

# SUSTAINABILITY OVERVIEW

## DRIVING SUSTAINABILITY

### OUR JOURNEY TOWARDS MAKING DELIVERY COUNT FOR PEOPLE AND PLANET

Climate change remains an urgent global issue due to its wide-ranging environmental, social, and economic impacts but a widespread focus on climate change also presents opportunities. SingPost recognises the importance of proactively addressing climate change and strives to lead by example.

SingPost's sixth Sustainability Report offers stakeholders a transparent account of the Group's activities and initiatives, ensuring they are well-informed about our sustainability performance. This year's report encompasses SingPost's operations in Singapore and key subsidiaries, including CP and FMH Group in Australia, and QS operating in eight markets outside Singapore.

## SUSTAINABILITY FRAMEWORK

### CONSISTENT PATHWAYS FOR CHANGE AND INNOVATION

Following a thorough materiality re-assessment in FY2021/22, SingPost's Board and Management have determined that the material ESG topics remain relevant, with no changes this year.

SingPost's sustainability framework is designed to systematically address material ESG matters and operationalise our sustainability strategy across the business. The framework is guided by three pillars: ***Cherishing Our Planet***, ***Collaborative Partnerships***, and ***Culture of Trust***. The pillar *Cherishing Our Planet* focuses on sustaining a liveable planet for future generations. At the same time, *Collaborative Partnerships* pillar is dedicated to transforming markets and delivering value for our communities and customers for future generations. Lastly, the *Culture of Trust* pillar emphasises caring for and doing the right things for our stakeholders.

Each pillar and its associated material matters are mapped to the United Nations Sustainable Development Goals (UN SDGs). SingPost believes everyone has a role in promoting global sustainable development and is committed to contributing in the best way possible.



# SUSTAINABILITY OVERVIEW

## OUR SUSTAINABILITY JOURNEY IN FY2022/23

### POSITIVE OUTCOMES AND PROACTIVE INITIATIVES

SingPost has set ambitious goals to achieve net-zero Scope 1 and 2 emissions in Singapore by 2030 and net-zero Scope 1, 2, and 3 emissions globally by 2050. In addition, we established an internal carbon price as part of our business strategy to drive sustainable practices and decision-making. Notably, the Group has achieved a 30% reduction in total Scope 1 and 2 carbon emissions in Singapore from the baseline year of FY2018/19.

In line with our commitment to environmental sustainability, SingPost has made significant strides in adopting electric vehicles, converting approximately 32% of our owned delivery fleet in Singapore to date. Furthermore, the Group embraced sustainable packaging practices by utilising recycled materials. Additionally, SingPost launched the POPDrop initiative, a carbon-efficient and automated self-service drop-off service that allows businesses and customers to reduce their carbon footprint.

SingPost recognises the importance of addressing climate-related risks and capitalising on associated opportunities. By aligning our practices with recommendations of the TCFD and conducting comprehensive climate scenario analysis, SingPost is preparing our business for climate risk resilience and harnessing emerging opportunities.

Ensuring safety and well-being is a top priority for SingPost, as demonstrated by our record of zero fatalities and achieving a notable 22% year-on-year improvement in the Loss Time Injury Frequency Rate<sup>1</sup>.

SingPost is committed to promoting diversity and gender equality, with women holding approximately 37% of senior management positions. This dedication to inclusivity was recognised, as SingPost won the Diversity Category of the Singapore Corporate Governance Award at the Securities Investors Association (Singapore) Investors' Choice Awards 2022.



With a strong focus on corporate governance and transparency, SingPost proudly reported zero significant fines or non-monetary sanctions relating to non-compliance with laws and regulations in FY2022/23. We also take pride in the exceptional performance of our employees, with 98 individuals receiving Excellence Service Awards (EXSA) in 2022, including 40 Star, 11 Gold, and 47 Silver awards.

SingPost actively participated in the 2022 United Nations Climate Change Conference (COP27) as part of the Singapore delegation to share insights on decarbonising the logistics sector and underscore our commitment to sustainability leadership.

These accomplishments demonstrate SingPost's unwavering dedication to sustainability, innovation, employee recognition, safety, diversity, and corporate governance, positioning the company as an industry leader and driver of positive change.

More on sustainability is shared in SingPost's Sustainability Report FY2022/23, available on [www.singpost.com](http://www.singpost.com) and pages 39 to 41 of this report.

<sup>1</sup> To enable a like-for-like comparison of safety performance between FY2022/23 and FY2021/22, safety performance does not include safety data from FMH Group which is only available for FY2022/23.

## CHERISHING OUR PLANET

### CLIMATE ACTION AND RESILIENCE

SingPost commits to a climate-resilient and sustainable future with net-zero carbon emission targets. Through climate scenario analysis, the Group identifies risks and opportunities, enabling informed decision-making and resilience-building measures to address climate change impacts and seize opportunities.

Targets	FY2022/23 Progress and Performance
Net-zero (Scope 1 and 2) for operational emissions in Singapore by 2030 <sup>2</sup>	In progress; on track SingPost has reduced our absolute Scope 1 and 2 Greenhouse Gas (GHG) emissions in Singapore collectively by 30% from the FY2018/19 baseline level <sup>3</sup> .
Net-zero (Scope 1, 2 and 3) for global emissions by 2050	SingPost has developed an overarching strategy and different pathways for emissions reduction across our global operations. We have also started to develop our Scope 3 GHG emissions inventory to facilitate the identification of decarbonisation strategies and necessary engagement with our stakeholders.  While our goal is net-zero (Scope 1, 2 and 3) by 2050 for our global operations, SingPost will continue to look for ways to proactively reduce our carbon emissions sooner wherever possible.

### RESOURCE EFFICIENCY AND WASTE MANAGEMENT

SingPost commits to a circular and low-carbon economy, focusing on resource efficiency and waste management. Proactively addressing global regulations, the Group offers sustainable products and solutions that empower our customers to meet their sustainability goals.

Target	FY2022/23 Progress and Performance
Increase operational recycling rate to 30% by 2025	SingPost has achieved approximately 21% operational recycling rate to date. We continue to explore ways to enhance our operational processes and systems to further reduce our waste generation and increase waste recycled.

## COLLABORATIVE PARTNERSHIPS

### RESPONSIBLE SUPPLY CHAIN

As SingPost expands globally in logistics and eCommerce, we emphasise on ethical procurement and supply chain transparency. Collaborating with partners, SingPost integrates digital solutions, adheres to ESG principles, and builds resilience to emerging expectations for responsible practices.

Targets	FY2022/23 Progress and Performance
Screen all suppliers on ESG criteria	Approximately 64% <sup>5</sup> of new suppliers have been screened with social and governance criteria, in line with the guidelines set out in the Supplier Code of Conduct.  Work is underway for all new suppliers to undergo ESG criteria screening, while existing suppliers will be screened as feasible (e.g., during contract renewal).
Ensure all Tier 1 <sup>4</sup> suppliers have an ESG Policy in place by 2023	Tier 1 suppliers identified and planning underway to engage with these suppliers on the availability of an ESG Policy.

2 Net-zero is the point at which an organisation has first achieved its 1.5°C science-based target, of which a 45-50% reduction in emissions by 2030 is required in the case of SingPost from the baseline of FY2018/19, followed by a removal of residual emissions (e.g., by carbon offsets). This reduction of 45-50% for SingPost was derived from the Science Based Target initiative (SBTi) Absolute Contraction Approach (ACA) to ensure that targets for absolute emissions reductions are in line with global decarbonisation pathways.

3 Performance for FY2022/23 and FY2018/19 baseline level for Singapore has excluded General Storage Company which was divested in December 2021.

4 Tier 1 suppliers refer to suppliers that supply at least 80% of the spend amount within individual spend categories defined by SingPost

5 This excludes FMH due to unavailability of information as FMH is a new subsidiary of the Group and implementation of relevant processes and systems for consistent data collection is still in progress.

# SUSTAINABILITY OVERVIEW

## PRODUCT AND SERVICE INNOVATION

SingPost explores innovative solutions and creates new opportunities and service offerings to deliver a curated and personalised customer experience while enhancing our productivity and business sustainability.

Target	FY2022/23 Progress and Performance
Conduct at least one pilot innovation programme annually	<p>Launch of POPDrop, a carbon-efficient and automated self-service drop off box</p> <p>Development of a new software platform by FMH Group to enhance customer experience. For more information refer to page 44 of the Sustainability Report.</p>

## CUSTOMER EXPERIENCE

SingPost prioritises customer-centricity to drive a fulfilling experience across all touchpoints and to redefine omnichannel engagement in an increasingly digital world.

Targets	FY2022/23 Progress and Performance
Exceed IMDA Postal Quality of Service (QoS) standards for Singapore as one of the essential services serving the nation.	All IMDA Postal QoS standards from January 2022 to December 2022 were met.
Progressively develop targets for all our markets.	<p>In 2022, a total of 98 SingPost employees attained the Excellent Service Award (EXSA) including 40 Star, 11 Gold, and 47 Silver awards.</p> <p>SingPost has also continued to maintain our ISO 9001:2015 Quality Management System certification for our parcel and processing delivery operations at LogHub. For more information refer to page 48 of the Sustainability Report.</p>

## COMMUNITY INVESTMENT

SingPost fosters community partnerships to positively impact and build trust in the markets we serve.

Target	FY2022/23 Key Progress and Performance
Progressively develop targets as flagship programmes are identified	<p>Launch of letterbox monitoring programme within the Cheng San-Seletar Constituency in Singapore as part of efforts to build community resilience.</p> <p>Leveraging on our logistics capabilities, SingPost has also supported Community Chest Singapore and Singapore Red Cross to deliver daily essentials and medical necessities to the communities in need.</p>

## CULTURE OF TRUST

### EMPLOYEE ENGAGEMENT AND TALENT PRACTICES

With a focus on diversity and inclusivity, SingPost remains committed to fostering a culture that supports and values our employees even as we adapt our employee engagement and talent practices to the changing business landscape. We also invest in growing and developing our workforce to equip them with essential skills for the future.

Targets	FY2022/23 Progress and Performance
To achieve an employee engagement survey completion rate of 70% by 2025	Work is underway with a target to conduct an employee engagement survey in FY2023/24.
To achieve an employee engagement score above the market benchmark by 2025	
Maintain at least 30% of women workforce representation in senior management (C-Suite, C-minus-1, and C-minus-2 executives) by 2025	SingPost has ~37% women representation in senior management in FY2022/23.

## HEALTH AND SAFETY

SingPost prioritises the health and safety of employees and stakeholders as a core value. We enhance workplace safety and health systems and processes through innovation and technology. We also promote a safety culture while creating a secure working environment for all employees and contractors.

Targets	FY2022/23 Progress and Performance
Achieve zero major work-related injuries (including fatalities)	There were zero cases of fatalities and two high-consequence injuries reported in FY2022/23. Refer to page 67 in the Sustainability Report for more details.
Improve the year-on-year rate of recordable work-related injuries	The year-on-year rate of recordable work-related injuries from FY2021/22 to FY2022/23 has improved 22% across SingPost Group <sup>6</sup> .

## ETHICAL AND TRANSPARENT BUSINESS PRACTICES

SingPost upholds ethical and transparent business practices with a zero-tolerance approach towards fraud, corruption, and unethical behaviour. Additionally, we promote open communication and accountability with stakeholders. Ingrained in our operations and decision-making processes, these principles reflect our commitment to a culture of trust and integrity.

Targets	FY2022/23 Key Progress and Performance
Uphold zero corruption, unethical behaviour, and fraud incidents across SingPost's operations	In FY2022/23, there were zero incidents of corruption, unethical behaviour and fraud.
Inculcate zero tolerance for bribery and corruption in all employees and business partners	Anti-bribery and anti-corruption compliance declaration are conducted as part of the annual employee code of conduct declaration by all employees. In FY2022/23, SingPost updated our Anti-Bribery and Corruption Policy. All business partners of SingPost are made aware of SingPost's anti-bribery and anti-corruption requirements through the Supplier Code of Conduct.
Provide annual training on anti-bribery and anti-corruption for 100% of full-time employees	Completed anti-bribery and anti-corruption training and awareness sessions for all eligible employees <sup>7</sup> .
No significant fines or non-monetary sanctions relating to non-compliance with laws and regulations	There were no significant fines or non-monetary sanctions relating to non-compliance with laws and regulations in FY2022/23.

## DATA PRIVACY AND CYBERSECURITY

SingPost recognises that protecting data privacy is paramount in today's heightened cybersecurity landscape. Therefore, we take proactive measures to safeguard stakeholders' interests and ensure the long-term sustainability of the business.

Targets	FY2022/23 Progress and Performance
Uphold the highest standards of data privacy protection including compliance with relevant laws	SingPost complied with the Singapore Personal Data Protection Act and the relevant data protection laws in the other overseas jurisdictions which we operate in, and regularly reviews our personal data management policies and practices to improve our standards. Any customer data privacy issues are resolved expeditiously and operational procedures were enhanced to prevent similar occurrence.
Establish a Cybersecurity Framework in line with industry standards	SingPost is currently exploring alignment with various industry standards as benchmark for our cybersecurity enhancement. Our current Cybersecurity Framework is in line with the United States National Institute of Standards and Technology (US NIST) Cybersecurity Framework.

6 SingPost defines recordable work-related injuries to include all Loss Time Injuries (LTIs). To enable a like-for-like comparison of safety performance between FY2022/23 and FY2021/22, safety performance does not include safety data from FMH Group which is only available for FY2022/23.

7 Eligible employees refer to all full time employees except those who are away on extended leave e.g. those who are on prolonged illness leave, maternity leave or no-pay leave