

POST & PARCEL

AS THE NATION BATTLED COVID-19 THROUGH THE LAST YEAR, SINGPOST PRESSED ON WITH THE FULFILMENT OF ITS DUTIES AS THE NATION'S PUBLIC POSTAL LICENSEE, MAKING EVERY DELIVERY COUNT FOR SINGAPOREANS AND RESIDENTS.



FY2021/22 proved to be yet another challenging year for the Post & Parcel business, as new COVID-19 variants – Delta and Omicron – emerged across the world. With this, many countries implemented new measures quickly to contain the spread. These measures stretched on for a good part of the year, which had an adverse impact on the global economy.

eCommerce volumes continue to be on the rise, accounting for 40 per cent of all domestic revenue in the financial year. Domestically, COVID-19 continues to accelerate the decline in letter mail volumes within Singapore, as companies reduced printed letter volumes and adopted online correspondences with electronic substitution.

Global connectivity remained severely disrupted for many months and only gradually eased towards the end of the financial year, as border controls around the world began to relax. Despite this, the International Post and Parcel business remained greatly impacted due to a continued state of reduced airfreight capacities since 2020, leading to higher airfreight rates.

PRESSING ON TOWARDS THE FUTURE OF POST

SingPost commenced a trial in December 2020 for its next generation letterboxes, PostPal, with two units installed in Clementi, which saw positive reception from residents. Riding on the success of the first trials, the trial was extended to Punggol in 2021, with another two units installed.

With the insights gathered from the trial, SingPost has also started working with industry partners to further refine the design of the next-generation smart letterbox as well as other smart innovations.

SingPost acquired Parcel Santa, with a network of lockers located in over 300 condominium developments in Singapore in FY2022/23 to widen its locker network. The acquisition is aimed at improving delivery experiences for customers, especially those living in private apartments, in a secure and convenient way. Coupled

with greater productivity, the Parcel Santa network will enable a more sustainable resource growth to match the rising demand of eCommerce deliveries. In the coming year, SingPost will work on providing the customers with a more seamless customer experience across the various lockers in its network.

COMMITMENT TO GREENING ITS FLEET

In line with global efforts in building a carbon neutral future, SingPost is also stepping up efforts in its commitment to environmental sustainability. The key to which is a commitment to electrify its delivery fleet fully by 2026, to reduce carbon footprint of its deliveries.

In a first step towards this goal, SingPost commenced a trial with four vehicles, comprising two three-wheel scooters and two vans based at Kallang Regional Base, to understand the operating concept as part of change management process. The trial was a success and achieved significant reductions in carbon emissions. Preliminary findings saw a 50 per cent

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reduction in carbon emissions for the goods vans while the three-wheel scooters saw an astounding 75 per cent reduction in emissions.

Following the successful trial, SingPost placed an additional order for 100 three-wheel scooters and 10 goods vans, which will progressively be delivered by end Q1 FY2022/23, paving the way for its target in 2026.

ENHANCING CUSTOMER'S DIGITAL EXPERIENCE

One key challenge arising from the pandemic was how brands could continue to serve customers seamlessly

without any physical interactions. As SingPost relies on connecting communities and people through deliveries, it is imperative to keep customers and employees safe while navigating through the pandemic.

Through the year, SingPost increased focus on upgrading its physical footprint and infrastructure to serve customers better, and also explored connecting with its customers more seamlessly through digital means. On this end, SingPost revamped its mobile app, uplifting the user interface and experience on the app before a relaunch of the app in November 2021.

The revamped app has several key features, including tracking, personalised tracking notifications as well as bill payment functions.

The mobile app also enhanced the online security and to better protect customers. With scams at an all-time high in 2021 and many of these cases masquerading as SingPost to phish for customers' personal and financial information, SingPost took the unprecedented step to minimise SMS communications with customers.

Customers were encouraged to download the SingPost app to receive personalised notifications, including prompts to make GST payments, as well as tracking notifications. The use of mobile app notifications makes



*Presentation of
Skyrise Greenery
Commemorative Stamps
at the President's
Design Award 2020
Award Ceremony*

transactions and communications more secure, giving customers a greater peace of mind.

INTERNATIONAL POST & PARCEL

On the international front, SingPost was met with significant challenges arising from COVID-19 in the past two years, mainly due to a drop in international air connectivity to and from Singapore during the pandemic. SingPost continued to serve customers through alternative modes of transport, including chartering freighters and sending less time-sensitive shipments via land and sea, developing its multi-modal capabilities.

Singapore also saw a gradual pick-up for air connectivity towards the tail end of FY2021/22, as air travel resumed with the relaxation of border measures. However, this had only a modest impact on SingPost's International business, as freight capacity to and from several key markets are still under constraint. SingPost is observing the further recovery in Singapore's air connectivity and preparing itself for when full recovery returns.

In the same year, SingPost also made volume gains in several emerging

shipping lanes, particularly around the Middle East. This new traffic also helped diversify SingPost's international trading position, making it more resilient against future disruptions in the global supply chain.

ANOTHER YEAR IN STAMPS

This year, SingPost launched a bumper crop of 15 stamp issues marking key events in Singapore and around the world, in a continued effort to keep stamp collectors excited even as the pandemic persisted. 2021 was a milestone year for several key agencies in Singapore, including the Central Narcotics Bureau and Singapore Prisons Service, both of which were both celebrating their 50th anniversary, as well as symbolic diplomatic relations including the golden jubilee of formal relations with Sri Lanka and Portugal.

The Tokyo Olympics 2020 stamps were a key highlight of the year. The set of six illustrated stamps featured the sports Singapore team participated in at the Olympics: badminton, diving, sailing, shooting, swimming, and table tennis.

In FY2021/22, SingPost also released the world's tallest stamps on 1 July

2021: the Skyrise Greenery stamp issue. This set of commemorative stamps featuring prominent buildings with skyrise greenery in Singapore and stands at 81.6mm tall.

The Skyrise Greenery stamp issue celebrates the skyrise greenery projects built by both public and private developers in the last 10 years that have inspired new possibilities and frontiers in shaping Singapore as a City in Nature. The six developments featured were: Khoo Teck Puat Hospital (completed in 2010); Lee Kong Chian National History Museum (2015); SkyTerrace@Dawson (2015); Oasia Hotel Downtown (2016); Kampung Admiralty (2017); and Jewel Changi Airport (2018).

The Skyrise Greenery stamps, like many other stamp issues, garnered significant attention from both the media and the public, with extensive coverage and online conversations. In the coming financial year, SingPost will continue to innovate in its stamps programme, through exploring new printing techniques and new design concepts which will continue to appeal to both current and new collectors.