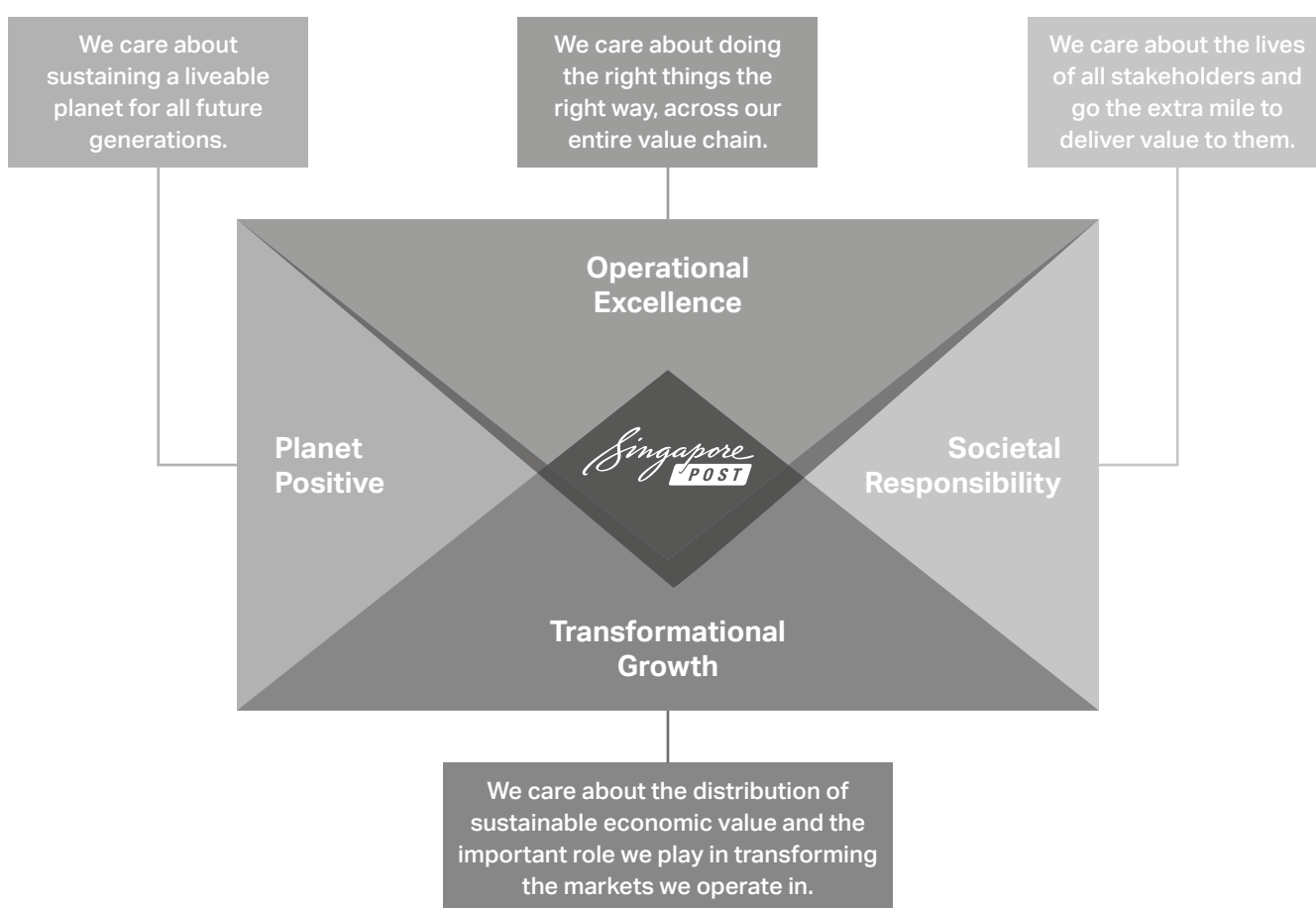


# SUSTAINABILITY

As a trusted organisation connecting people, businesses and communities for over 160 years, SingPost is committed to managing and operating our business and resources in a sustainable manner.

SingPost’s Sustainability Report, prepared in accordance to the Global Reporting Initiative (“GRI”) standards – ‘Core option’ reporting requirements, as well as the Singapore Exchange Securities Trading Limited (“SGX-ST”) Mainboard listing requirements, is published annually within five months of its financial year-end. The Sustainability Report communicates the Company’s sustainability performance including the strategic approach and data on our material environment, social and governance (“ESG”) factors.

Sustainability at SingPost is delivered through four interlinking pillars – **Planet Positive**, **Operational Excellence**, **Societal Responsibility**, and **Transformational Growth**.





The FY2020/21 Sustainability Report, which will provide details of our sustainability efforts and performance, will be published within five months of the financial year.


## STAKEHOLDER ENGAGEMENT

SingPost regularly engages with its stakeholders to better understand their needs and interests, and updates on developments in the business. The table below lays out the basis and methods of engagement with our stakeholders, along with key focus areas for each stakeholder and our responses.





## SUSTAINABILITY

Stakeholders	Basis for engagement	Methods of engagement and frequency	Key areas of focus/ stakeholder concerns	SingPost's response
 <p><b>Shareholders</b> Institutional investors, equity analysts, retail investors, and Securities Investors Association of Singapore (SIAS)</p>	<p>Provide opportunities for investors to engage with management; allow investors to gain a better understanding of the company's business, operations and upcoming strategies</p> <p>Reach a wider network of investors to broaden and diversify shareholder base</p>	<p>Regular meetings, conferences with investors, roadshows, retail investor day; including through virtual means</p> <p>Half-yearly results briefings for analysts</p> <p>Annual general meetings</p> <p>SGX announcements, the annual report, circulars, press releases – as appropriate</p>	<p>Business sustainability in the short and long term</p> <p>Total shareholder returns</p> <p>Practices and targets for environment, social and governance factors</p>	<p>Develop and implement strategy to improve the Group's financial performance</p> <p>Implement framework to address environment, social and governance matters laid out in SingPost's Sustainability Report</p>
 <p><b>Customers</b> Corporates, retail customers, general public</p>	<p>Meet or exceed customer needs; brand loyalty; public and education; adoption of processes and products</p> <p>Provide consistent and high service quality; resolve complaints</p>	<p>Network of post offices, mySAM portal and kiosks, SingPost apps, call centre, e-feedback forms</p> <p>Regular engagement by sales team</p> <p>Conduct customer satisfaction survey at frontline touchpoints</p> <p>Conduct annual customer service surveys e.g. B2B customer satisfaction surveys to measure corporate <i>Voice of Customer and Service Quality</i></p> <p>Engagement with the general public through traditional and digital media platforms, as well as focus group discussions and outreach programmes</p> <p>Provide convenient access to services with online and offline channels, call centres, and Smart Post Offices with automated lobbies</p>	<p>Service quality</p> <p>Product and service offerings</p>	<p>Implement measures to raise reliability and service standards of the postal operations</p> <p>Net Promoter Score (NPS) surveys undertaken upon completion of a service transaction, to measure Quality of Service, at post offices, contact centre and for parcel delivery</p> <p>Develop and introduce new technologies and infrastructure, e.g.</p> <ul style="list-style-type: none"> <li>– Launched one-year public trial of smart letterboxes, PostPal</li> <li>– Ongoing development of SingPost's Future of Post vision</li> </ul> <p>Provide residents with an online channel – <i>MyPostman</i> – to know their neighbourhood postmen better and provide feedback on their service</p> <p>Introduce innovative product and service offerings</p>



# SUSTAINABILITY

Stakeholders	Basis for engagement	Methods of engagement and frequency	Key areas of focus/ stakeholder concerns	SingPost's response
 <p><b>Employees</b> Full-time, contract and temporary workers</p>	<p>Ensure understanding and alignment with the company's goals and strategy, and update on corporate/strategic developments</p> <p>Drive greater employee loyalty through job satisfaction, retention and productivity</p> <p>Ensure a safe and healthy workplace to prevent accidents and injuries, and maintain a healthy working environment</p>	<p>Half-yearly town hall staff meetings</p> <p>Regular management meetings</p> <p>Internal announcements and memos from GCEO and Management Committee – as appropriate</p> <p>Leverage digital tools to engage staff on new programmes and benefits, e.g. intranet updates, HR skills development app and digital onboarding programmes and webinars</p> <p>Monthly Workplace Safety and Health (WSH) Committee meetings with participation from employees, contractors and union representatives</p> <p>Monthly safety inspections at all work sites to improve or maintain high WSH standards</p> <p>Annual WSH campaigns to promote safety awareness and improve workplace safety culture</p> <p>Implementing Safe Management Measures at workplaces and complying with COVID-19 regulations</p>	<p>Fair HR policies and practices</p> <p>Total Workplace Safety and Health (TWSH) Programs to achieve worker's well-being at the workplace</p> <p>Pandemic Response and measures to protect workers at work</p> <p>Career advancement, learning and development, remuneration and welfare</p> <p>Community spirit within the workplace and morale during pandemic</p>	<p>Implement HR framework to guide employee engagement:</p> <ul style="list-style-type: none"> <li>– Providing top talent</li> <li>– Rewarding for performance</li> <li>– Instilling a lean HR operating system</li> <li>– Developing and growing our talent</li> <li>– Engaging every employee in the Group's transformation</li> </ul> <p>Certified bizSAFE Level 3 organisation</p> <p>Collaboration with WSH Council and consultants to implement TWSH programmes at selected Mail Delivery Bases (Jurong and Kallang Regional Base)</p> <p>LinkedIn Learning was launched to offer a wider breadth of learning resources and support development needs of employees, on demand and virtually</p> <p>Enhanced employee benefits experience via implementation of online claims and teleconsultation apps; arranged onsite health screening before circuit breaker period and wellness and health webinars for employees</p> <p>Established a Monitoring Plan and trained Safe Management Officer (SMO) to conduct regular Safe Management Measures checks at workplaces</p>

# SUSTAINABILITY

Stakeholders	Basis for engagement	Methods of engagement and frequency	Key areas of focus/ stakeholder concerns	SingPost's response
 <p><b>Trade union</b> <i>Union of Telecoms Employees of Singapore (UTES)</i></p>	<p>Staff representation, mutual trust and openness</p> <p>Consult and collaborate on workplace decisions</p>	<p>Regular dialogues with union representatives</p>	<p>Welfare of union workers</p>	<p>Regular engagement to develop a good and collaborative relationship</p> <p>Completed and endorsed the Collective Agreement with UTES</p>
 <p><b>Government/ Regulators</b> <i>e.g. Infocomm Media Development Authority (IMDA), Singapore Exchange (SGX), Ministry of Manpower (MOM), National Environment Agency (NEA)</i></p>	<p>Adherence to regulators' requirements</p> <p>Contribute towards public good</p>	<p>Meetings – as appropriate</p> <p>Regulator enquiries – as appropriate</p> <p>Annual quality of service audits</p> <p>Participation in initiatives led by government agencies – as appropriate</p>	<p>Adherence to regulations</p> <p>Service quality standards and obligations as the public postal licensee</p> <p>Prompt redress of complaints by public/ customers</p> <p>Collaborations for public interest</p>	<p>Open and collaborative approach</p> <p>Review of systems and process to maintain high service standards</p>
 <p><b>Universal Postal Union (UPU)</b></p>	<p>Adherence to regulators' requirements</p> <p>Discuss matters impacting SingPost's interest in international mail distribution system</p>	<p>Participation in UPU meetings – as scheduled</p> <p>Participation in UPU working groups and committees – as appropriate</p>	<p>Obligations as a UPU member</p> <p>Compliance to regulations and service quality standards</p>	<p>Regular engagement to address matters impacting SingPost's interests</p>
 <p><b>Suppliers</b> <i>e.g. airlines, international postal agencies, delivery partners, amongst others</i></p>	<p>Meet SingPost's requirements</p> <p>Cost efficiency</p> <p>Meet or exceed quality standards and code of conduct</p>	<p>Tender documents and requirements (Requests for Proposal, Invitation to Quote) – as appropriate</p>	<p>Transparent procurement policies</p>	<p>Provide clear expectations in tender requirements</p> <p>Regular review of procurement policy and practices</p>

## SUSTAINABILITY

Stakeholders	Basis for engagement	Methods of engagement and frequency	Key areas of focus/ stakeholder concerns	SingPost's response
 <p><b>Local communities and community partners</b></p>	Contribute towards the well-being of the community, especially during pandemic	<p>Ongoing community-support initiatives</p> <p>Regular meetings with community partners and non-profit organisations</p>	<p>Create positive social impact</p> <p>Promote environmental sustainability</p>	<p>Launched #HereWithYou campaign emphasising SingPost's focus on prioritising the health and safety of its staff, customers and communities, as it continues to serve Singapore as the national postal essential service in the pandemic</p> <p>Several initiatives involving physical engagements, especially with the seniors, were put on hold due to COVID-19; new initiatives requiring less physical interactions were introduced instead</p> <p>Partnered with People's Associations for the <i>Masks Sewn With Love</i> initiative, allowing the public to send their hand-sewn masks for free</p> <p>Launched the first <i>We Care</i> charity stamp series with proceeds, and SingPost's matching donations, going to charity</p> <p>Annual donations and sponsorships</p>
 <p><b>Partners</b> e.g. business partners, community partners</p>	Explore collaborations with partners to create shared value	<p>Meetings – as appropriate</p> <p>Regular engagement by relevant business and support units – as appropriate</p>	Partnerships for common goals	Existing and new partnerships, e.g. AXA@POST, a post assurance partnership between AXA and SingPost

The Company's corporate website, [www.singpost.com](http://www.singpost.com), is updated on a timely basis to provide stakeholders with current and relevant information. A dedicated "Contact Us" section offers multiple avenues of contact such as mailing address, phone numbers, live chat, and feedback channel.

# SUSTAINABILITY

## COMMUNITY ENGAGEMENT

SingPost has a stake in the well-being of the communities it operates in, and mobilises its resources, people and competencies, to promote environmental stewardship and contribute towards the society at large.

### Community Support

SingPost stepped up its efforts to support the community during the COVID-19 outbreak.

During the circuit breaker, SingPost supported *Masks Sewn With Love*, an islandwide initiative for volunteers to sew and donate masks to the needy. SingPost collected home-sewn masks through its posting boxes and consolidated them for distribution to beneficiaries such as vulnerable children and the elderly. More than 180,000 home-sewn masks were collected and delivered through SingPost's network.

SingPost also partnered Temasek Foundation on its distribution of hand sanitisers as part of its *Stay Prepared* initiative. Pamphlets containing information on hygiene and the collection of hand sanitisers were delivered to households across Singapore.

It was also during that period when SingPost sponsored the delivery of 33 cartons of donations to families of migrant workers who were suffering from COVID-19. Other sponsorships included envelopes and stamps for Tzu Chi's mask initiative.

In the past few years, SingPost has rolled out initiatives under its Silver Programme that addresses issues arising from Singapore's ageing population. These included the Postman Home Visits initiative, where postmen performed checks on the vulnerable elderly during their delivery rounds; dementia awareness training for its frontliners; and courses under People's Association Seniors for Smart Nation programme led by volunteers from various departments.

SingPost also continues to run its Food Distribution Initiative, for 11 years now, tapping on its delivery network to distribute unsold food to collection centres for seniors and families in need. Due to COVID-19 restrictions, these initiatives have been put on hold.

### Philanthropy

SingPost continues to contribute to the community through cash and in-kind donations.

Asia's first charity stamps, with proceeds and matching donations from SingPost donated to Community Chest in support of the Movement of the Intellectually Disabled of Singapore (MINDS), were launched during the year.

SingPost has been a partner of Community Chest's employee payroll donation matching programme, SHARE, since 2004, and has contributed over S\$10,000 towards the programme in the year. SingPost will continue to offer placement of donation tins in the post offices to collect public donations, with a collaboration with Ang Mo Kio Family Service Centre for the year. The Group also supported the annual UTES – U Care Bursary awards, contributing S\$80,000 towards bursaries for 243 children, including 103 children of our employees.

# SUSTAINABILITY

## ENVIRONMENTAL STEWARDSHIP

As a global player in eCommerce logistics, the Group is sensitive to the environmental impact of its operations and is committed to reducing it. It targets to reduce 35% of absolute greenhouse gas emissions by 2030, from FY2018/19 base levels.

SingPost continues to explore ways to improve energy efficiency at its sites. It will be installing solar photovoltaic systems at the Regional eCommerce Logistics Hub, expected to be operationally ready in early 2022. It has taken steps to optimise the chillers in its properties and is exploring replacing the chillers with a next-gen refrigerant to minimise energy consumption.

It continues to look at solutions to improve fleet efficiency, and is putting in place a fleet management system. SingPost is also proceeding with the pilot use of electric vehicles in its delivery, and expects to implement the trial in 2021.

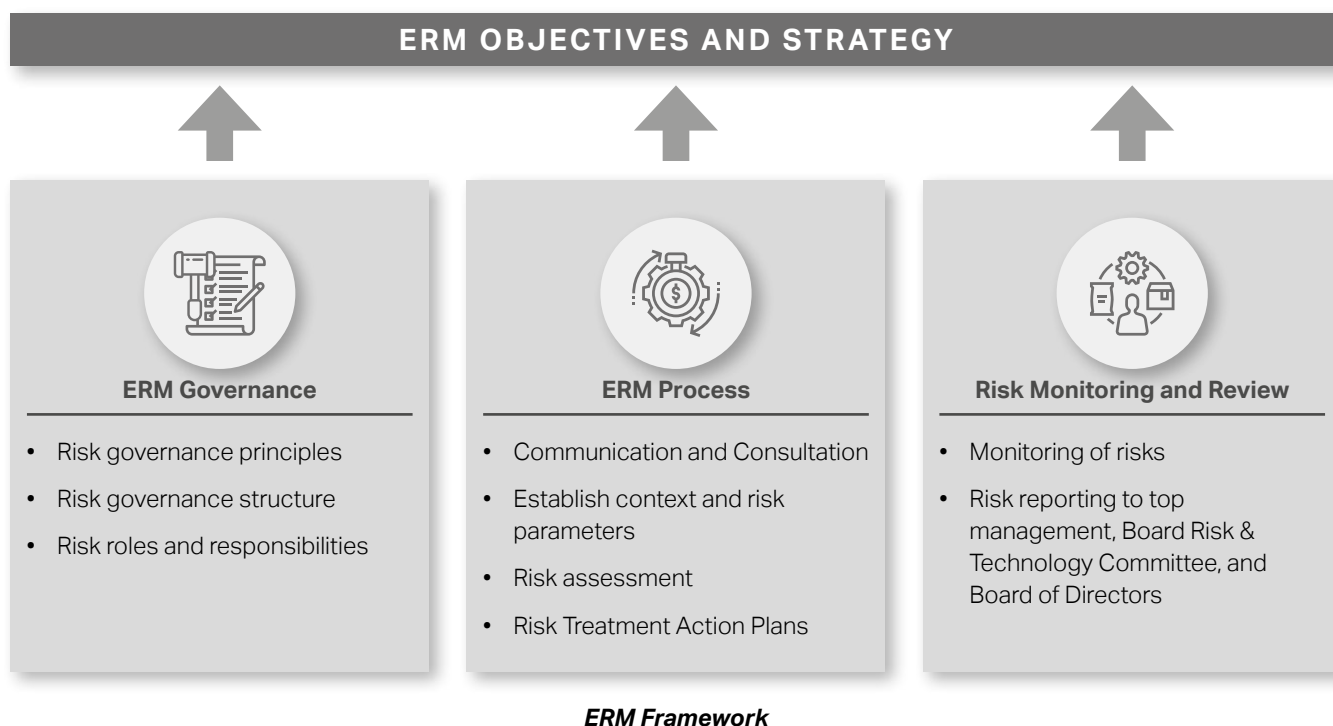
As part of its efforts to advocate the use of environmentally friendly products, such cleaning products certified by the Singapore Green Building Council are now being used in SingPost Centre.

ReCYCLE, a nationwide e-waste recycling initiative with its partner Singtel, collected 21,815 kg of e-waste during the year from 61 collection points islandwide. With the national e-waste management system introduced by the National Environment Agency in 2021, the ReCYCLE initiative will be discontinued in May 2021.

## ENTERPRISE RISK MANAGEMENT (ERM) APPROACH

### ERM Framework of the SingPost Group ("The Group")

The Group's ERM framework is modelled largely on the ISO 31000:2018 Risk Management – Principles and Guidelines, and covers the key strategic, operational, financial, compliance and information technology risks facing SingPost. The ERM framework is supported by appropriate risk policies, procedures and provides guidance to the Group's various business units and support units on managing risks.



# SUSTAINABILITY

## Risk Governance

The Group's ERM programme and internal controls are reviewed on a regular basis and, where appropriate, refined by Key Management with guidance from the Board Risk and Technology Committee (BRTC) and the Board of Directors (Board).

The Board, through the BRTC, has an overall responsibility for risk governance and ensures that Management maintains a robust system of risk management and internal controls to safeguard stakeholders' interests and the company's assets and resources.

In addition, the BRTC sets the tone on the appropriate risk culture and provides guidance on the enterprise risk management system and the corresponding policies and procedures. The BRTC meets quarterly.

The purpose of risk governance is to embed and build on the four lines of defence (as illustrated in the diagram below), which is a prerequisite to promote a robust system of risk management and effective internal controls.

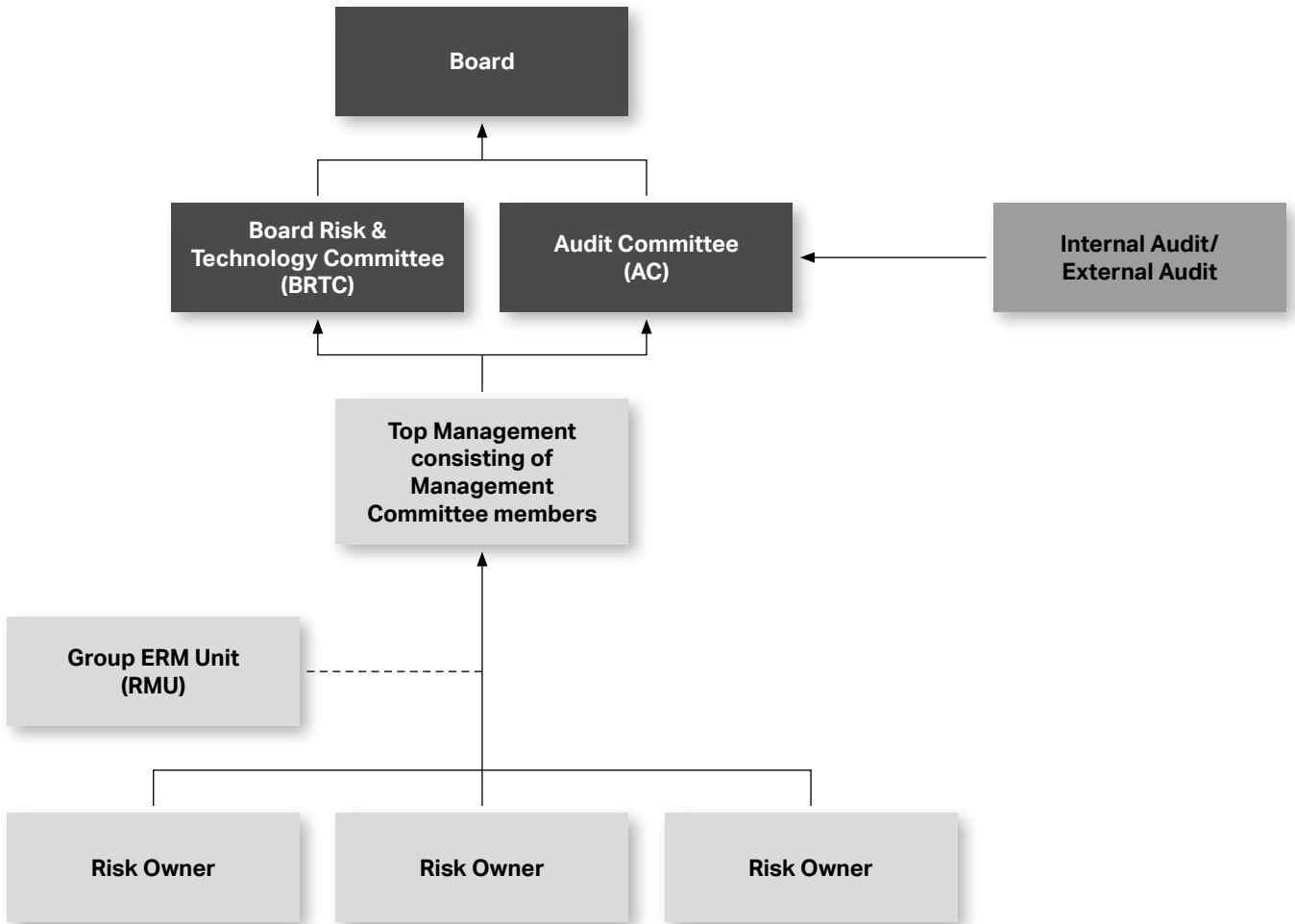


## Risk Governance Structure

The adoption of the above four lines of defence develops a risk governance structure. It embeds the Group's existing organisational structure with assigned risk roles and responsibilities.



# SUSTAINABILITY



**Legend:**

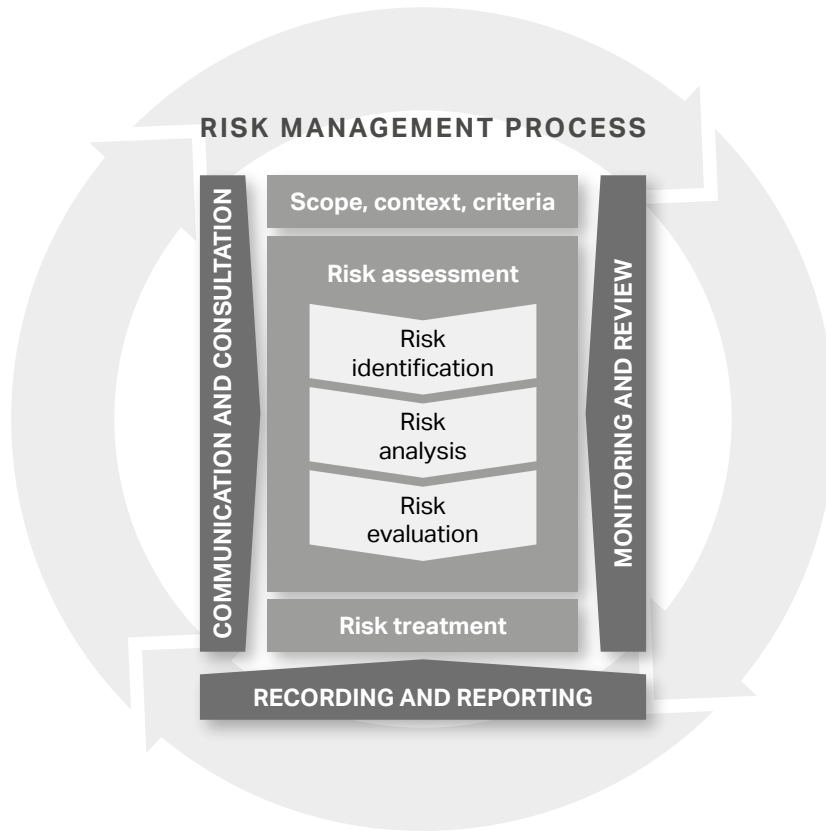
■ 1<sup>st</sup> and 2<sup>nd</sup> line of defence ■ 3<sup>rd</sup> line of defence ■ 4<sup>th</sup> line of defence — Reporting line - - - - Information Sharing line

**ERM Process**

The ERM process aims to achieve the following:

- A structured, disciplined and systematic approach to managing risks;
- Robustness of risk information;
- Accountability for outcomes and risk treatment action plans; and
- Sustainability

# SUSTAINABILITY



## Risk Appetite Statements

The Group's risk appetite statement reflects the nature and extent of risks the Group is willing to take in pursuing its strategic objectives. During the financial year ended 31 March 2021, the Board approved the following risk appetite statements:

### 1. Strategy

The Group is committed to upholding its reputation as a trusted organisation while placing customers at the core of its business. This will include investments into people, innovation, infrastructure, cyber and data security to the benefit of all stakeholders.

### 2. Sustainability & Growth

The Group aims to strengthen its market position in Singapore and the rest of Asia-Pacific by taking measured risks that balances risk and reward in line with its strategic objectives and initiatives. The Group will also proactively seek to diversify its business while actively managing its risks.

### 3. Financial

The Group aims to deliver value to shareholders with sustainable profitable growth. The Group is committed to maintain a strong financial position and targets an investment grade credit rating with adequate liquidity to meet its operational and financing obligations and longer-term goals.

### 4. People & Culture

The Group aims to be an employer of choice where it engages, develops, grows and rewards talent, apart from providing employees and stakeholders a safe and healthy work environment. The Group is committed to complying with laws and regulations of all countries in which it operates, and to conduct business with integrity, fairness and high ethical standards in all business dealings and relationships.

# SUSTAINABILITY

## Key Material Risks To The Group

The Group categorises its risk profile into five key areas: **Strategic, Financial, Operational, Compliance and Information Technology.**

<b>Strategic Risks</b>	
A large part of the Group's strategic risks comprises of market-driven forces, evolving business landscapes, changing customer demands, concentration of key customers, disruptive technology and declining letter volume.	
<b>Risk Name:</b>	<b>The Group manages by:</b>
<p><b>Concentration</b></p> <p>(The Group recognises the risk of over-reliance on revenue generated by its postal business unit and its products.)</p>	<ul style="list-style-type: none"> <li>• Diversifying transshipment origin, trade lanes and destination countries.</li> <li>• Strengthening and optimising a regional transshipment hub to serve our postal eCommerce customers.</li> <li>• Develop and grow our Post and Parcel global transshipment hub to serve eCommerce customers (from Platforms to Brands).</li> <li>• Diversifying the Group's income streams to prevent over-reliance on a particular business unit.</li> </ul>
<p><b>Declining Letter Volume</b></p> <p>(The Group recognises the risk of technological advancements replacing physical letters, this poses a threat to the Group's most profitable revenue stream.)</p>	<ul style="list-style-type: none"> <li>• Product streamlining for operational optimisation to mitigate e-substitution and to position Post and Parcel for other growth areas.</li> <li>• Commercial sale integration and reviewing of incentive schemes to optimise sales opportunities and customer relationship management.</li> <li>• Seeking basic postage and bulk mail scheme rate revisions.</li> <li>• Harmonizing the processing capability for both letters and parcels to create synergies and agility through the seasonal spikes. Processing will be automated along with application of smart technologies in infrastructure to enhance efficiency.</li> </ul>
<p><b>Merger &amp; Acquisition</b></p> <p>(The Group recognises the merger and acquisition (M&amp;A) risk is the risk arising from the process of buying and integrating businesses.)</p>	<ul style="list-style-type: none"> <li>• Adopting a disciplined investment evaluation and decision process governed by the Group M&amp;A policy.</li> <li>• Ensuring more members of our management team to be represented as Board directors of our associates. This allows the sharing of commercial experience as well as best practices in corporate governance and reporting.</li> </ul>

# SUSTAINABILITY

<b>Financial Risks</b>	
<p>The Group has diversified global businesses, partially funded by external debts in addition to shareholders' funds. This exposes the Group to liquidity risk, interest rate risk and foreign currency risk. The Group has established policies, guidelines and control procedures to manage and report exposure to such risks.</p>	
<b>Risk Name:</b>	<b>The Group manages by:</b>
<p><b>Treasury</b></p> <p>(The Group's business and operations may be exposed to unfavourable movements in foreign exchange rates, interest rates, that may result in potential financial losses.)</p>	<p><b>Liquidity Management</b></p> <ul style="list-style-type: none"> <li>Monitoring and maintaining a level of cash and cash equivalents to finance operations and to mitigate the effects of fluctuations in cash flows.</li> <li>Maintaining funding flexibility with credit facilities available to meet short-term obligations as they fall due.</li> </ul> <p><b>Interest Rate</b></p> <ul style="list-style-type: none"> <li>Reviewing the Group's interest rate exposures on Group's debt obligations and interest-bearing financial assets.</li> <li>Maintaining a prudent mix of fixed and floating interest rates for the outstanding borrowings or debts to manage fluctuations in the interest rate environment.</li> <li>Placing cash balances with reputable banks and financial institutions with different maturities to manage interest income on different interest rate terms.</li> </ul> <p><b>Foreign Currency</b></p> <ul style="list-style-type: none"> <li>Constantly reviewing foreign currency exposure from fluctuations arising from the Group's operations and subsidiaries, and associates in foreign countries.</li> <li>Using a hedging framework, matching currencies and hedging instruments to hedge known exposure from foreign currency exchange rate fluctuations.</li> </ul>
<p><b>Credit Management</b></p> <p>(The Group recognises that weak credit control management over customers, customers' slow payment or non-payments when customers' accounts receivables are due may result in potential significant bad debts.)</p>	<ul style="list-style-type: none"> <li>Being highly selective of the type of customers to which the Group is prepared to provide credit to.</li> <li>Credit analysis and robust screening of such customers to ensure credit worthiness.</li> <li>Understanding the risk exposure and applying suitable credit terms.</li> <li>Ensuring strict compliance by all customers to the credit terms with deviations granted only on exceptional basis and in accordance to Accounts Receivable Approval Matrix.</li> <li>Escalating to Group Chief Financial Officer on monthly and quarterly basis, customers' whose accounts receivable are overdue.</li> <li>Trade Credit Insurance policy is in place to insure for high valued customers.</li> </ul>

# SUSTAINABILITY

<b>Operational Risks</b>	
<p>The Group's operations are exposed to a variety of operational risks relating to workplace safety and health, talent retention and with the increased reliance on information systems and technology as a business enabler, a service disruption of critical information technology (IT) systems or malicious and deliberate attempt of hackers to breach our IT systems could adversely affect the Group's business continuity and reputation.</p>	
<b>Risk Name:</b>	<b>The Group Manages by:</b>
<p><b>Workplace Safety and Health</b></p> <p>(The Group recognises the importance of taking reasonably practicable safety and health measures at its workplaces to prevent severe injury or death of staff and/or customers.)</p>	<ul style="list-style-type: none"> <li>Establishing a Workplace Safety and Health (WSH) committee to review workplace safety and health performance of each business and support units.</li> <li>Reviewing near misses, investigating incidents and mapping action plans for improvements.</li> <li>Conducting safety awareness workshops across for all operational employees.</li> <li>Conducting WSH inspection at all workplaces to identify hazards and ensure compliance to WSH Act and relevant regulations.</li> <li>COVID-19 safe management measures are in place at all workplaces.</li> </ul>
<p><b>Talent Retention</b></p> <p>(The Group recognises the importance of retaining personnel with key institutional knowledge, information, experience, skills, and connections for key positions in the SingPost management group to ensure operational effectiveness and business sustainability.)</p>	<ul style="list-style-type: none"> <li>Robust approach to talent identification, assessment and development allows the Group to have a holistic organisational view of our talent pipelines and bench strength. The identified pool of talent are offered accelerated development opportunities that include formal learning, coaching and mentoring as well as action learning projects to enhance their skills and competencies and prepare them to successfully take on the challenges of the future.</li> <li>Succession Planning for key executive and critical roles identified across the business, allows the Group to be aware of and systematically mitigate any short term or long term risks arising from potential unavailability of talent so that appropriate steps to recruit or accelerate development of the Group's internal talent may be taken. This annual exercise is conducted jointly with the talent identification and assessment process with the involvement of the Management team as well as Board Committee.</li> <li>In line with the Group's strong performance based culture, there is effective rewards differentiation for top performers to ensure competitive compensation positioning vis a vis the market. Long term incentive programmes are also offered to key talent pools as a form of our commitment to invest in their growth and development over a longer term.</li> </ul>
<p><b>Business Continuity</b></p> <p>(The Group recognises the importance and the need to recover from a business/operational disruption quickly to minimise impact to our customers, operations and assets.)</p>	<ul style="list-style-type: none"> <li>Establishing Business Continuity Management Council structure with Business Continuity Management (BCM) Framework to drive the business continuity plan (BCP) efforts from top down.</li> <li>Continuously reviewing and monitoring the effectiveness of the BCP via annual testing of the BCPs.</li> </ul>
<p><b>IT Security</b></p> <p>(The Group recognises that cyber threats remain a key concern as attackers become increasingly creative with attack methods and may result in significant data losses.)</p>	<ul style="list-style-type: none"> <li>Maintaining an IT security framework to address evolving IT security threats such as hacking, malware, and loss of data.</li> <li>Dedicated IT security expertise to keep abreast on the latest developments, innovation and threats in technology, and assessing their risks and impact.</li> </ul>
<p><b>Critical IT Systems Failure</b></p> <p>(The Group recognises that unplanned outage/downtime and/or performance deficiency of Critical IT systems may lead to negative customer experience, disruption to major operations, and/or regulatory actions or fines by the regulators.)</p>	<ul style="list-style-type: none"> <li>Conducting periodic disaster recovery testing on all critical IT systems.</li> <li>Ensuring that IT servers are centrally and continuously monitored with appropriate escalations to be performed on any critical IT systems failure.</li> <li>Monitoring mechanisms to mitigate poor performing critical systems.</li> </ul>

# SUSTAINABILITY

<b>Compliance Risks</b>	
The Group's business operations are exposed to a variety of compliance risks relating to postal regulation and associated government regulations.	
<b>Risk Name:</b>	<b>The Group Manages by:</b>
<p><b>Data Privacy</b></p> <p>(The Group recognises that data privacy breaches may undermine customer confidence and result in litigation from customers and/or regulatory fines and penalties.)</p>	<ul style="list-style-type: none"> <li>• Maintaining an accountability-based data privacy framework to work in conjunction with the IT security framework to safeguard personal data collected, processed and disclosed.</li> <li>• Maintaining governance structure to ensure oversight is provided by the group management and the board on the adequacy of the Group's privacy programme and control measures.</li> <li>• Developing and implementing data privacy focused policies and procedures group wide. Examples are – handling of privacy incidents and personal data breaches, data subject access rights, classification of personal data.</li> <li>• Conducting regular mandatory trainings to all employees on the Group's data privacy framework and associated policies and procedures to create awareness and compliance.</li> <li>• Assigning clear line of accountability to all privacy liaison officers at BU and SU levels to assist in the maintaining of data privacy and personal data protection procedures and processes.</li> </ul>
<p><b>Postal Regulatory</b></p> <p>(The Postal Service is required to meet stringent Quality of Service (QoS) standards for basic letter delivery services set by the Infocomm Media Development Authority (IMDA). IMDA's Postal QoS framework is one of the most stringent in the world. The Postal Service is required to comply with the Postal Services Act, Postal Licence conditions, Postal Competition Code, Postal Services Regulations, Directions and Guidelines issued by the IMDA. Non-compliance with the above may result in the imposition of financial penalties.)</p>	<ul style="list-style-type: none"> <li>• Having regular engagements with the Postal Regulator, IMDA and other government agencies.</li> <li>• Internal communications campaigns to educate, remind and encourage best behaviour.</li> <li>• Regular reminders to staff to comply with established protocols, guidelines and directions, enhanced by strict disciplinary action taken for non-compliance.</li> <li>• Continually monitoring and assessing the impact of Postal Regulatory developments as the business evolves to minimise impact to the business.</li> </ul>
<p><b>Governance (Fraud, Bribery and Corruption)</b></p> <p>(The Group recognises that fraud, bribery and corrupt acts committed by employees/officers and non-compliance with internal governance/ Standard Operating Procedures, may result in financial loss and/or reputation damage to the Group.)</p>	<ul style="list-style-type: none"> <li>• Maintaining a zero-tolerance policy and "tone from the top" towards fraud, bribery and corruption.</li> <li>• Conducting trainings and creating internal control/fraud awareness via quarterly newsletters.</li> <li>• Conducting annual declaration exercise by all staff covered under the anti-bribery and corruption policy.</li> <li>• Establishing whistle-blowing escalation process where SingPost Group Internal Audit manage and investigate whistleblowing incidents and all whistle-blowing reports received are reported to SingPost Audit Committee on a quarterly basis.</li> <li>• Assisted in the revamp of the Code of Ethics which will be embedded into the Code of Conduct (owned by HR) to give emphasis on ethical behavior and integrity of individual employee.</li> <li>• Set up the Ethics Committee at Management level to evaluate staff issues or concerns of an ethical nature, reviewing remediation and strengthening processes.</li> </ul>
<p><b>Payment Services Act ("PSA")</b></p> <p>(The Group is required to meet regulatory requirements for offering payment services under the PSA and notices and guidelines released by the Monetary Authority of Singapore. Non-compliance with the above may result in financial penalties or in the worst case, a suspension of the licence resulting in stoppage of the business.)</p>	<ul style="list-style-type: none"> <li>• Developing and implementing policies and procedures. Examples are – Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) as required, safeguarding requirements, issuance of receipts, etc.</li> <li>• Developing a checklist and ensuring that all products and services offered or to be offered by the Group will adhere to the PSA.</li> <li>• Conducting training to all employees on the PSA and associated policies and procedures to create awareness and compliance.</li> <li>• Continually monitoring and assessing the impact of PSA and the changes of the PSA to minimise impact to the business.</li> </ul>

# SUSTAINABILITY

## OUR PEOPLE ARE OUR PRIDE AND WE WILL ALWAYS BE #HEREWITHYOU

It has been an unprecedented year where we had to redefine “normal” as we adapted to new ways of working and learnt to thrive under challenging circumstances. Against such a backdrop, our people have shown courage, resilience, collaborative spirit and unfailing commitment towards our national obligations that have kept SingPost relevant and alive. Our people are our pride.

Our paramount focus last year was supporting our employees as they navigated the pandemic safely and successfully adapt to the changing demands of their roles. Welfare, wellness and lifelong learning underlined our focus and key message to our staff that we are #HereWithYou.

The SingPost Board of Directors and Senior Management contributed towards a COVID-19 Relief Fund that was distributed to the ground staff who were impacted by the Malaysian government’s announcement of Movement Control Order (MCO), quarantine orders or additional workload due to reduced manpower. An additional Solidarity Bonus was also paid out to all junior staff to support and motivate them during the difficult period. SingPost also provided accommodation arrangements and daily allowances for our Malaysian staff who stayed on in Singapore after the MCO was announced, to help lessen the strain on them.

Health and well-being offerings were strengthened in the last financial year to provide convenient and virtual access to medical help and wellness resources. Employees could seek medical consultations with panel doctors virtually through a newly introduced Teleconsult App, and also submit claims seamlessly through an improved medical claims portal and a brand-new mobile claims app.

With employees having to adjust to the new normal brought about by the pandemic, wellness webinars were organised throughout the year for staff to learn about mental and physical wellness from professionals of the Singapore Counselling Centre, learning about various coping mechanisms to ride through the anxieties and challenges they were facing. SingPost also introduced a new “Wellness leave”, giving each staff two additional leave days a year to encourage employees to balance their personal and professional priorities.

With the national vaccination programme underway, SingPost organised vaccination education talks, delivered by medical experts to build awareness amongst staff and encourage take-up so as to better protect themselves, their families and the community.

Engagement and morale were kept high with virtual staff events such as the annual Buka Puasa event for our Muslim colleagues, Chinese New Year e-red packets and festive giveaways for employees. The most anticipated event by frontline team members was the Best Ambassadors of Year event, recognising exemplary contributions by frontline staff across the various business and support units in the SingPost Group.

Along with health and well-being, SingPost continued to invest in the upskilling of our employees, enabling them to grow professionally and be agile as they adapted to working from home and social distancing. To this end, SingPost introduced LinkedIn Learning, an on-demand learning solution designed to offer access to expert content and learning modules across a wide range of personal effectiveness, business and leadership skills.

SingPost also collaborated closely with its union, Union of Telecoms Employees (UTES), to continue upskilling its postal frontline staff in the areas of digital readiness, as part of its commitment towards the Company Training Committee formed in 2019. Team members were trained in the use of smart device applications as well as service excellence modules, while supervisors underwent training on driving performance and managing effective work teams.

With face-to-face training suspended due to COVID-19, SingPost successfully transitioned to conduct virtual training sessions for frontline staff, as well as manager development and leadership programmes, including iLEAD, in order to maintain the momentum in building a future-fit workforce.

In recognition of SingPost’s focus and commitment towards learning, SingPost received the **SkillsFuture Employer Awards 2020 (non-SME category)**, the country’s highest skills accolade recognising exemplary employers who lead the way in championing their employees’ skills development and building a culture of lifelong learning at the workplace.

SingPost remains committed to its people, enabling them to achieve their potential as the organisation emerges stronger together from this crisis to thrive in the new world.

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## WORKPLACE SAFETY & HEALTH

2020 was truly a challenging year in more ways than one. The arrival of COVID-19 on Singapore's shores was a serious disruption to SingPost's operations, given the very real threat to the health and safety of the frontline team and their family members.

Despite the tumultuous year, FY20/21 presented SingPost with an opportunity to forge a sense of unity in battling the pandemic. Collectively, each and every employee has contributed in one way or another to ride the waves of challenges.

The COVID-19 related health and safety protocols have given team members a strong sense of collective focus towards Workplace Safety and Health (WSH). With that notion taken into consideration, SingPost has constantly sought to improve every aspect of its workplace safety and health, with the commitment to continue to do so even after the pandemic.

Numerous initiatives were also implemented in FY20/21 with the aim of bolstering up WSH performance at SingPost. An example was the *"Defensive Riding Webinar"* where SingPost aimed to inculcate a greater sense of safety awareness among all motorists at all Mail Delivery Bases. The *"Protect our Limbs" Safety Campaign* was also launched to promote the importance of wearing appropriate Personal Protective Equipment (safety shoes, gloves & etc.) at all workplaces.

Another notable initiative was the collaboration with the WSH Council to put in motion *"Total Workplace Safety & Health" (TWSH)*. This programme was initiated to improve the work, safety and health of the workforce whilst adopting the best practices used in Singapore. The objective of the collaboration was done to ensure the well-being of all employees and to ultimately achieve a more productive and healthier workforce.

In its commitment to ensure a continuous focus on WSH, the SingPost Group WSH Committee also reached a milestone of its 100<sup>th</sup> committee meeting, achieved through the dedication and commitment of all partners and members.

In the face of current safe management measures in place to contain the spread of COVID-19, SingPost remains steadfast in ensuring the highest level of compliance in WSH management.