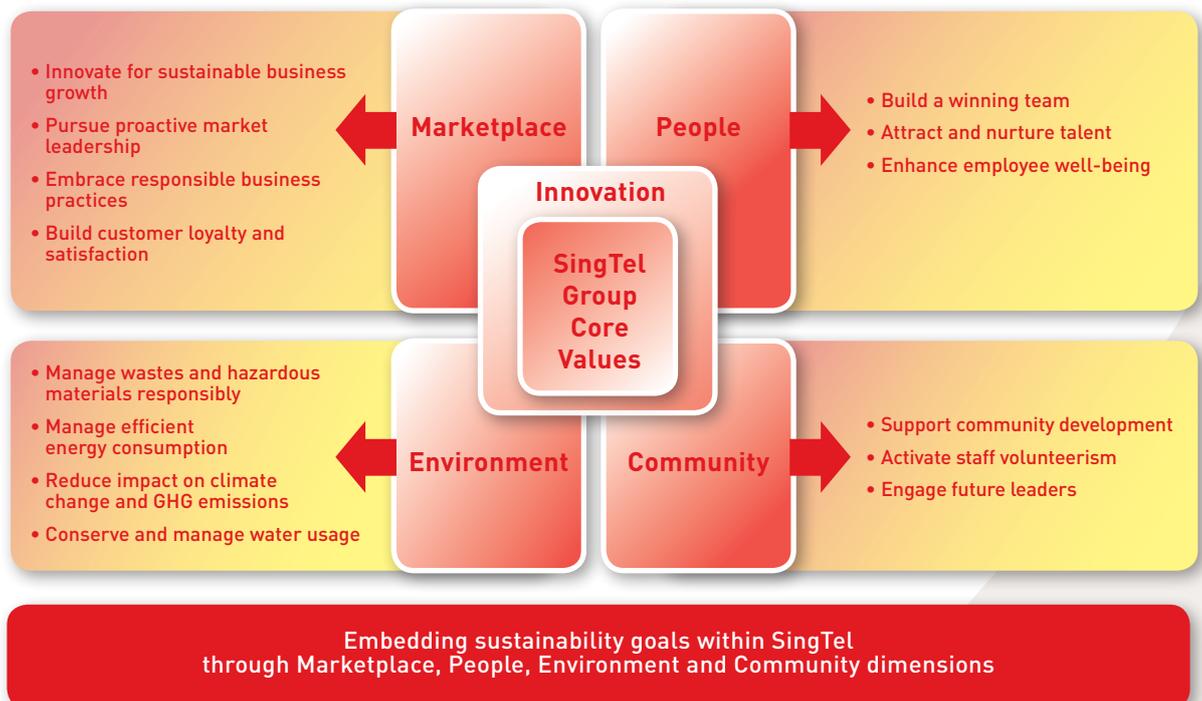
We believe that a proactive framework which is supported by progressive improvement programmes will help us to achieve our strategic business objectives. This will also enhance our corporate reputation and brand equity, fostering greater credibility and legitimacy in the long run.

We have taken steps to measure and report on our sustainability performance as well as its impact on our stakeholders. This allows us to better understand and plan our future programmes in response to stakeholders’ requirements and expectations.

Sustainability at SingTel

Our vision is anchored in the SingTel Group’s core values which serve as unifying elements across the organisation. They underpin our common aspiration to foster a performance-based culture that is open and innovative, while promoting mutual trust and engagement.

SUSTAINABILITY FRAMEWORK



SINGTEL GROUP CORE VALUES

CUSTOMER FOCUS

Our success is based upon our customer focus. We listen to and connect with customers and treat them with dignity and respect. By understanding and anticipating their needs, we make it easy for our customers to do business with us. We aim to offer them value and quality services to enrich lives and enhance business success.

CHALLENGER SPIRIT

The creativity and innovation of our people set us apart. We look for better ways of doing business and share a passion for making a difference. When faced with challenges and opportunities, we do not say "Cannot" but ask "Why not?". We are tenacious and we compete fairly.

TEAMWORK

By working as one team with shared goals, we believe we can achieve great things. We value ideas and contributions from everyone. We recognise, respect and value diversity in the team. We develop strong bonds by communicating and sharing knowledge. We encourage open discussion and commit to an agreed position. All of us have a part to play.

INTEGRITY

Our reputation is based upon our ability to fulfil promises to shareholders, customers and employees. We do so by being honest in our dealings, taking responsibility and being accountable for our actions. We treat everyone the way we would like to be treated. We are proactive in identifying issues and coming up with solutions. We ensure that the highest ethical standards guide us in making decisions.

PERSONAL EXCELLENCE

Leadership and superior performance are achieved through the pursuit of personal excellence. We are committed to doing and being the best. We seek continuous improvement and take pride in what we do. We execute and deliver to the highest possible standards. We acknowledge the potential of the individual and create opportunities for all to grow and excel. Together, we celebrate our success and achievements.

SingTel CSR function

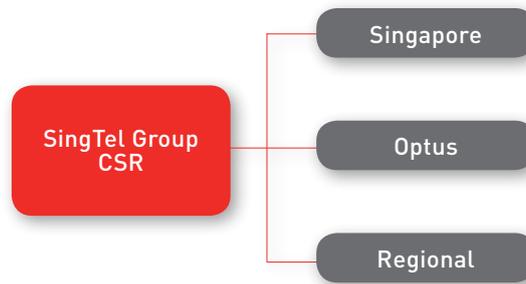
The Singapore CSR working group comprises 12 representatives from key business units and is actively involved in implementing sustainability programmes in SingTel. The working group is led by the Group CSR function which was formalised in the last quarter of FY09/10.

Headed by the Group Director of Human Resource, the Group CSR function serves to bring together all the CSR Working Groups in Singapore, Optus and

regional associates to drive implementation and report on CSR programmes in key markets. They meet regularly to share best practices from each market and collaborate on community projects to extend the outreach programme of the SingTel Group.

At management meetings, sustainability-aligned activities are an important part of the operational improvement agenda and strategic planning process.

CSR WORKING GROUPS POWERING SINGTEL'S SUSTAINABILITY PROGRAMMES



Engaging our stakeholders

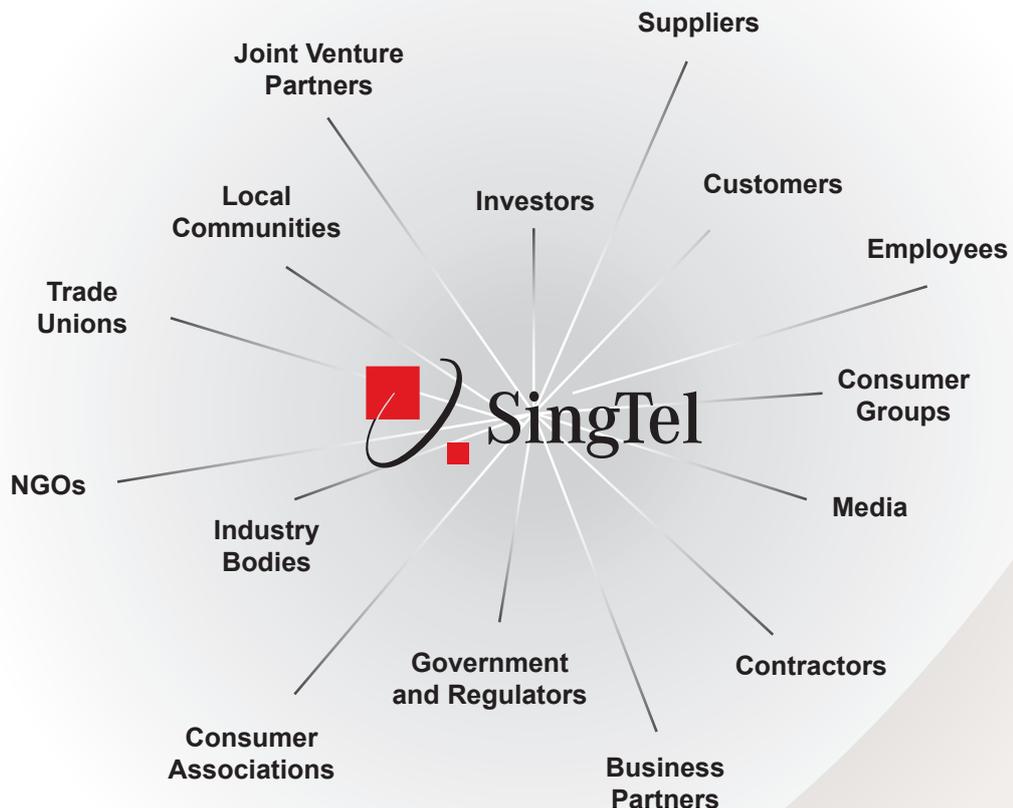
SingTel seeks to engage all key stakeholders in open dialogue to inform them of our business decisions and developments. Moreover, this sustainability report aims to give our stakeholders an overview of our sustainability goals and performance.

and other stakeholders. They also have clear, established channels of communications to SingTel, such as through customer-facing units responsible for customer frontline activities and the Investor Relations department for the investment community.

Stakeholders have easy access to information about SingTel through regular platforms such as forums and events designed to facilitate interactions with customers, employees, investors, media, regulators

Through these platforms and channels, we endeavour to gain greater insights into key issues which will enable us to improve our business and risk management processes.

CONNECTING WITH OUR STAKEHOLDERS



STAKEHOLDER ENGAGEMENT FY09/10

STAKEHOLDERS	COMMUNICATIONS GOALS	CHANNELS
Customers	We reach out to our customers to understand their needs and respond to their feedback through product innovation or service improvement.	<ul style="list-style-type: none"> • SingTel customer satisfaction surveys • SingTel customer service hotline • Website
Employees	We engage our employees with open and constant communications to create a cohesive and well-informed workforce.	<ul style="list-style-type: none"> • Intranet • Quarterly briefings to middle-managers • SingTel employee engagement survey • Staff performance reviews • Team meetings
Government and regulators	We engage the government and regulators to update our business directions and influence industry developments.	<ul style="list-style-type: none"> • Participation in consultation papers • Regular dialogue
Industry bodies	We work with industry associations and professional organisations to promote, support and benchmark against best practices in the industry.	<ul style="list-style-type: none"> • Active membership and participation • Presentations at industry seminars • Regular industry and professional networking sessions
Investors	We provide timely and regular updates to the investment community, including market development, business strategy, financial performance and other shareholder issues, to allow them to make informed investment decisions.	<ul style="list-style-type: none"> • Annual General Meeting • Half-yearly investor roadshows by top management • One-on-one meetings with investors • Quarterly financial results updates
Local communities	We support community development programmes to provide for the well-being and economic progress of communities in the markets in which we operate.	<ul style="list-style-type: none"> • SingTel CSR programmes • SingTel Touching Lives Fund • Staff volunteerism initiatives
Media	We engage the media to ensure the public obtains timely and accurate information about the company.	<ul style="list-style-type: none"> • Management interviews • Media conferences e.g. for product launches • Quarterly financial results updates
Trade unions	We engage the union to ensure a harmonious and collaborative partnership.	<ul style="list-style-type: none"> • Regular management-union dialogues • Management-union workshops/ retreats



Sustaining Business Growth, Driving Business Excellence

05

SingTel recognises that being nimble and innovative to create a sustainable competitive edge is key to staying ahead.

To respond to the changes in our competitive landscape and dynamic markets, we stay focused on charting our transformation into a leading ICT and multimedia solutions provider.

We remain unwavering in our pursuit of business excellence.

Over the years, SingTel has gained recognition for our business excellence, corporate transparency and strong governance. We aim to lead by example and exercise business leadership to strengthen the SingTel brand and our position in all the markets where we operate.

Staying ahead of the competition in this dynamic telecommunications industry is an ongoing challenge. Moving forward, our sustainability efforts will focus on the new markets and satisfied customers

we serve, the diversified communities and quality business partners with whom we interact, and the dedicated employees who drive innovation in our product offerings and service delivery.

We have developed a robust business model anchored on four key sustainability goals to maintain our market leadership position and propel future business growth for the SingTel Group.

SUSTAINABILITY GOALS	KEY ACTIONS IN FY09/10
Innovate for sustainable business growth	<ul style="list-style-type: none"> Introduced innovative new products and service offerings to the market and our customers. Examples of innovative offerings include: <ul style="list-style-type: none"> - AMPed, first-of-its-kind mobile music service for consumers in Asia - Cloud computing services for corporate customers - New Broadcast Innovation Centre and SatCom@SMA In the process of rolling out Singapore's new fibre network – the Next Generation National Broadband Network – via the OpenNet consortium
Pursue proactive market leadership	<ul style="list-style-type: none"> Engaged in public policy advocacy and consultative discussions with various submissions to relevant authorities Held high standards of corporate governance practices and implemented fraud prevention awareness training programmes
Embrace responsible business practices	<ul style="list-style-type: none"> Strengthened processes on customer privacy protection Promoted responsible content management practices Maintained high level of regulatory compliance Reviewed procurement practices for supply chain partners Initiated and embraced Green marketing practices
Build customer loyalty and satisfaction	<ul style="list-style-type: none"> Introduced customer-centric lifestyle services Engaged in regular monitoring of customer satisfaction levels

Innovate for sustainable business growth

We lead and shape the market by making customer-focused breakthroughs while building our multimedia and solutions business. We strive to maintain our lead in our carriage services, while looking towards increasing our market share in the various growth segments. Our industry leadership is widely recognised through the [awards and accolades](#) SingTel received in Singapore and the region.

ENABLING PERSONALISED COMMUNICATION CHANNELS

We constantly develop innovative content and price plans for our customers to ensure that they can enjoy the latest technology. We have improved our bundled smartphone offerings to our customers in

various segments and made these affordable. An example is the introduction of Blackberry and iFlexi Youth Plans with bundled data, campus calls and unlimited SMS where we have helped young people to stay connected with the latest technologies. In line with the burgeoning demand for broadband services on the move, our mobile broadband customer base almost tripled from a year ago to 505,000.

Tapping into the appetite for smartphones and social networking, we have launched an Australian first with new rate plans offering generous data allowances for email and web browsing integrated with voice services and unlimited access to popular social networking sites.

REDEFINING HOME COMMUNICATIONS AND ENTERTAINMENT

We are redefining home communications and entertainment through integrated bundles and compelling content to enrich our customers' digital lifestyle. In Singapore, we have secured the exclusive broadcast rights to the Barclays Premier

League and ESPN STAR Sports in 2010, and are also bringing these programmes to viewers in a more interactive and engaging way via multiple platforms. During the Australian Open Tennis Championships 2010, we offered our customers in Australia access to free live streaming of matches and a wide array of exclusive content.

Winning multimedia content and services



AMPED – BEST MOBILE MUSIC SERVICE

- First-of-its-kind mobile social music service in Asia, AMPed was launched in partnership with Universal Music Group in June 2009.
- AMPed won the coveted "Best Mobile Music Service" award at the GSMA's Asia Mobile Awards 2009.

PREMIER SPORTS CONTENT PROVIDER

- SingTel won the exclusive broadcast rights to the Barclays Premier League and ESPN STAR Sports in 2010.
- Customers have more flexibility and choice via true video-on-demand programming on mio TV, SingTel's pay TV service.



FIRST NATIONALITY-BASED COMMUNITY NETWORKING SERVICE IN SINGAPORE

- hi!Club keeps our prepaid mobile customers of foreign nationalities connected with friends and families easily and affordably. Members enjoy free talktime with one another, unlimited local incoming calls on weekends and exclusive invitations to community events, making Singapore their home away from home.

EMPOWERING BUSINESSES WITH COST-EFFECTIVE SOLUTIONS

SingTel is committed to helping corporate customers improve productivity and achieve business efficiency in cost-effective ways. We are looking to capture greater market share by providing fully managed end-to-end communications and IT services.

During the year, SingTel became the first local operator to offer commercial cloud computing services in Singapore, allowing companies to enjoy business services on demand in a secure online environment, without the need to install software, purchase licences or pay for infrastructure and maintenance. This enables companies to improve productivity, reduce costs and focus on their core business activities.

Besides serving our customers, SingTel's cloud computing services are helping to establish Singapore as a regional cloud computing hub. In collaboration with the Infocomm Development Authority of Singapore (IDA), IE Singapore and our partners, SingTel has launched the SingTel Innovation Exchange (SiX), a comprehensive industry

partnership programme that accelerates the full life-cycle development of innovative business and consumer applications. This initiative gives software developers access to resources like grid computing and technical consultancy, thus helping them to cut costs and reduce time-to-market.

NCS has also emerged as the first in Southeast Asia to offer a full suite of cloud computing services. It secured a high-profile Google Apps project with Singapore's Ministry of Education that gives over 30,000 teachers and staff access to a suite of online communications and collaboration tools.

In the area of broadcast satellite solutions, a new Broadcast Innovation Centre has been set up to allow companies to distribute digital content to overseas destinations at high speeds. SingTel has also teamed up with the Singapore Maritime Academy (SMA) to establish SatCom@SMA, a maritime satellite innovation hub. A first in Asia, the state-of-the-art centre showcases SingTel's satellite communication capabilities and simulates communications between vessels and shore.

Enhancing our customer's competitive edge



SingTel is enabling Resorts World™ Sentosa (RWS) to offer their guests a unique hotel experience.

We will equip all 1,800 rooms in RWS chain of six hotels across the 49-hectare integrated resort with a state-of-the-art interactive in-room multimedia entertainment system and high-speed wireless Internet access.

We also provide RWS with location-based mobile advertising capabilities and an innovative fleet management system to enhance its VIP limousine services.

INVESTING FOR THE FUTURE

Driven by a sustainability mindset, SingTel seeks to adapt flexibly and promptly to changing marketplace needs.

Introducing new technologies and services is another aspect of innovation. For example, SingTel, Optus, Globe and Telkomsel are collaborating to conduct a regional trial of Long Term Evolution (LTE) that will help SingTel and its associates establish a regionally compatible LTE network. The high-speed network will allow the Group to deploy new services across

the region quickly, giving customers faster access to the widest selection of mobile service offerings.

SingTel will actively participate at different levels of the Next Generation National Broadband Network, including via the OpenNet consortium which is currently rolling out the nation-wide fibre network. To boost international connectivity, we also continue to invest in cable infrastructure to increase capacity, resilience and diversity.

Innovative technologies and services

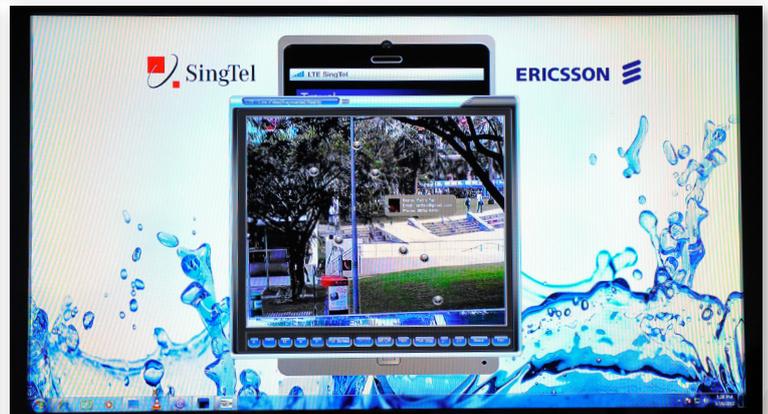


BROADCAST INNOVATION CENTRE

- Launched in June 2009, the Broadcast Innovation Centre serves as a powerful digital media exchange and content distribution hub, connecting companies in Singapore to more than 40 countries via high-speed satellite and terrestrial fibre networks.

LTE TECHNOLOGY

- Through the LTE technology trial showcase with Ericsson in March 2010, SingTel became the first in the region to successfully power on air a 42Mbps mobile broadband network, supporting multiple high bandwidth mobile applications.



GREEN DATA CENTRE

- With the Kim Chuan Telecommunications Centre [KCTC-2], SingTel offers over 500,000 sq feet of data centre space or almost half of Singapore's total data centre space¹ (see story on Page 37).
- KCTC-2 is the first facility in Singapore built according to Tier-4 specifications, the industry's most stringent data centre standards.

¹ Frost and Sullivan

Pursue proactive market leadership

The SingTel Group plays an active role in shaping the industry landscape and setting new industry standards. We uphold responsible business standards and practices through consultative discussions on public policy, voluntary adoption of industry conduct codes and strong corporate governance.

PUBLIC POLICY ADVOCACY

We actively participate in public policy development and advocacy with the relevant authorities such as the IDA, Media Development Authority of Singapore (MDA), Australian Communications and Media Authority and the Australian Competition and Consumer Commission. These relate to a wide variety of issues affecting the telecommunications and broadcast markets.

In FY09/10, we made various submissions and representations covering an extensive range of telecommunications and broadcasting issues, such as the review of the Subscription TV Programme Code in Singapore.

CORPORATE GOVERNANCE AND FRAUD PREVENTION

We recognise good corporate governance and transparency are critical to ensuring our long-term success and protecting shareholder interests. This also aligns with our corporate objective to strengthen our market leadership and corporate reputation.

We are committed to upholding the highest level of corporate governance standards and strong business ethics, as well as playing an active role to ensure transparency in the marketplace in accordance with the regulations set by SGX and ASX. Guided by both the SGX Code of Corporate Governance 2005 as well as the ASX Good Corporate Governance Principles and Recommendations, SingTel observes the more stringent requirement should the recommendations differ.

Beyond the financial and operational dimensions, the scope of our governance process encompasses key areas like:

- Internal Audit (IA) which provides risk-based internal reviews and reports compliance across all policy areas

- Enterprise Risk Management (ERM) framework which facilitates effective risk identification and management to ensure mitigation measures of risk associated with the execution of SingTel business strategies
- Fraud and anti-corruption policies and processes which mitigate internal and external fraud risks

Our corporate governance framework is enforced by our Group IA team, and the Head of IA who reports to the Audit Committee functionally and to the Group CEO administratively. All IA employees undergo training and development to ensure their technical knowledge remains current and relevant.

Our IA team also works with the internal audit functions of SingTel's regional mobile associates to promote joint reviews and sharing of knowledge as well as internal audit practices. For key governance and fraud prevention policies and programmes at SingTel, please refer to our [Annual Report](#).

At the company-wide level, the Management operationalises our Enterprise Risk Management (ERM) philosophy and approach based on [SingTel Group ERM philosophy](#) and three key principles of Culture, Structure and Process. Underpinned by the [SingTel Group Risk Framework](#) for the identification of key Environmental, Operational and Management decision-making risks, risk assessment and mitigation strategy is an integral part of the Group's annual business planning and budgeting process.

The Group has also put in place a formal programme of risk and control self-assessment whereby line personnel are involved in the ongoing assessment and improvement of risk management and controls in selected areas.

SingTel adopts the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Model and the Australia/New Zealand Risk Management Standard (AS/NZ 4360) as the best practice benchmarks. They are used to assess the soundness of our financial reporting as well as the efficiency and effectiveness of our risk management, internal control and compliance systems.

As part of our review process, we engaged an external consultant to review our ERM framework in July 2009. It was reported that our risk management process was generally in line with other leading telecommunication providers. Some areas of improvement were identified in terms of the alignment of risk identification processes and perceptions, the understanding of inherent and residual risks, and the use of risk management tools. To address the improvement required for employee training in the risk management overview, a series of workshops was conducted for over 150 participants from Singapore and Australia in April 2010.

ANTI-FRAUD TRAINING AND AWARENESS COMMUNICATION PROGRAMME

We take a serious and systematic approach to all training and induction programmes to ensure fraud and anti-corruption awareness is ingrained within SingTel’s corporate culture.

The fraud and anti-corruption module forms an integral part of the training programmes for our employees. In FY09/10, about 30% of the managers in Singapore and 10% in Australia received training in risk management and fraud.

ANTI-FRAUD TRAINING PROGRAMMES FOR SINGTEL EMPLOYEES

KEY PROGRAMMES	DESCRIPTION
SingTel New Employee Induction Training Programme (SIP)	<ul style="list-style-type: none"> SIP helps new hires understand our vision, mission, core values, organisation structure and HR policies and staff benefits As a continuation to the SIP, the New Hires Forum aims to provide new hires with essential information to guide them to work effectively in SingTel. Areas covered include: SingTel Business Plan, Risk Management, Labour Management Relations and Sharing Sessions with Senior Management
Training sessions by subject matter experts	<ul style="list-style-type: none"> The SingTel Learning Centres of Excellence house six broad skills and knowledge categories which represent the fundamental capabilities that employees must have in order to achieve our vision and mission Of the six categories, the fraud and anti-corruption training elements are incorporated within the Operations Excellence module where trainees learn about our policies, processes and operations
Requests by user departments for fraud and awareness training	<ul style="list-style-type: none"> Employees or departments are encouraged to sign up for the fraud and awareness training programme through the SingTel Learning Management System. Conducted twice a year by the IA team, the programme serves to promote staff awareness of our Internal Audit Framework, internal controls and fraud risks

Embrace responsible business practices

SingTel aims to lead the market, not just in financial performance, but also in the way we conduct our business. We seek to lead by example and place the interests of our customers first.

Beyond regulatory compliance, we take pride in upholding a high standard of business ethics in dealing with our customers and suppliers.

CUSTOMER PRIVACY PROTECTION

We respect our customers’ privacy. In Australia, we meet all our obligations under the Privacy Act and Privacy Provisions of the Telecommunications Act, as well as the Spam Act. We also abide by the Do Not Call Register, which protects consumers from unsolicited marketing calls. In Singapore, promotional messages sent by us are labelled as advertisements in compliance with the Spam Control Act, and we

maintain and comply with a list of customers who have communicated their wish to be unsubscribed from all our mailing lists.

To ensure information security for all our digital marketing activities, we have developed an in-house database management tool to merge and collate data from different sources. The system also resides on our servers hence avoiding the risk of customer data being compromised or misused by third-party vendors.

Given the myriad marketing touch-points with our customers today, we have implemented a set of Contact Policy Business Rules in all marketing programmes targeted at our consumer segment. A strict quota is set on the number of direct marketing messages that we can send to our customers via our marketing channels over a given time period.

To ensure strict adherence to the Contact Policy, the Customer Lifecycle Marketing team centrally coordinates and ensures policy compliance. All employees are trained to handle customer information and other proprietary company information with the utmost care and confidentiality.

RESPONSIBLE CONTENT MANAGEMENT

To support fair competition and promote responsible market practices in Singapore, SingTel adheres to the requirements of the Code of Practice for Competition in the Provision of Telecommunications Services (Telecom Competition Code 2005) and Code of Practice for Market Conduct in the Provision of Media Services (Media Market Conduct Code 2010) in relation to the use of end user service information obtained by the operator in the course of rendering a telecommunications or media service. We abide by a strict policy that customer information may not be used for any purposes except where permitted under the relevant Codes or with the customer's authorisation.

We adopt the Voluntary Code for Self-regulation of Mobile Content (Mobile Content Code) which SingTel jointly developed with the other mobile operators in Singapore. The Mobile Content Code was established to protect minors from being exposed to undesirable mobile content. It provides guidelines on prohibited content, images, games and chat services, as well

as the handling of undesirable content from third-party content providers, subscriber-to-subscriber communication and the Internet. Empowered with an enforcement mechanism within the Mobile Content Code, the mobile operators have formed a mobile content Compliance Review Committee, together with MDA, to review cases of non-compliance.

REGULATORY COMPLIANCE

We have a dedicated regulatory team that implements a Compliance Programme to ensure that we comply with the tariff obligations under the Telecom Competition Code 2005. Relevant business units are required to report the extent of their compliance with these obligations on a quarterly basis. Any instance of non-compliance is required to be rectified within one month.

With respect to tariff obligations, our Internal Audit Revenue Assurance team reviews the compliance of our products pricing with the IDA tariff filing (where applicable) as part of our Products Reviews. In addition, our IA team also reviews our compilation of Interested Person Transactions disclosure which is a requirement of the SGX listing regulation (Chapter 9). The objective of this Chapter is to safeguard against the risk of interested persons influencing transactions that may adversely affect the interests of the Group or its shareholders.

Employees are given access to a regulatory information website which offers a training pack covering all SingTel's regulatory obligations, an overview of the regulatory environment, the industry structure, reporting templates and past presentations. They are also kept informed of any revisions to the regulatory obligations via email, briefings and the website.

We also conduct regular briefings to employees on applicable legislation such as the Premium Rate Services Code. In the event that the regulator levies a financial penalty on us, details of the case will be published on the regulator's website. In response, we will ensure the case and our involvement in it are fairly represented prior to publication. There has been no material incident of non-compliance with applicable regulations.

SUSTAINABLE PROCUREMENT

In Singapore and Australia, we have instituted internal rules and policies to run our operations with honesty and integrity. Clear policies and standards are stipulated in the staff manual to guide our people in carrying out their daily tasks. We seek to work with quality supply chain partners and ensure that our procurement practices are conducted in an open and transparent manner.

Our procurement manual sets out the Ethics Policy on Procurement Practices, and our procurement policy aims to award tenders fairly, on the basis of merit. Over 80% of our suppliers for the Singapore businesses are based in Singapore and comply with our required standards of business reputation, delivery commitment, service quality and cost effectiveness.

We ensure that the selection criteria of our suppliers comply where applicable with government certification requirements, and with SingTel's code of

conduct, vision and mission. We work with suppliers who are aligned with our values.

GREEN MARKETING PRACTICES

With the growing concern for climate change, our marketing team has embarked on the adoption of more environment-friendly guidelines in their marketing practices. For example, about 90% of the guest invitations to our events are sent via e-invitation and we reduce, reuse and recycle marketing collaterals and display structures where possible.

At NCS, marketing brochures are printed just-in-time and all collaterals are made available for download in softcopy. The use of colour printing facilities is restricted to reduce use of inks. Photo libraries stored in common resources are available for all so as to minimise the use of CD/DVDs, which are non-biodegradable.

Build customer loyalty and satisfaction

We have embraced a customer-centric focus in all our business operations. Through active customer engagement programmes, we can respond to their needs proactively and provide new solutions and services which cater to their lifestyles. We are equipped and focused on measures to strengthen our customers' satisfaction and loyalty.

CUSTOMER-CENTRIC LIFESTYLE SERVICES

As part of our ongoing efforts to offer greater consumer lifestyle convenience, we have introduced more online and environment-friendly electronic options to reduce paper usage and minimise the environmental impact.

CUSTOMER SATISFACTION SURVEYS

We seek to understand the needs of our customers through the SingTel Coperm Survey conducted by an external research firm for many years. Conducted once every two years, the survey findings enabled us to gain insights into customer loyalty and satisfaction levels for SingTel across both consumer and

business segments. The survey methodology entails a combination of face-to-face and phone interviews with over 5,000 respondents. We have consistently maintained a performance of at least 70% excellent and good ratings in the last three surveys.

In addition, our business operations at NCS also conduct two ongoing independent surveys to monitor and benchmark corporate customer satisfaction levels. The annual Customer Engagement Survey is targeted at the top 50 revenue accounts and strategic customer accounts in Singapore and overseas markets where NCS is present. The Project Satisfaction Survey is a survey conducted quarterly to measure customer satisfaction with our project management and delivery across lines of business.

For SingTel customers, a monthly transactional customer satisfaction survey is conducted to assess the performance of our customer care hotline services.

Environment-friendly services introduced for our customers

SingTel myBill

- Over 230,000 subscribers registered for our electronic bill system to keep track of their SingTel bills as of March 2010

MobileP@y

- 40,000 transactions recorded since November 2009 for the innovative mobile service that allows off-peak/ weekend car owners to purchase peak-hour car coupons via mobile phone using credit payment, instead of travelling to post offices to buy them

e-Shop and Hotline

- Almost all transactions and purchases can be made via SingTel eShop (www.singtelshop.com) or hotline (1800 737 1111) to reduce human traffic at physical shops – both contacts are advertised in all our press ads

Improvement targets

KEY AREAS OF FOCUS	WHAT WE WILL DO	
	FIVE-YEAR PLAN (FY10/11 – FY14/15)	FY10/11
Innovate for sustainable business growth	<p>To re-position and build SingTel into a sustainable brand by:</p> <ul style="list-style-type: none"> Developing more e-services to offer corporate customers one-stop convenience and also to reduce paper transactions Providing our consumer clients more online services and content via their mobile devices 	<ul style="list-style-type: none"> Launch a new business portal for corporate customers which offers one-stop convenience and reduces paper transactions Introduce at least two new e-services for SingTel customers to access via their mobile phone or Internet
Pursue proactive market leadership	<p>To continue to:</p> <ul style="list-style-type: none"> Monitor market development and participate in public policy advocacy Uphold high standards of corporate governance and business ethics 	<p>To continue to:</p> <ul style="list-style-type: none"> Monitor market development and participate in public policy advocacy Uphold high standards of corporate governance and business ethics
Embrace responsible business practices	<p>To embrace responsible marketing by:</p> <ul style="list-style-type: none"> Adopting marketing guidelines and programmes for alignment to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship Participating as corporate member in five local/regional industry associations or marketing bodies Introducing Green marketing practices and complying with the usage of recycled paper materials for 100% of SingTel's marketing activities Introducing education programmes to promote safety and the responsible use of mobile technology for SingTel customers 	<ul style="list-style-type: none"> Form a working committee for driving responsible marketing in Singapore Identify and review the adoption of marketing guidelines or programmes for alignment to laws, standards and voluntary codes Identify and register SingTel as a corporate member of two local industry associations/marketing bodies Set guidelines to use recycled paper materials for at least 30% of our marketing programmes
	<p>To embrace responsible procurement by:</p> <ul style="list-style-type: none"> Adopting a vendor engagement framework for our sustainable procurement commitments to communities and strategic partners Establishing SingTel's sustainable procurement policy and standards, as well as planning to conduct random verification of at least three of the top ten suppliers annually Introducing at least two sustainability KPIs as performance metrics for the procurement decision makers 	<ul style="list-style-type: none"> Introduce a supplier survey to review the procurement management practices of key vendors
Build customer loyalty and satisfaction	<p>To enhance the customer loyalty and satisfaction index by:</p> <ul style="list-style-type: none"> Reviewing customer feedback and benchmarking review mechanisms Implementing additional feedback surveys to measure customer satisfaction levels at key customer touch-points 	<ul style="list-style-type: none"> Review the mechanisms of both the Coperm Survey and the necessary follow-up for improvements Explore the use of social media tools to improve customer service and promote education



Forging a Winning Culture

06

We aspire to connect and grow as one winning team to power SingTel's sustainable growth as the leading communications group in Singapore and Asia Pacific.

Through integrating best-in-class human resource practices for talent recruitment, retention, development and employee welfare, our teams are bonded by the 'can-do' challenger spirit to innovate and scale new heights.

Our people are the key assets in achieving our vision as the best multimedia and ICT solutions provider in the region. We nurture and groom future leaders to power SingTel's sustainable growth. Through equal opportunities and competitive performance-based rewards, we seek to provide a challenging workplace where individuals can achieve their full potential and deliver their best.

In recognition of our investment in our employees in FY09/10, we won five Singapore Human Resources

Awards including the 'Corporate HR Award/Learning & Human Capital Development', 'Talent Management/Retention & Succession Planning' and 'HR Communications' awards. Optus won recognition at the Australian Human Resource Institute awards with the John Boudreau Award for Human Capital Management which recognises outstanding people management initiatives and strategies. Optus also won the Sage MicrOpay Award for Best Talent Management Strategy at the HR Leader Awards 2009.

SUSTAINABILITY GOALS	KEY ACTIONS IN FY09/10
Build a winning team	<ul style="list-style-type: none"> Continued to second our talents to Optus, overseas associates and joint ventures to assume strategic management positions and for developmental purpose Launched Game for Global Growth (GGG) programme designed for the next generation of leaders in the SingTel Group, focusing on leadership, strategy and innovation Hired three graduates for the SingTel Management Associate Programme Hosted a staff appreciation programme at Universal Studios Singapore for more than 10,000 employees and their families
Attract and nurture talent	<ul style="list-style-type: none"> Launched a new website to empower employees to control their career development and progression Revamped career development workshops Improved our employee participation rate by 34% at our SingTel Learning Fiesta 2009 from FY08/09 (see story on Page 30) Obtained accreditation as an Approved Training Organisation (ATO) by the Singapore Workforce Development Agency (WDA) Launched a pilot run of our social media portal, SingTel ESPRESSO, to connect with Generation Y employees
Enhance employee well-being	<ul style="list-style-type: none"> Maintained employee response of 98% for our employee engagement survey Implemented precautionary measures for the H1N1 influenza epidemic and provide subsidised flu vaccinations to our people Paid one-off cost of living assistance to all Junior Officers

Build a winning team

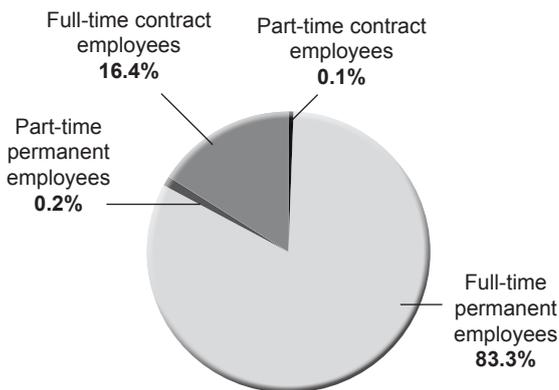
EQUAL OPPORTUNITIES AND DIVERSITY

SingTel attracts and employs top talents from around the world. Our global workforce of more than 23,000, located mainly in Australia and Singapore, consists of a rich mix of people from different races and nationalities, contributing to our operations in both full-time and part-time positions. We are represented by almost 70 nationalities across the SingTel Group.

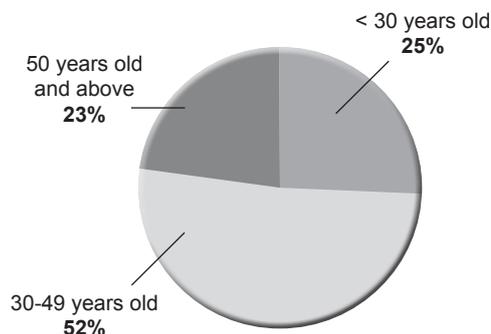
We believe employee diversity is integral to our business success as each employee brings his or her unique skill set and work experience to enable the company to grow in the global marketplace.

To ensure equal employment opportunities within the company, we are committed to creating a work environment free of discrimination or harassment on the basis of race, colour, religion, gender, national origin, disability or age. Based on non-discrimination and fair employment policies, all our employees are selected on merit and their ability to perform the specific job functions. During the recruitment process, we ensure that recruitment advertisements placed in newspapers and Internet websites are non-discriminatory and publicly accessible.

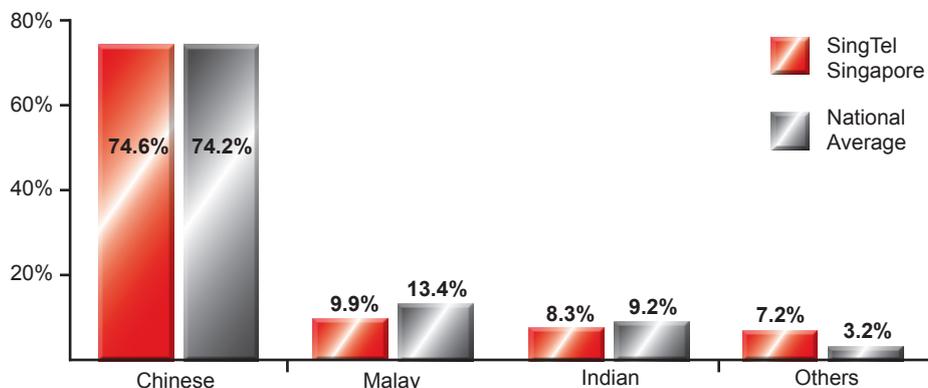
SINGAPORE WORKFORCE PROFILE FY09/10



AGE PROFILE OF SINGAPORE WORKFORCE FY09/10



ETHNIC DISTRIBUTION OF SINGAPORE WORKFORCE FY09/10

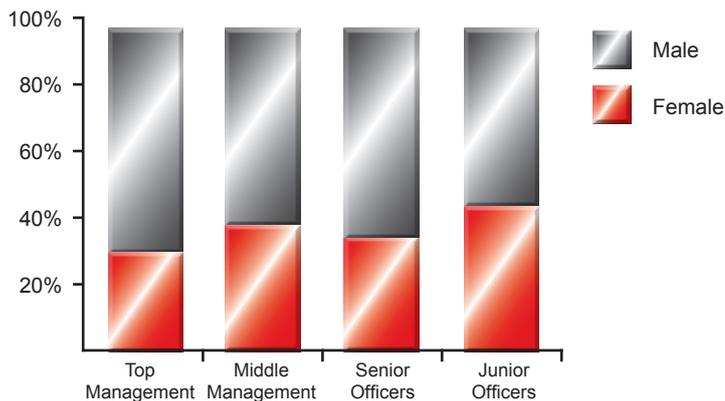


Our workforce has a fair representation of different races and nationalities, age groups and gender. In Singapore, our employee profile is representative of the national average ethnic distribution². In Australia, every two years, our employees are required to complete our online diversity and equal opportunity training and awareness raising module. More than half of our Board of Directors are, or originate, from countries outside Singapore, allowing us to leverage their vast experience across industries and

geographical locations. We won the 'Board Diversity Award' at the SIAS Investors' Choice Awards for the second consecutive year.

Our non-discriminatory practices have allowed us to attract and retain a significant proportion of female employees. Currently, our female employees represent about 40% of our Group's workforce and two of our 11 board members are female.

GENDER DISTRIBUTION OF SINGAPORE WORKFORCE BY EMPLOYMENT CATEGORIES FY09/10



² Department of Statistics – Population Trends 2009 Report

As part of our efforts to attract the best talent, we work with universities and tertiary institutions around the world to identify potential new candidates to be part of our SingTel family. We offer the 'SingTel Management Associate Programme' to nurture young talents. Targeted at top graduates who show outstanding leadership potential, this intensive 24-month structured programme includes work rotations and wide exposure and interactions with senior management.

We run a similar programme in Australia called the Optus Graduate Programme working with Australian universities. Under our Optus Cadet Programme, cadets have the opportunity to be part of an environment that provides on the job, technical skills training and experience while studying. These programmes support our commitment to developing a pipeline of talent to build and sustain a high performing organisation.

We also offer the National Infocomm Scholarships jointly with IDA to develop industry-ready talent for the ICT industry, as well as to nurture future leaders to drive Singapore's ICT industry.

REWARDS AND RECOGNITION

To attract talents to join us, we offer competitive wages along with progressive health and benefit packages. Salaries of our people are determined in accordance with the value of the job and nature of duties performed as well as their performance. Our female employees on average receive pay equivalent to their male colleagues. We have disclosed the remuneration packages of our top five management executives for the last eight years in our annual report.

We recognise the contribution of our employees through various platforms such as the 'Optus Reward 'yes' Reward and Recognition Programme', 'NCS Making IT Happen Award' and 'SingTel Excellence Award' which recognise our employees, whether individuals or teams, who have achieved breakthrough performances that contribute to the growth of the company. This could be in the areas of sales, innovation, customer service and entrepreneurship. In addition, they would have shown one or more of the desired behaviors that support the company's core values.

The 'People Manager Excellence Award' recognises excellence in People Management. This is awarded to leaders and people managers who engage our people and motivate them as a team towards achieving our corporate goals.

SingTel hosted a staff appreciation programme at Universal Studios Singapore, as our tribute to our employees for their dedication. More than 10,000 colleagues, together with their family members and friends, thronged the theme park for three nights at this exclusive staff event.

In Australia, an annual year-end celebration is held with Christmas parties organised in each state. In New South Wales alone, about 4,000 employees attended the annual Optus Christmas party which for the first time was held on-site at the Optus Campus at Macquarie Park last year.

Attract and nurture talent

CAREER DEVELOPMENT

We believe our people should be developed to their fullest potential and encourage them to build a fulfilling long-term career with SingTel. Regular and timely feedback is a critical part of our performance management process as it helps to ensure that our employees understand how they are performing against expectations and can identify ways to improve as needed. All employees participate in performance and career development reviews formally twice a year.

We seek to groom future leaders with a structured talent management system for high performers while providing career development resources to all employees to chart their own learning and career development path, adopting the following three-pronged approach:

- Education-based where employees can learn from training programmes, online courses and part/full-time course sponsorship
- Experience-based where employees gain valuable experience on the job. Much of the experiences are from job rotations, overseas assignments and cross-functional taskforce and projects
- Relationship-based where employees learn from working with others such as coaching from managers and mentors as well as guidance from peers

In the SingTel Group, employees with high potential are placed on a fast-track programme to groom them to become global executives, with the support of our talent partnership team. The key to success is the culture of open communication between the leaders and the high potential employees.

As part of career development, we also provide ample opportunities for our staff to grow and achieve their career aspirations through projects and job rotations across different functions and geographical locations.

In Singapore, we have conducted career development workshops to strengthen our employees' awareness and capabilities to manage their own personal and career development. More than 1,300 employees have attended these workshops with positive feedback.

A career portal has also been set up for employees to plan their career paths, prioritise learning and development opportunities and serve as a guide to foster individual development.

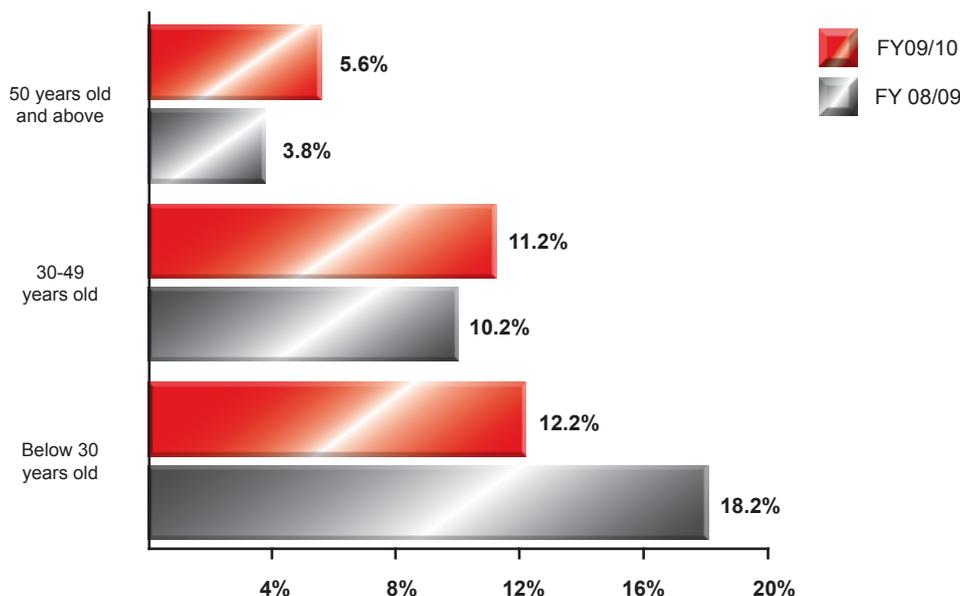
In Australia, we have a large number of career development initiatives run as part of our 'My Career

Choices' programme, targeting at different levels of professional development to help our employees achieve their personal and professional career goals. We organise annual Career Expos in the states across Australia where our people can attend talks, workshops and training sessions. They can also sign up for education and learning courses.

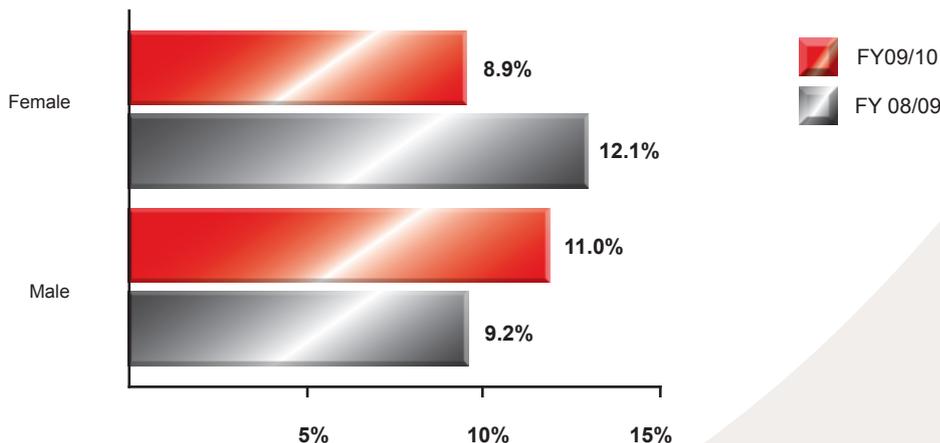
TALENT RETENTION

We continuously monitor our talent retention rate and tailor our strategy towards meeting our employees' needs, especially the younger generation group. The success of our talent retention strategy was reaffirmed through our achievement of the 'Best Contact Centre of the Year (Employee Retention Programme)' – given by CCAS International Contact Centre Awards.

EMPLOYEE TURNOVER RATE BY AGE GROUP IN SINGAPORE FROM FY08/09 TO FY09/10



EMPLOYEE TURNOVER RATE BY GENDER IN SINGAPORE FROM FY08/09 TO FY09/10



LEARNING AND DEVELOPMENT

As part of our Group's talent management and retention strategy, we have a comprehensive learning and development programme in place to cater to our employees' learning needs. This includes seminars, workshops and conferences, in-company training programmes, on-the-job training, practical attachments and courses that can lead to in-house certification. We also offer part-time sponsorships for selected staff to pursue external academic qualifications at certificate, diploma, degree or master's degree levels with recognised institutions of learning.

In 2009, the Group also launched a flagship programme, Game for Global Growth, designed to further develop promising leadership talent across the SingTel Group of companies, including the leadership talents of our regional associates.

Our SMU Regional Leadership in Action programme aims to enhance the current skills of our future leaders across the entire SingTel Group relating to managing cultural diversity, strategic partnership and business risk in the regional and global environment. We also provide fully-paid sponsorships for our top talents across the Group to pursue MBA degrees and other management programmes at top universities like INSEAD, Stanford and Massachusetts Institute of Technology.

We were accredited as an Approved Training Organisation (ATO) by the Singapore Workforce Development Agency (WDA) in July 2009. As an ATO, we can now develop relevant in-house Workforce Skills Qualification (WSQ) programmes customised to our needs.

Through our participation in the discussion panels for technical competencies in the telecommunications sub-sector for the National InfoComm Framework (NICF), we have contributed to the planning and development of the relevant infocomm learning modules.

Our partnership with IMD Corporate Learning Network (IMD), a leading global business school in Switzerland that was ranked first in executive education in 2008 by the Financial Times, has enabled us to promote a culture of self-directed learning and help our leaders strengthen their leadership skills. Our employees in Singapore have access to IMD's full range of learning platforms including webcasts, podcasts, discovery events and business forums, library, information centre and research articles.

Another initiative is SingTel ESPRESSO which is part of a larger initiative to build a collaborative and networked learning culture in SingTel Singapore. Targeted at Generation Y employees, SingTel ESPRESSO combines the best features of professional networking technologies with social media tools such as wikis, forums and blogs. It allows users to establish peer interest groups and create an open platform for forum discussions and suggestions, as well as gain a better understanding of SingTel leadership's strategic priorities for the business.

Last year, our total training investment in Singapore amounted to approximately S\$9 million and our employees dedicated 358,514 working hours to training, which translate to 32 training hours per employee. In Australia, we invested A\$16 million training dollars in our people who spent 190,997 hours on training.

SingTel Learning Fiesta 2009



First launched in 2008, SingTel Learning Fiesta 2009 was held over four days at five venues on 3-6 November. SingTel staff could pick from over 50 sessions related to their personal and professional interests.

Themed 'Connect & Grow', the talks were organised around the Main and Specialist tracks. The Main Track offered topics on personal effectiveness such as 'the Art of Networking', 'Doing Your Job & Enjoying It!' and 'Overcoming Adversity', etc. The Specialist Track was introduced for the first time and included technology updates and interesting Microsoft tips and tricks for everyone.



The success of the event was evident from the improved employee participation (34% increase from previous year) and the high 91% 'Excellent' and 'Good' ratings from participants.

In Australia, we also hold Career Expos in all the states.

Our success has been shared with the company's regional associates and the Learning Fiestas and Career Expos concept has been replicated and introduced by our associates across the region.

Enhance employee well-being

SingTel recognises that our employees need greater support to manage the growing demands of their personal, family and work commitments. By catering to our employees' welfare and personal well-being, we can achieve greater employee satisfaction, productivity, performance and retention.

Last year, we made a special one-off cost of living assistance payout to all Junior Officers to address inflationary concerns in Singapore.

WORK-LIFE BALANCE INITIATIVES

We go beyond statutory requirements by granting every employee at least five additional days of paid leave each year. This provides them greater bandwidth to cope with personal and family needs, as well as to enjoy special occasions such as birthdays. Over 50% of our employees used this flexi-leave scheme last year.

In addition, we have a flexi-time policy that gives our people some discretion on when to commence their workday. Our HR policy framework allows employees to work from home as and when the need arises.

In support of work-life balance, Optus and NCS also provide on-site childcare centres and mothercare rooms to give parents greater convenience and peace of mind while at work.

FITNESS AT WORK

In our efforts to improve quality worklife, SingTel invests in the physical well-being of our employees. Health clubs and gymnasiums are available at the main premises of SingTel and NCS, as well as Optus. In Singapore, we pay for the monthly subscription fees to the SingTel Recreation Club (SRC) on behalf of our employees so that they can enjoy SRC's regular wellness and health programmes.

A staff wellness portal and regular health seminars are available to equip employees with the necessary knowledge and skills to adopt healthy lifestyle practices. Our staff also actively participate in annual sports competitions and fitness events. Last year, more than 4,000 Singapore-based employees took part in a wide selection of fitness programmes, including mass fitness workouts, yoga and pilates. SingTel also has two corporate term memberships with the Singapore Polytechnic Graduates' Guild to provide our employees with additional venues to recharge and relax.

EMPLOYEE HEALTH

Our annual Health Expos at Optus host a range of talks and programmes for health management.



Fun mass exercise workouts for SingTel employees

During the year, the Expos took place in all capital cities across Australia with 21 per cent of staff attending and 76 per cent stating they would make a change to their health and well-being status.

Free health talks and annual health screenings are also offered to promote employee health and wellness throughout the Group. For greater accessibility and convenience, we have arranged for our medical care suppliers to conduct screenings on-site at some of our offices.

As an extension of our support for our employees and their families, education, training, counselling, prevention/risk control and treatment are made available to their family members through employee and family medical benefits. We are also a member of the iCare Mental Health Alliance, a national committee set up to raise the mental well-being of Singaporeans. The adoption of the ten recommended practices by iCare affirms our commitment to our employees' overall mental well-being.

TYPES OF HEALTH PROGRAMMES PROVIDED BY SINGTEL

PROGRAMME RECIPIENTS	EDUCATION/ TRAINING	COUNSELLING	PREVENTION/ RISK CONTROL	TREATMENT
Employees	Yes	Yes	Yes	Yes
Employees' families	Yes	Yes	Yes	Yes

Note: These health programmes are not provided to the general public.

MINISTRY OF MANPOWER SAFETY AND HEALTH INDICATORS FY09/10

MINISTRY OF MANPOWER WORKPLACE SAFETY AND HEALTH INDICATORS	SINGTEL SINGAPORE	NATIONAL AVERAGE ³
Workplace injury rate ^A	96.9	469
Accident frequency rate ^B	0.5	1.9
Accident severity rate ^C	12.9	112

- A. Refers to the number of fatal and non-fatal workplace injuries per 100,000 persons employed. Figures used are victim-based.
 B. Refers to the number of workplace accidents per million man-hours worked. Figures used are incident-based.
 C. Refers to the number of man-days lost to workplace accidents per million man-hours worked.

SAFE WORK ENVIRONMENT

We are committed to providing a healthy and safe work environment for our employees. To achieve this, we have implemented a stringent set of workplace health and safety practices and communicated to employees their personal responsibility to support this commitment.

There has been no incidence of work-related fatalities or occupational disease at our Singapore operations in the last three years. This provides assurance that our safety measures have been effective in keeping the injury and fatality rates well below the national average.

During the H1N1 outbreak in April 2009, we implemented precautionary measures for the H1N1 influenza epidemic in Singapore and Australia. A flu portal was created to provide regular updates on the situation, information on precautionary measures, personal hygiene tips and travel advisories. Health managers were also appointed in each office to train employees on basic medical and related procedures, ensure medical logistical needs were met and manage influenza pandemic suspects. Email communications were sent to employees to provide timely updates on the situation.

Our existing leave policies were adapted to assist employees whose families were affected by H1N1. The flexi-family leave policy was revised to allow immediate application by employees who needed to take care of affected family members. Our subsidy for seasonal flu vaccinations has since been extended to include H1N1 vaccinations. In the event of business travel by our employees, we bear the cost of any vaccinations deemed necessary by doctors for the travel locations.

Our employees who travel overseas for work have access to 24x7 travel and security advice as well as medical assistance scheme. They can contact our appointed providers easily, including via collect calls should the need arise.

In 2009, Optus was awarded the SAI Global Business Excellence Systems Award for its Occupational Health & Safety (OHS) management systems, providing external verification to the business, community and key stakeholders that our health, safety and well-being programmes are operating at best practice. Optus was awarded Accreditation from the Office Federal Safety Commission for all building and construction works in September 2009.

EMPLOYEE ENGAGEMENT SURVEY

Employee engagement remains a key focus for the SingTel Group. Other than regular employee activities, we conduct our annual employee engagement survey on a range of topics such as leadership, working relationships, learning and career development, corporate social responsibility, values and objectives, among others.

90% of our employees from across the Group and 98% of our Singapore employees responded to our engagement survey, which is at industry best practice levels. Our Group engagement score was 74% while the engagement scores ranged between 68% and 77% across the various Singapore business functions. Our strengths lie in the areas of Leadership and Values and Objectives. The results of the survey were shared with our employees, and action plans to address issues and concerns were drawn up to drive further improvements. Some key improvement areas identified were to better working relationships and build a more innovative culture.

³ Ministry of Manpower workplace safety and health indicators 2008

TRADE UNION

37% of our workforce in Singapore is covered under our collective agreement with the Union of Telecoms Employees of Singapore (UTES). We are committed to establishing an effective partnership with UTES and fostering a people-centric labor-management relationship, one built on mutual trust, joint consultation and collaboration, information sharing and shared responsibility, where all are treated with respect, fairness and dignity.

We actively engage in regular dialogue with UTES in all matters concerning our people, which has allowed us to successfully manage the challenges and changes that come our way. In the event of an organisational

change, we commit to provide appropriate notice to our people and following the legal, industrial relations and consultation requirements. We will make every effort to engage UTES as early as possible, and inform affected staff in advance, usually exceeding the one-month notice as provided in the Collective Agreement.

Within Optus, about 6,800 staff members are covered by the Employment Partnership Agreement (EPA). The EPA, a feature of the Optus culture since 1994, is a collective agreement made directly between Optus and employees, and reflects our philosophy of dealing directly with our people. The EPA was renewed in late 2009 for a further three years.

Improvement targets

KEY AREAS OF FOCUS	WHAT WE WILL DO	
	FIVE-YEAR PLAN (FY10/11 – FY14/15)	FY10/11
Build a winning team	<ul style="list-style-type: none"> Expand the Management Associate Programme from three to eight recipients by FY14/15 	<ul style="list-style-type: none"> Expand the Management Associate Programme from three to five recipients Strengthen our commitment to uphold fair employment practices by: <ul style="list-style-type: none"> Signing Employers' Pledge of Fair Employment Practice with The Tripartite Alliance for Fair Employment Practices (TAFEP) Signing Memorandum of Understanding (MOU) with UTES on re-employment of older workers
Attract and nurture talent	<ul style="list-style-type: none"> 100% rollout of learning interventions executed to close critical skills gaps Continue to introduce leadership development programmes at all levels complemented with alternative means of learning resources <ul style="list-style-type: none"> Achieve at least 85% attendance by target participants 	<ul style="list-style-type: none"> 100% rollout of learning interventions executed to close critical skills gaps Align people management programme to WSQ LPM framework and achieve 85% attendance by People Managers at managerial and Junior Officer levels
Enhance employee well-being	<ul style="list-style-type: none"> Continue to promote a healthy organisation and lifestyle as long-term strategic goals to increase organisational performance and improve employees' work-life quality and productivity 	<ul style="list-style-type: none"> Enhance and intensify sustainable programmes to promote employees' health and wellness, which include Fitness@Work sessions, improved employees' access to sports and wellness facilities, intervention programmes for chronic disease management and promotion of healthy eating at staff cafeterias



Managing our Environmental Footprint

07

In the race against climate change, we seek to involve our stakeholders in our efforts to strengthen the momentum of Green activism.

Managing our environmental footprint is a key priority. We are committed to adopting best practices in our business operations and we actively seek environmental improvements for implementation.

As a leading company with more than 23,000 employees, including over 12,000 in Singapore, the SingTel Group is committed to reducing our environmental footprint through concerted practices⁴. We address and focus on managing environmental protection, resource conservation, waste reduction and the impact of our operations. These internal processes will allow us to monitor,

assess and mitigate the significance of any adverse impact of our business on the environment, society, customers and employees.

We are in compliance with all environmental regulations applicable to our industry and have also identified key areas for further improvements in the next few years.

SUSTAINABILITY GOALS	KEY ACTIONS IN FY09/10
Manage wastes and hazardous materials responsibly	<ul style="list-style-type: none"> Implemented safety management systems for hazardous inflammable fuel Launched a pilot paper recycling programme to collect non-confidential documents Further promoted e-billing to our customers to reduce the number of paper bills printed
Manage efficient energy consumption	<ul style="list-style-type: none"> Replaced equipment (e.g. lighting and chillers) with energy efficient components or features Constructed a new Green data centre Installed a Grid-Tied Solar Photovoltaic system at our Pasir Ris Telephone Exchange Implemented a solar-power base station at Sungei Buloh Initiated a study for the installation of a wind turbine to power our operations at the Bukit Timah Hill Radio Station
Reduce impact on climate change and GHG emissions	<ul style="list-style-type: none"> Completed the first phase of the replacement exercise for our diesel vehicle fleet with Euro IV compliant vehicles Increased usage of videoconferencing facilities to reduce air travel business meetings Replaced chillers in our air-conditioning systems that use R11 refrigerant
Conserve and manage water usage	<ul style="list-style-type: none"> Installed water saving devices to reduce water consumption and prevent leakage Substituted the use of potable water with NEWater as the source of water for chiller plants

Manage wastes and hazardous materials responsibly

Responsible waste management is a key focus of our environmental management programme. In the past year, we have placed significant emphasis on the safe management and disposal of both hazardous and non-hazardous materials generated within our entire operation.

HAZARDOUS MATERIALS

We ensure that all hazardous electrical and electronic component wastes and inflammable fuels are handled and disposed of responsibly. Only licensed vendors and suppliers are selected to dispose of hazardous electrical and electronic component wastes such as lead acid batteries, computer sets, electrical switchboards and chiller plants.

For spent lead acid batteries, guidelines have been developed to ensure that the replacement and disposal of these batteries are managed by licensed battery suppliers. In FY09/10, 121 tonnes of batteries have been disposed of responsibly.

We have also successfully implemented safety management systems for hazardous inflammable fuel, which has resulted in minimal maintenance expenditure especially for our diesel fuel tank level indication system. There has been no reported incident on fuel spillage or leakage of these hazardous items from our operations. This also assures that our existing safety management systems are performing to satisfactory requirements.

⁴ This chapter covers only SingTel Singapore's operations. For more information on Optus' environmental performance, please refer to their latest Corporate Responsibility Report at the Optus website.

NON-HAZARDOUS WASTES

Several initiatives have been implemented to minimise paper-based waste. A pilot paper recycling programme has been launched in Singapore where recycling boxes are placed at various convenient locations for the collection of non-confidential documents. The authorised vendor brings the paper collected to a waste paper recycling facility in Singapore for pulping and conversion to recycled paper on a monthly basis. Other types of waste paper are also collected in our various operations, which resulted in 58.3 tonnes of paper being recycled in FY09/10.

For our marketing programmes, we have concertedly opted for recycled paper and e-invites for printing collaterals for guest invitations for our events.

In our efforts to go paperless, we have extended our outreach to our customers by promoting e-billing. Processes within our systems have been redesigned to convert our billing methods from paper-based billing to electronic billing. This will reduce waste paper generation.

Other non-hazardous wastes generated in our office premises, including those from the staff cafeterias, are disposed of through approved refuse collection companies. During the year, 2,426 tonnes of general solid wastes from our offices, 167 tonnes of optical fibre, 1,578 tonnes of scrap copper cables and 514,800 litres of cafeteria wastes in Singapore were disposed of.

Manage efficient energy consumption

We are committed to minimising our impact on climate change by reducing our carbon footprint generated from energy consumption and by using alternative clean energy sources. We endeavour to measure and monitor our energy consumption and the associated greenhouse gases (GHGs) emitted.

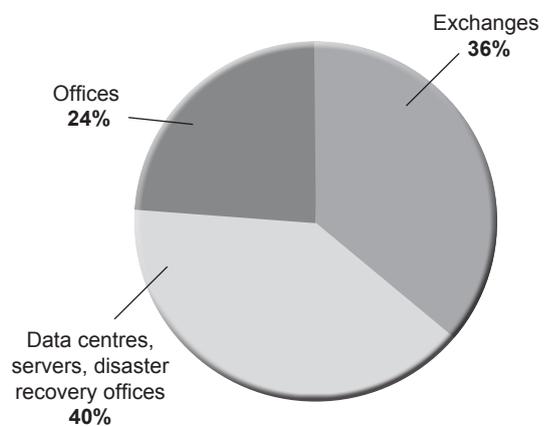
ENERGY CONSUMPTION

Our primary areas of energy consumption involving both direct and indirect energy sources are:

- Electricity use for network transmissions in exchanges, data centres, servers and disaster recovery offices
- Electricity use in our buildings and offices for lighting and airconditioning purposes
- Use of petrol and diesel in the vehicles that we use for our business operations
- Use of diesel in generator sets to supply back-up power during emergencies

In FY09/10, we purchased 367.8 GWh of electricity from the Singapore grid⁵. The power plants which contribute to the Singapore grid emit carbon dioxide (CO₂) during the production of electricity. As a result of the electricity we consumed, we have indirectly contributed towards 184,547 tCO₂ emissions⁶.

BREAKDOWN OF SINGTEL'S ELECTRICITY CONSUMPTION FY09/10



ENERGY CONSERVATION AND EFFICIENCY INITIATIVES

Over the past year, we have developed and introduced new energy conservation initiatives that will allow us to reduce our energy consumption and the associated carbon footprint. In addition, we are actively harnessing other environment-friendly energy solutions such as investing and building a Green data centre and using alternative clean energy sources.

⁵ This includes electricity consumed by customers for specific services such as in the data centres.

⁶ Our equivalent CO₂ emission calculations for electricity use operating margin grid emission factors from the National Environment Agency in Singapore.

ENERGY CONSERVATION INITIATIVES

As our carbon footprint is largely contributed by our electricity consumption, we have continuously studied and implemented new initiatives for greater electricity conservation and efficiency improvements. The electricity conservation initiatives undertaken include:

- Optimising the use of operational parameters in air-conditioning systems
- Replacing and overhauling older chillers
- Installing energy efficient lighting systems
- Influencing employee behaviour to avoid wasting electricity
- Adjusting lighting, mechanical ventilation and lift operating hours
- Providing centralised cooling for Central and Tuas Exchanges
- Replacing CDMT lights in interview rooms, corridors and lobbies

For our network services, specific measures have also been undertaken to improve electricity efficiency by 10% to 20%. They include:

- Replacing aging RBS2000 with new energy efficient RBS6000
- Installing soft-switches (with MSAN) to replace TDM switches
- Replacing old High Power Amplifiers with new Solid State Power Amplifiers (SSPA)
- Installing inverter air-conditioning systems at the mobile site at Mandai Camp I
- Substituting Mk4 SGSN with Mk6 SGSN

SingTel's Green data centre



The Kim Chuan Telecommunications Centre 2 was officially commissioned in January 2010. The new data centre was awarded the Green Mark Gold by the Building and Construction Authority in Singapore, under which a building is rated based on criteria such as energy and water efficiency as well as environment protection and innovation.

Among some of the key conservation features in this centre are:

- Use of more efficient chillers that surpass the SS530 standard
- Air-distribution system that is 31.48% more energy efficient than the commonly used air-distribution systems, resulting in an estimated energy saving of 7 GWh per year
- Sleep modes and variable voltage variable frequency (VVVF) motor features incorporated into the lifts
- High Frequency Ballast provided for 100% of fluorescent luminaries
- Energy efficient luminaries such as T5/T8
- Motion sensors for lighting
- Bicycle parking facility

RENEWABLE ENERGY INITIATIVES

We installed a Grid-Tied Solar Photovoltaic System (40 kW peak capacity) at our Pasir Ris Telephone Exchange in 2009. 195 photovoltaic panels have been installed on the roof which allow the system to collect energy to power up 182 personal computers for ten hours or half the lighting system per day at this exchange. In total, we harnessed 49,750 kWh with this system last year. This translates into a reduction of our carbon footprint by 25 tCO₂ of emissions.

On 6 November 2009, we implemented another solar powered base station at Sungei Buloh. Work has also started for the installation of a wind turbine to power our operations at the Bukit Timah Hill Radio Station by 2011. These initiatives are expected to reduce our carbon footprint over the operational life-time of these systems.



Photovoltaic panels on the roof of Pasir Ris Telephone Exchange

The implementation of these various energy efficiency measures and the use of renewable energy sources contributed to about 1% savings in energy consumption compared to the previous year.

Reduce impact on climate change and GHG emissions

We seek to manage our carbon footprint by diligently identifying, measuring and monitoring our CO₂ emissions from all sources generated from our business operations.

EQUIVALENT CO₂ EMISSIONS GENERATED BY SINGTEL FY09/10

EQUIVALENT CO ₂ EMISSIONS	tCO ₂
Use of electricity (net of energy efficiency measures and use of renewal energy sources)	184,547
Refrigerant loss in air-conditioning systems	1,501
Use of petrol and diesel in vehicles	2,069
Use of diesel in generator sets	529
Air travel	3,021
Total equivalent CO₂ emissions	191,667

GHG EMISSIONS FROM AIR TRAVEL

Our employees travelled 21,100,127 km during the year for official business air travel. The equivalent emissions as a result of this air travel were 3,021 tCO₂⁷. At the same time, we cut down an estimated 181,020 km of air travel through the use of videoconferencing facilities, avoiding equivalent emissions of approximately 26 tCO₂. We are in the process of further developing our system to monitor air travel for the purpose of gauging and benchmarking CO₂ equivalent emissions.

GHG EMISSIONS FROM REFRIGERANT USAGE

Refrigerants like R22 and R134a used in the air-conditioning systems in our offices and data centres are gradually lost during the operation and maintenance of these systems. Based on the loss of refrigerants through the quantity replenished, the estimated equivalent emissions were 1,501 tCO₂. Two of our existing six chillers that use R11 are undergoing replacement.

GHG EMISSIONS FROM FUEL COMBUSTION

We have consumed 474,197 litres of diesel and 503,461 litres of petrol for the operation of our service vehicles and our back-up power supply generator sets in Singapore. In the process of fuel combustion, 2,598 tCO₂ were emitted⁸.

We have completed the first phase of the replacement exercise for our diesel vehicle fleet with Euro IV compliant vehicles.

RADIATION EMISSIONS FROM SATELLITE EARTH STATIONS

Before any satellite earth station is set up, a site survey will be conducted to determine that the line-of-sight between our earth stations and the satellites is clear of any obstruction. In Singapore, we have to ensure the antennas do not obstruct the line-of-sight clearance for both the Indian and Pacific Oceans. Apart from the technical assessment of the site, the building plans have to be submitted to the Building and Construction Authority and Urban Redevelopment Authority for approval.

We follow the requirements set by the National Environment Agency (NEA) to ensure that the radiation from our earth station is below the hazardous limit and the environment is safe for our employees working at the earth stations.

High power amplifier units are also sources of radiation, hence we equip our operations staff with standard operating procedures and guidelines. When the high power amplifier units are obsolete or not in working condition, we engage vendors to return them to the manufacturer for proper disposal.

Conserve and manage water usage

While energy conservation is of high priority, we recognise that water is equally valuable and a strategic resource in Singapore. Water is used in our offices largely for drinking and sanitary purposes, as well as in cooling our air-conditioning systems.

In FY09/10, we purchased 734,209 cubic metres of water for our offices and operations from water suppliers in Singapore, which is 6% lower compared to the previous year.

Savings were achieved due to key water conservation measures implemented last year such as:

- Systems to monitor and lower water consumption at our 23 exchanges, five data centre buildings and three corporate office buildings for which we were awarded with the Water Efficient Building certification by the Public Utilities Board
- Water saving devices, such as robotators and self-closing delayed action taps to reduce direct consumption, wastage or leakage of water
- NEWater used in chiller plants

⁷ The emission factors for air travel are based on DEFRA UK guidelines.

⁸ The equivalent CO₂ emissions for use of fuel are based on IPCC guidelines.

Improvement targets

KEY AREAS OF FOCUS	WHAT WE WILL DO	
	FIVE-YEAR PLAN (FY10/11 – FY14/15)	FY10/11
Manage wastes and hazardous materials responsibly	<ul style="list-style-type: none"> Implement processes for reducing, recycling and re-using product packaging, either by encouraging our customers to return packaging materials and/or by using bio-degradable or recyclable materials Develop a waste management system to track wastes from generation to disposal/recycling 	<ul style="list-style-type: none"> Identify appropriate disposal methods for faulty and used radioactive tubes in consultation with the OEM supplier or qualified contractors Implement processes to track reduction in quantity of paper used due to e-billing
Manage efficient energy consumption	<ul style="list-style-type: none"> Target to save 32.7 GWh of electricity over the next three years Conduct energy audits for selected exchanges to analyse electricity consumption patterns so that power efficiency improvement programmes can be undertaken Improve our chiller replacement and overhaul programme to further enhance cooling system efficiency 	<ul style="list-style-type: none"> Achieve 20% of the three year improvement targets in electricity savings
Reduce impact on climate change and GHG emissions	<ul style="list-style-type: none"> Develop monitoring processes for benchmarking GHG emissions from business air travel Set goals for replacement of new chillers which is compliant with the Montreal Protocol 	<ul style="list-style-type: none"> Develop in-house processes to track quantities of refrigerants that contribute to GHG emissions Complete the wind turbine installation study to power Bukit Timah Hill Radio Station
Conserve and manage water usage	<ul style="list-style-type: none"> Continue to systematically monitor and promote efficient use of water Provide for NEWater capability at new facilities 	<ul style="list-style-type: none"> Identify opportunities for NEWater substitution to reduce consumption of potable water



Touching Lives, Enriching Communities

08

We pride ourselves as the catalyst connecting our customers with communities and the world. We are equally passionate in playing an active role of a socially responsible corporate citizen.

We connect people with opportunities, enrich communities with new possibilities and inspire future generations with our vision of tomorrow.

At SingTel, we are committed to the communities we serve. We undertake our multi-faceted role as an employer, a leading multimedia and ICT solutions provider and a responsible corporate citizen with pride and dedication.

We know we can make a difference by actively addressing the social concerns that are critical to the well-being and sustainable development of the communities in which we operate.

We are a signatory of the UN Global Compact and a committee member of the Singapore Compact. We received the 'CSR Recognition Award' at the Singapore Compact International Corporate Social Responsibility Conference in 2009. In addition, we are honoured that FinanceAsia recognised SingTel for 'Best Corporate Social Responsibility Award in Singapore' in May 2009 and that the State of CSR in Australia: 2009 Annual Review has listed Optus as a top performer in CSR management capabilities.

SUSTAINABILITY GOALS	KEY ACTIONS IN FY09/10
Support community development	<ul style="list-style-type: none"> • Raised S\$2.2 million through the SingTel Touching Lives Fund for five beneficiaries with generous support and contributions from key stakeholders • Embraced environmental conservation via support for Earth Hour 2010 and Plant-A-Tree day
Activate employee volunteerism	<ul style="list-style-type: none"> • Added momentum to employee volunteerism with the new SingTel Recreation Club Community Service Group formed to support grassroots community development programmes
Engage future leaders	<ul style="list-style-type: none"> • Implemented the Globe-SingTel Reading Project in November 2009 • Launched the inaugural SingTel Group Undergraduate Scholarships with three recipients from the Thammasat University, Thailand

Support community development

SingTel firmly believes in supporting and strengthening the resilience and sustainable development of the communities we serve. As part of our community development programmes, we continue to organise fundraising efforts for charities and victims of natural disasters, as well as support social causes in line with our sustainability goals in Singapore and the region where we operate.

HELPING YOUTH IN NEED

In Australia, Optus has made over 54 grants through its Connecting Communities programme, providing life skills and training for disengaged youth, and helping grassroots organisations in Australia with access to communications since 2008. We also partner Kids Helpline to provide support and advice to young people in need. Kids Helpline answered over 300,000 telephone, web and email contacts in 2009.

SINGTEL TOUCHING LIVES FUND

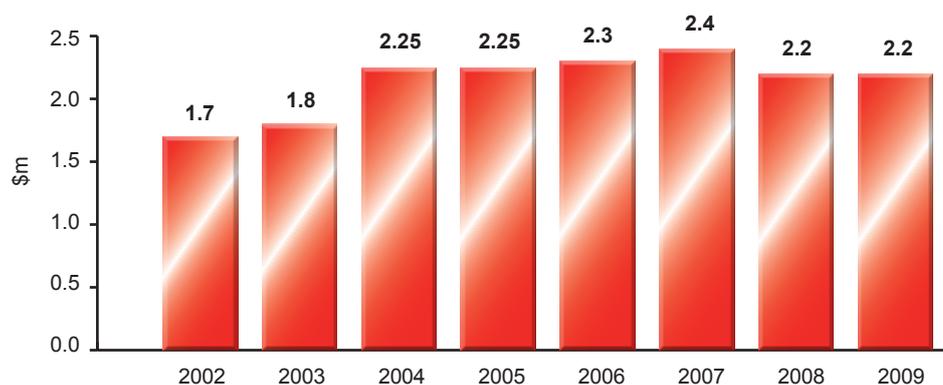
SingTel Touching Lives Fund (STLF) is our corporate philanthropy programme in Singapore to support community programmes and disadvantaged children and young people. Launched in 2002, STLF has raised more than S\$17 million for 22 charities under the auspices of the National Council of Social Service (NCSS). We fully underwrite the fundraising costs of STLF, ensuring that every dollar of the donations raised goes towards the work of the charities.

Over the years, STLF has focused on supporting charities to implement specialised education and support programmes for children and young people. Key programmes include training and special education to meet the needs of those who are intellectually or physically challenged, school social work and counselling programmes that help youths from families facing problems or those with learning difficulties.

SINGTEL TOUCHING LIVES FUND BENEFICIARIES (2002 – 2009)

<ul style="list-style-type: none"> • Ang Mo Kio Family Service Centres • APSN Chao Yang School • APSN Tanglin School • Autism Resource Centre – WeCan • AWWA Early Years Centre – EIPIC • AWWA Project Challenge • AWWA Teach Me • Dyslexia Association of Singapore • Fei Yue Community Services – eGen • HELP Family Service Centre • MILK Fund 	<ul style="list-style-type: none"> • MINDS Lee Kong Chian Gardens School • MINDS Towner Gardens School • MINDS Yio Chu Kang Gardens School • Rainbow Centre • Singapore Cancer Society • Singapore Children’s Society • Singapore Children’s Society – Tinkle Friend • Singapore School for the Deaf • Singapore School for the Visually Handicapped • Spastic Children’s Association School • Students Care Service
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STLF FUNDS RAISED FROM 2002 TO 2009



In FY09/10, STLF raised S\$2.2 million through the generous support of our key stakeholders, business partners, employees and members of the public. Last year, the five beneficiaries were APSN Tanglin

School, AWWA Early Years Centre, MINDS Lee Kong Chian Gardens School, Singapore Cancer Society and Students Care Service.

Race Against Cancer



Making a difference for the cancer patients: Aileen Tan and Chua Sock Koong present cheque to SCS

About 200 SingTel employees and top management members supported the inaugural 'SingTel-Singapore Cancer Society 2009 Race Against Cancer'. On 23 August 2009, they joined an estimated 3,500 participants for the charity run at East Coast Park to raise funds for Singapore Cancer Society (SCS). As their encouragement to cancer survivors and those battling the illness, participants could choose to run a 5km or 10km route.

Lending their support at the event were Group CEO Chua Sock Koong and Group Director of Human Resource Aileen Tan, who is also the Deputy Chairperson of STLF. STLF's S\$200,000 donation was channeled towards a new 'SCS Help the Children and Youth' programme to help children and youths with cancer or whose parents are suffering from cancer. SCS helps more than 1,000 needy cancer patients and reaches out to some 40,000 individuals through its community outreach and awareness programmes.

"Running in this charity race is good for the heart – both in terms of healthy exercise and the great feeling you get from helping those in need."

Cheong Hai Thoo
Director, Content and Media Services
SingTel



SingTel and Globe donated funds for relief packs to victims of Typhoon Ketsana

DISASTER RELIEF

SingTel and Globe, our associate in the Philippines, each donated one million pesos to support Globe's relief efforts in helping victims of Typhoon Ketsana in September 2009. The donations were used to buy relief packs that included food and water for the affected families. This contribution enabled us to reach families in far-flung affected areas such as Marikina and Rizal.

NCS also initiated a three-day employee donation drive where it raised more than S\$7,000 in funds for victims of Typhoon Ketsana through the Singapore Red Cross Society, while Optus and our people in Australia contributed A\$58,000.

ENVIRONMENTAL CONSERVATION

SingTel actively invests in environmental conservation and biodiversity preservation for a Green future. We also provide our staff volunteers the opportunity to enjoy the beauty of mother nature through our Plant-A-Tree day.

Last year, 450 staff volunteers in Singapore planted 200 trees in the nature reserves at Bukit Timah, MacRitchie and Pasir Ris. For the 200 trees planted, we donated S\$20,000 to the Garden City Fund.



SingTel employees go Green on Plant-A-Tree day

Earth Hour 2010



Photo courtesy of Jacky Ho, WWF

In Singapore, SingTel supported Earth Hour 2010 and heightened awareness among our employees as well as customers of the importance of environmental conservation. The lights at our landmark buildings were switched off from 8.30pm to 9.30pm on 27 March 2010, sending the message that we care about climate change.

In conjunction with this, we ran a two-week campaign encouraging employees and customers to play their part for the environment. We also worked with our creative agency to produce a special [video clip](#) which was uploaded on YouTube.

During the lead-up to Earth Hour 2010, we installed a special utility consumption meter on the staff portal to show daily power and water consumption levels at Comcentre. The data collected was converted into the equivalent in light bulbs and swimming pools to help our people understand the impact of SingTel's energy and water consumption levels.

Optus and our regional associates AIS, Bharti Airtel, Globe and Telkomsel also supported Earth Hour 2010. We encouraged our employees in Australia to join a staff competition by sharing on "What is the one everyday habit you have changed to improve your environmental footprint?" with energy efficient prizes to be won.

NATIONAL COMMUNITY PROJECTS

Optus, together with the Starlight Children's Foundation and the Livewire Hospital programme, makes it possible for seriously ill, chronically ill and disabled young people to stay connected during long hospital stays. Livewire offers a free, safe and supportive online social network where these young patients can express themselves and find support from other youths in similar circumstances. A total of 26 hospitals in Australia will be connected by end-2010, reaching more young people in need.

SingTel recognises that it can leverage its communication services and solutions to support nation-building. We sponsored the SMS messages for MessageLive at the National Day Parade 2009, where the audience could send birthday greetings and wishes to Singapore from their mobile phones which were displayed on the large screens at the parade venue.

Using SingTel's satellite solutions, Singapore's first women's team was able to keep in touch with Singapore during their ascent of Mt Everest in May 2009. We also provided the Mt Everest team with communications and Internet services to stay connected with their families, upload photos and update their blogs when they were at the base camp. We are proud to have helped foster a greater sense of national pride through enabling global awareness of their achievements.

As a lead partner, SingTel also provided all telecommunication services for the Asia Pacific Economic Cooperation (APEC) 2009 meeting that was held in Singapore for the first time last year.

Activate employee volunteerism

Since 1992, SingTel has harnessed the power of staff volunteerism for Community Chest, the fundraising arm of National Council of Social Service. As a Corporate SHARE (Social Help and Assistance Raised by Employees) company, we match employee contributions to SHARE dollar for dollar. In addition, employees in Australia and Singapore are given one day of voluntary service leave per year to support a charity or community cause of their choice.

In 2009, the new momentum to staff volunteerism was propelled largely by the formation of the SingTel Recreation Club Community Service Group (SRC CSG)

in Singapore. With the tagline 'SingTel employees in the Community', SRC CSG aims to encourage, involve and engage staff at all levels to deliver community services to children with special needs, senior citizens and socially disadvantaged citizens at the grassroots level. SRC CSG contributed more than 7,000 hours to community work last year.

Our employees partnered the Metropolitan YMCA on 'Project Love'. This is a new community outreach programme that aims to improve the living conditions of the low-income elderly and to distribute food on a monthly basis to needy families identified by the Ministry of Community Development, Youth and Sports. Our volunteers also help out at the recreation club at Northlight School, whose students often come from challenging home environments.



SingTel employee volunteers sorting out test kits at Singapore Cancer Society

As part of our support for the Singapore Cancer Society, our employees have been helping to sort out new fecal occult blood test kits. These home testing kits are among the free cancer services offered by the society.

In addition, NCS has partnered Ang Mo Kio Family Service Centres (AMKFSC) in the annual 'Adopt-a-Family' programme where employees are involved in helping to fulfil the wish-list items of needy families under the care of AMKFS. The annual NCS Community Service Award also serves as a platform to recognise individuals who have made a difference in the community by devoting themselves to community work to help the less fortunate.

In Australia, over 20 per cent of Optus employees contributed more than 18,000 hours in paid community volunteer leave to assist a range of community organisations during the year. Some 250 staff volunteers were also involved in the Australian Business Community Network mentoring programmes that support disadvantaged schools.

Engage future leaders

'Connecting People, Inspiring Future Generations' effectively encapsulates SingTel's endeavours in helping communities and connecting people with opportunities. As a good corporate citizen, we are committed to supporting and investing in the markets in which we operate. Our key focus centres on providing educational opportunities and grooming young leaders for the next generation.

As part of regional collaboration efforts, the Globe-SingTel Reading project was launched in November 2009. About 1,300 books were collected from SingTel staff in Singapore and shipped to the Philippines, where Globe staff helped to distribute the books and a school bag filled with school supplies for each student. A Reading Programme will also be implemented in

15 schools to encourage underprivileged students in rural areas to develop a command of the English language. The ability to speak and write good English will open up life opportunities for these young children aged 7-10.

In collaboration with AIS, the inaugural SingTel Group Undergraduate Scholarships were awarded to three recipients from Thammasat University, Thailand. Under this regional scholarship programme, SingTel will provide financial support to the award recipients in their undergraduate studies in a variety of disciplines at selected top universities in Asia Pacific. In addition, the recipients will have internship opportunities at the SingTel Group of companies.



Beaming with pride at the award ceremony of the inaugural SingTel Group Undergraduate Scholarships: (From L-R) Karen Phoon, HR Director (International Group), Wichian Mektrakarn, CEO (AIS), Aileen Tan, Group Director of Human Resource, and our three scholars, Mongkol Jarujunya, Jeerawat Visanuruangdaj and Supapat Lumthongmongkon

Improvement targets

KEY AREAS OF FOCUS	WHAT WE WILL DO	
	FIVE-YEAR PLAN (FY10/11 – FY14/15)	FY10/11
Support community development	<ul style="list-style-type: none"> Review and chart the SingTel CSR roadmap and programmes for the next five years Achieve S\$28 million total funds raised for STLF by FY2014/2015 Initiate greater alignment of CSR programmes and key KPIs among all business entities under SingTel Singapore 	<ul style="list-style-type: none"> Develop programmes to improve awareness of STLF and achieve at least S\$2 million in funds raised Continue with Plant-A-Tree day event and achieve a target of at least 200 employees to plant 100 trees
Activate employee volunteerism	<ul style="list-style-type: none"> Expand the scope and reach of SRC CSG employee volunteerism programme Increase number of employee volunteers in Singapore who contribute to community work by 50% from the participation rate in FY09/10 Work with HR department to incorporate CSR and staff volunteerism within staff performance objectives 	<ul style="list-style-type: none"> Increase number of employee volunteers who contribute to community work by 10% Implement an online portal for staff to log their volunteer hours Introduce 'VolunTeaming' at SingTel, a concept that combines volunteering for CSR initiatives with department team-building activities to promote staff volunteerism
Engage future leaders	<ul style="list-style-type: none"> Continue to extend the SingTel Group Undergraduate Scholarships programme to joint ventures/associates regionally 	<ul style="list-style-type: none"> Extend SingTel Group Undergraduate Scholarships programme to three joint ventures/associates



GRI index table

Standard Disclosures – Profile

PROFILE DISCLOSURE	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
1. STRATEGY AND ANALYSIS				
1.1	Statement from the most senior decision-maker of the organisation	3	✓	
1.2	Description of key impacts, risks and opportunities	9, 14	✓	
2. ORGANISATION PROFILE				
2.1	Name of the organisation	5	✓	
2.2	Primary brands, products, and/or services	5-7	✓	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures	5	✓	
2.4	Location of organisation's headquarters	1	✓	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	5-6	✓	
2.6	Nature of ownership and legal form	5	✓	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	5-7	✓	
2.8	Scale of the reporting organisation	5-7	✓	
2.9	Significant changes during the reporting period regarding size, structure, or ownership		✓	There were no significant changes during the reporting period regarding size, structure or ownership.
2.10	Awards received in the reporting period	14-15, 25, 37, 42	✓	14-15 (Marketplace) 25 (People) 37 (Environment) 42 (Community)
3. REPORT PARAMETERS				
3.1	Reporting period (e.g. fiscal/calendar year) for information provided	1	✓	
3.2	Date of most recent previous report (if any)		✓	This is our first Sustainability Report
3.3	Reporting cycle (annual, biennial, etc)	1	✓	
3.4	Contact point for questions regarding the report or its contents	1	✓	
3.5	Process for defining report content	1	✓	
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	1	✓	

PROFILE DISCLOSURE	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
3.7	State any specific limitations on the scope or boundary of the report (see completeness principles for explanation of scope)		✓	No limitations are applied in selecting the report boundary.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that significantly affect comparability from period to period and/or between organisations		✓	This is not applicable as this report focuses mainly on the Singapore operations.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	35-36	✓	The techniques and calculations are reflected where applicable in Chapters 5-8.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement		✓	This is our first Sustainability Report and hence this clause is not applicable.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report		✓	This is our first Sustainability Report and hence this clause is not applicable.
3.12	Table identifying the location of the Standard Disclosures in the report	50-56	✓	
3.13	Policy and current practice with regard to seeking external assurance for the report		✓	We are not seeking external assurance for this report.

4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT

4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight		✓	Refer to Annual Report (page 58-65)
4.2	Indicate whether the Chair of the highest governance body is also an executive officer		✓	Refer to Annual Report (page 60, 65)
4.3	For organisations that have unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members		✓	Refer to Annual Report (page 60-65)
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body		✓	Refer to Annual Report (page 67)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organisation's performance		✓	Refer to Annual Report (page 60-72)

PROFILE DISCLOSURE	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided		✓	Refer to Annual Report (page 59-62)
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics		✓	Refer to Annual Report (page 65-67)
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	9-10	✓	
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	10-11	✓	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	10-11	✓	
4.11	Explanation of whether and how the precautionary approach of principle is addressed by the organisation	18-19	✓	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	18-20, 33, 42	✓	18-20 (Regulatory) 33 (Employee Union) 42 (UN Global Compact)
4.13	Memberships in associations (such as industry associations) and/or national/ internal advocacy organisations	20, 42	✓	We are also a member of key business and industry associations in Singapore
4.14	List of stakeholder groups engaged by the organisation	11-12	✓	
4.15	Basis for identification and selection of stakeholders with whom to engage	11	✓	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group	12	✓	
4.17	Key topics and concerns that have raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	11	✓	

G3 DMA	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
DISCLOSURES ON MANAGEMENT APPROACH (DMAS)				
DMA EC	Disclosure on Management Approach – Economic	14	✓	
DMA EN	Disclosure on Management Approach – Environment	35	✓	
DMA LA	Disclosure on Management Approach – Labour	25, 27, 30	✓	
DMA HR	Disclosure on Management Approach – Human Rights	25	✓	
DMA SO	Disclosure on Management Approach – Society	18-20, 42	✓	
DMA PR	Disclosure on Management Approach – Product Responsibility	19-21	✓	

PERFORMANCE INDICATOR	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
ECONOMIC PERFORMANCE INDICATORS				
EC1	Direct economic value generated and distributed	7	✓	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	21	✓	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	26-27	✓	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	17	✓	

ENVIRONMENTAL PERFORMANCE INDICATORS				
EN1	Materials used by weight or volume		✓	This is immaterial as we do not manufacture products.
EN2	Percentage of materials used that are recycled input materials		✓	This is immaterial as we do not manufacture products.
EN3	Direct energy consumption by primary energy source	39	✓	
EN4	Indirect energy consumption by primary source	36	✓	
EN5	Energy saved due to conservation and efficiency improvements	37, 38	✓	

PERFORMANCE INDICATOR	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	37-38	✓	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	37-38	✓	
EN8	Total water withdrawal by source	39	✓	
EN9	Water sources significantly affected by withdrawal of water	39	✓	
EN16	Total direct and indirect greenhouse gas emissions by weight	38	✓	
EN17	Other relevant indirect greenhouse gas emissions by weight	38	✓	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	38, 39	✓	
EN22	Total weight of waste by type and disposal method	35, 36	✓	
EN23	Total number and volume of significant spills	35	✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental law and regulations	35	✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.

SOCIAL PERFORMANCE INDICATORS: LABOUR PRACTICES AND DECENT WORK

LA1	Total workforce by employment type, employment contract, and region	26	✓	
LA2	Total number and rate of employee turnover by age group, gender, and region	28	✓	
LA4	Percentage of employees covered by collective bargaining agreements	33	✓	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	33	✓	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region	32	✓	

PERFORMANCE INDICATOR	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	31, 32	✓	
LA10	Average hours of training per year per employee by employee category	29	✓	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	27-30	✓	
LA12	Percentage of employees receiving regular performance and career development reviews	27	✓	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	25-26	✓	
LA14	Ratio of basic salary of men to women by employee category	27	✓	

SOCIAL PERFORMANCE INDICATORS: HUMAN RIGHTS

HR4	Total number of incidents of discrimination and actions taken		✓	We have not been subjected to any legal action for incidents of discrimination.
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SOCIAL PERFORMANCE INDICATORS: SOCIETY

S02	Percentage and total number of business units analysed for risks related to corruption	18	✓	
S03	Percentage of employees trained in organization's anti-corruption policies and procedures	19	✓	
S04	Actions taken in response to incidents of corruption		✓	We do not have any reported incidents of corruption.
S05	Public policy positions and participation in public policy development and lobbying	18	✓	
S06	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country		✓	We do not contribute to any cause which is political in nature in Singapore.
S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes		✓	We have not been subjected to any legal action for anti-competitive conduct during the reporting period.

PERFORMANCE INDICATOR	DESCRIPTION	PAGE #	INCLUSION	COMMENTS
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		✓	We have not been subjected to any legal action for anti-competitive conduct during the reporting period.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes		✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	21	✓	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes		✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data		✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		✓	There has been no incident of non-compliance with applicable regulations and we have not been subjected to any financial penalties.