



SUSTAINABILITY REPORT 2019/20



POST FOR THE FUTURE

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BOARD STATEMENT 102-10 102-14

As we forge ahead with the strategic transformation of Singapore's evolving urban urban logistics and eCommerce landscape, the Board remains committed towards driving sustainability throughout the business, and creating long-term value for our stakeholders. We believe that responsible corporate stewardship is integral to the organisation, and we remain focused on managing the Environmental, Social and Governance ("ESG") facets of our business and operations towards the highest standards in our sustainability journey.

Over the financial year, SingPost continued to step up in our sustainability efforts on multiple fronts.

We conduct our business in accordance to the highest ethical standards and have rolled out a new Anti-Money Laundering and Countering the Financing of Terrorism Policy, as well as due diligence and compliance controls across the Group this year. As part of responsible supply chain management, we commenced on-site assessments for selected suppliers via a risk-based approach to ensure adherence to our Supplier Code of Conduct. We also embarked on social initiatives such as *MyPostman* to encourage communities to get to know their neighbourhood postmen.

On the environmental front, we replaced lights at SingPost Centre, Regional eCommerce Logistics Hub and Kallang Delivery Base with LED lamps, which would generate energy savings of 10,458,679 kWh – equivalent of powering up 5,909 units of 4-room HDB flats annually, and continued to explore various green initiatives. In our community-support efforts, we introduced the *Blessings in a Box* campaign to drive donations of health essentials for the elderly in need, and continued to run *Postman Home Visits* and the *Food Distribution Initiative* to help the underprivileged in our community.

In the fourth quarter of the financial year, the COVID-19 pandemic swept across the globe. Like many other organisations, the Group faced extraordinary challenges. Air freight disruptions interrupted cross-border fulfilment and international deliveries, with trickle-down effects for last-mile deliveries.

We also faced a sudden manpower shortfall as a result of quarantine cases and lockdowns, and had to activate contingency plans overnight to ensure the continuity of mail operations. In response to the onset of these challenges, a multi-divisional SingPost COVID-19 Task Force was formed in March 2020 to tackle the challenges ahead. Various measures were put in place to safeguard the well-being of our stakeholders.

Even as the post COVID-19 world continues to pose challenges, SingPost will strive to improve our sustainability efforts and continue to have the Board oversee the strategic management of the sustainability-related risks and opportunities of the ESG matters of the Company. We thank all our stakeholders for their unwavering support during this trying period and seek their continual support, as we continue to battle against this pandemic together.



SUSTAINABILITY AT SINGPOST AT A GLANCE

Planet Positive



30% projected energy savings from the replacement of lightings with LED fittings



42% increase in collection of e-waste through our joint nation-wide programme *ReCYCLE* with our partner Singtel



6% decrease in Scope 2 greenhouse gas ("GHG") emissions

Operational Excellence



0 cases of corruption or unethical behaviour



Refreshed uniforms for frontliners

Societal Responsibility

Average score of **4.8 stars** out of 5 given to the postmen in the first six months of *MyPostman* campaign

Clinched

Best Partner in Customer Service 'Double-11' Award by Alibaba Cai Niao

Launched

Blessings in a Box, a community-support initiative to drive donations of health essentials to vulnerable elderly

Transformational Growth



35 new Point of Sales ("POS") counters across our post offices



Launched new concept post office, Tampines Central Post Office @Telepark

ABOUT THE REPORT

This is SingPost's third Sustainability Report, which communicates our approach towards and performance surrounding sustainability.

REPORTING SCOPE 102-50 102-51 102-52

Sustainability reporting is performed on an annual basis, with our last report published in August 2019. The reporting period of this report covers 1 April 2019 to 31 March 2020 ("FY2019/20"), with historical performance data included for comparison, where available. Unless otherwise stated, the sustainability data and information presented in this report relates to our three key business segments – Post & Parcel, Logistics and Property. For a more holistic overview of SingPost's financial performance, this report should be read together with the SingPost Annual Report FY2019/20.

REPORTING FRAMEWORK 102-54 102-56

This report has been prepared in accordance with the SGX-ST Listing Rules 711A and 711B and draws on the guidance set out in Practice Note 7.6.

The Global Reporting Initiative ("GRI") Standards are selected as our sustainability reporting framework as they represent the global best practice for reporting on an organisation's sustainability impacts. This report has been prepared in accordance with the GRI Standards: Core option. More information on the GRI Standards disclosures selected for reporting are provided in the GRI Content Index, on Page 66.

We continue to adopt a phased approach to our reporting and will consider seeking external assurance as our sustainability reporting matures over time.

Throughout the report, tags are provided for clarity when a disclosure is aligned with specific GRI disclosure(s). An example is provided below:



FEEDBACK 102-53

We welcome feedback on any aspect of our sustainability journey. Please address your feedback to csr@singpost.com.

ABOUT SINGPOST 102-2 102-5

As the country's postal service provider, SingPost has been delivering trusted and reliable services to homes and businesses in Singapore for over 160 years. SingPost has grown from a humble mail office in the 19th century to an international organisation with operations in 17 markets worldwide. Listed on the SGX-ST, SingPost's largest shareholders are Singapore Telecommunications Limited (22.0 %) and Alibaba Investment Limited (14.6 %), as at 31 March 2020.

We continue to grow our eCommerce logistics business as well as provide innovative mail and logistics solutions to customers in Singapore and around the world, with a vision of becoming a global leader in eCommerce logistics.

<p>Post & Parcel</p>	<p>As the designated Public Postal Licensee in Singapore, we are committed to our service obligations. We offer reliable and quality domestic and international postal services, and end-to-end mail solutions. We have a wide network of touch points, with 56 post offices, 7 delivery bases, 300 self-service automated machine ("SAM") kiosks, 743 posting boxes and 10,996 POPStation lockers across 160 locations in Singapore.</p>
<p>Logistics</p>	<p>We offer end-to-end eCommerce logistics solutions to tap the growing eCommerce market in Asia Pacific. Through our subsidiaries Quantum Solutions, Famous Holdings and General Storage Company, we provide a diverse range of logistics solutions covering freight, warehousing, self-storage, domestic and international distribution and delivery services.</p>
<p>eCommerce</p>	<p>We provide end-to-end solutions across the eCommerce value chain, including eCommerce technology solutions to leading international brands, creating and managing enterprise-grade online stores, digital marketing and customer care under our subsidiary SP eCommerce.</p>
<p>Property</p>	<p>Property comprises commercial property, including the SingPost Centre and eCommerce Logistics Hub as well as the self-storage business, Lock+Store.</p>

SUSTAINABILITY AT SINGPOST

It is imperative that we continue to ensure the sustainability of our operations given our role as the country's trusted postal service provider. We trust that our current efforts have brought convenience to homes and businesses and we seek to continue managing and operating our business and resources to create long term value for our stakeholders.

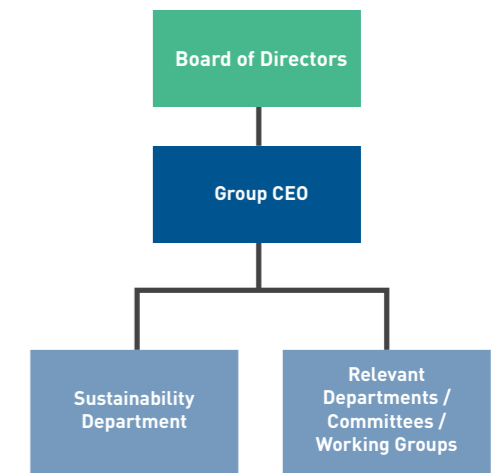
SUSTAINABILITY GOVERNANCE 102-18 102-19 102-20 102-26 102-32

Every SingPoster has a part to play towards the sustainability of SingPost and the world around us.

At SingPost, sustainability matters are governed and managed across various levels in the organisation.

The Board of Directors sets the overall direction for SingPost's sustainability matters, followed by the Group CEO who is accountable for the management and monitoring of sustainability matters, including their strategies, policies, practices, performance and targets.

Overseen by the Group Chief Brand & Communications Officer, SingPost's Sustainability Department is responsible for initiating, driving and monitoring the various aspects of SingPost's sustainability practices. The Sustainability Department works with the relevant business and support units for each sustainability matter. Each sustainability matter is overseen by their respective senior management and department, or a working committee.



STAKEHOLDER ENGAGEMENT 102-40 102-42 102-43 102-44 102-46

Conversations with our stakeholders help us align our priorities with the matters that affect them most.

The Group has put in place practices that enable regular communication and engagement with stakeholders, so as to understand and address their needs and interests.

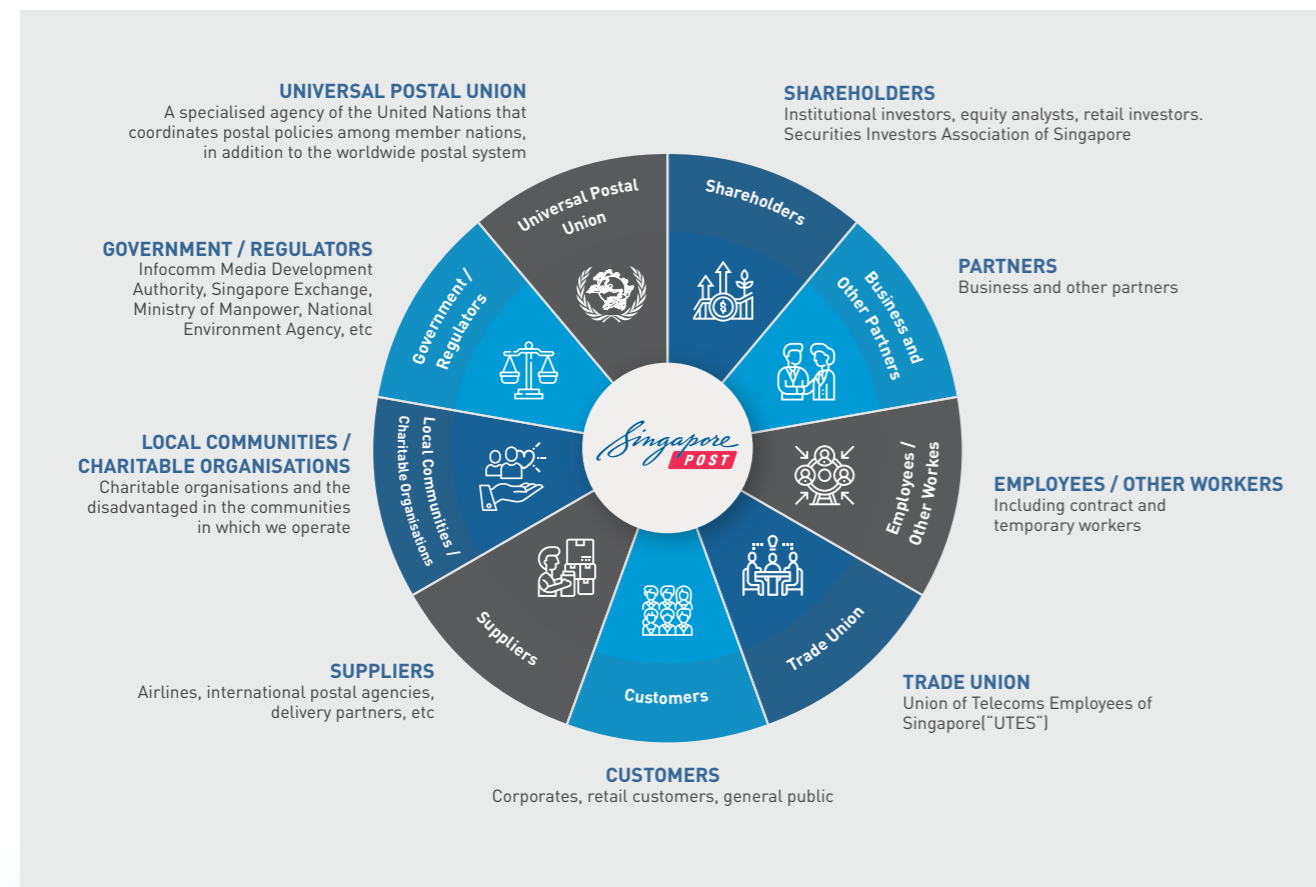
Formal materiality assessment conversations with internal and external stakeholders were conducted from FY2017/18 to FY2018/19 to identify ESG topics that matter to them. The results

from the materiality assessments and ongoing engagements continue to influence sustainability efforts in the Company.

The basis for and methods of engagement with our stakeholders, along with the key areas of focus for each stakeholder group can be found in pages 73 to 78 of our Annual Report 2019/20.

Our corporate website – www.singpost.com – is updated on a timely basis to provide stakeholders with current and relevant information. A dedicated “Contact Us” section on the

corporate website offers various avenues of contact such as phone, live chat, and a dedicated section for feedback. Separate sections are provided for different audiences – customers, media and investors, as well as other engagement platforms such as LinkedIn, Facebook and Instagram.



MATERIALITY ASSESSMENT 102-47

What’s important to our stakeholders are important to us too.

SingPost defines material ESG matters as topics that reflect our significant ESG impacts and will substantially influence the decision-making process of our stakeholders. The following presents a summary of our materiality process.

2017/18		2018/19	
<p>Identification</p> <p>A comprehensive list of potential material sustainability matter was drawn up, taking into account insights from internal stakeholder engagement (including consideration of the interests and concerns of external stakeholders), and benchmarking of industry peers’ and key customers’ ESG factors. Cross-functional interviews and focus group discussions were conducted with the management to refine the list of potential material sustainability matters.</p>		<p>External Stakeholder Engagement</p> <p>We connected with several investors, customers and the trade union for their inputs on the sustainability matters that are important to them in their capacity as an external stakeholder of SingPost.</p> <p>Their inputs resulted in two new material ESG matters for reporting.</p> <p>The new list of sustainability matters was presented to the Board for validation and approval.</p> <p>In subsequent reporting periods, reviews will be done to ensure continued relevance to SingPost’s business and operations.</p>	
<p>Prioritisation</p> <p>Materiality assessment workshops were conducted with the management, followed by an anonymous electronic voting exercise by the management on 24 potential material sustainability matters.</p> <p>The results were plotted on a materiality matrix that displays each matter’s position relative to the degree of impact to both internal and external stakeholders.</p>		<p>2019/20</p> <p>In FY2019/20, we continue to report on these material ESG matters, which remain relevant for reporting.</p>	
<p>Validation</p> <p>A total of six key material sustainability matters were selected by top management for reporting.</p> <p>The result were presented to the Board for validation and approval.</p>			

MATERIAL ESG MATTERS	
Compliance with Laws and Regulations	Energy Consumption and Associated Greenhouse Gas Emissions
Ethics, Anti-Bribery and Corruption	Responsible Supply Chain
Data Security and Privacy	Customer Satisfaction
Business Continuity Planning	Product and Service Innovation

ADDITIONAL ESG MATTERS REPORTED	
Our People	Community Investment

SUSTAINABILITY STRATEGY

Sustainability at SingPost is delivered through four interlinking pillars – **Planet Positive, Operational Excellence, Societal Responsibility, and Transformational Growth**. This framework supports and strengthens the execution of our *Future of Post strategy*¹, guides us where to focus on and empowers us to work towards a more sustainable future.



¹For more information on our Future of Post Strategy, please refer to our Annual Report.



	P lanet Positive	O perational Excellence	S ocietal Responsibility	T ransformational Growth
<p>ESG MATTERS Our pillars provide an outline for our Sustainability Report. Under each pillar, we disclose on a number of relevant material ESG matters that are significant to us and our stakeholders.</p> <p><small># Not identified as a material ESG matter but reported additionally</small></p>	<p>Energy Consumption and Associated Greenhouse Gas Emissions</p>	<p>Our People#</p> <p>Ethics, Anti-Bribery and Corruption</p> <p>Compliance with Laws and Regulations</p> <p>Data Security and Privacy</p> <p>Business Continuity Planning</p>	<p>Responsible Supply Chain</p> <p>Customer Satisfaction</p> <p>Community Investment#</p>	<p>Product and Service Innovation</p>

PLANET POSITIVE

We care about sustaining a liveable planet for all future generations

Delivering a sustainable future can only begin with the one place that matters most to all of us. We recognise the importance of environmental sustainability and our unique position to drive society's transition to a circular, low carbon economy.

ESG MATTERS IN THIS PILLAR

30%

PROJECTED ENERGY SAVINGS FROM THE REPLACEMENT OF LIGHTS WITH LED LAMPS IN OUR LARGEST BUILDINGS

42%

INCREASE IN E-WASTE COLLECTED THROUGH ReCYCLE, OUR JOINT NATION-WIDE PROGRAMME WITH SINGTEL

3%

DECREASE IN DIRECT (SCOPE 1) GHG EMISSIONS

6%

DECREASE IN ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS



Energy Consumption and Associated Greenhouse Gas Emissions



ENROUTE TO CARBON-VOYAGE



Energy Consumption and Associated Greenhouse Gas Emissions

103-1 103-2 103-3

Climate change has widespread consequences on the planet. We recognise the responsibilities corporations must bear in tackling climate change and the importance of rethinking the way we operate, all with the eventual aim of putting an end to the carbon-intensive business-as-usual.

OUR MANAGEMENT TOOLS OUR TARGETS

Environmental Policy

- The policy articulates our primary environmental objectives which focus on operational, fleet and building efficiency and stakeholder collaboration.

Future Target	FY2019/20 Progress and Performance
By FY2029/30, reduce absolute GHG emissions ² by 35%, from FY2018/19 ³ baseline level	On track

OUR CHANGE MAKERS

Environment Committee

- Made up of representatives from operating units across the Group, the committee oversees environmental stewardship in the Group. Fuel and energy consumption are managed and monitored by the various operating units such as the conveyance and delivery teams in Post & Parcel, Famous Holdings and by the Property division.



²Direct (Scope 1) and Energy Indirect (Scope 2) GHG emissions in Singapore.
³Baseline level has been adjusted from FY2017/18 to FY2018/19 to reflect the 100% operational scope.

ENVIRONMENTAL MANAGEMENT

WE CAN ONLY DELIVER IN THE FUTURE IF WE START DELIVERING FOR THE FUTURE, TODAY

We think about how we can change the way we operate in a world of climate change. As the scale of our operations grow, it is inherent that without actionable interventions, our carbon footprint will grow too. This accounts for why we are working on an environmental blueprint to operationalise change. We look forward to sharing this blueprint in future reporting periods.

Our Environmental Policy articulates our primary environmental objectives and commitments around four thrusts:

Collaborating with Stakeholders	Operational efficiency	Fleet efficiency	Building efficiency
We aim to work closely with our investors, customers, suppliers, business partners and regulators to establish environmentally sustainable and responsible business practices.	We commit to base our operations on key principles of international environmental management system standards and achieve resource efficiency through the optimisation of resources in our value chain.	We aim to apply innovative solutions that optimise and upgrade our fleets, reduce mileage, explore alternative fuel-saving options and implement initiatives to reduce delivery trips.	We are dedicated towards energy efficiency in our sites and facilities, utilising alternative energy sources in place of grid electricity, and progressively refurbishing outdated infrastructure.

Aligning with global and local ambitions to reduce GHG emissions, we set a long-term target of 35% reduction in our absolute GHG emissions from FY2018/19 baseline level⁴ by FY2029/30. In FY2019/20, we continue to collaborate with stakeholders and drive initiatives that aim to improve our environmental performance.



⁴Baseline level has been adjusted from FY2017/18 to FY2018/19 to reflect the 100% operational scope.

KEY ACTIVITIES IN FY2019/20

Light-emitting diode (“LED”) fittings

Lights at SingPost Centre, Regional eCommerce Logistics Hub and Kallang Delivery Base have been replaced with LED lamps, which is projected to achieve estimated energy savings of 10,458,679 kWh – the equivalent of powering up 2,576 four-room HDB flats in Singapore in a year, or, 30% in energy savings compared to the last financial year.

Waste management

ReCYCLE is a nationwide e-waste recycling initiative with our partner Singapore Telecommunications Limited (“Singtel”). Unwanted electronic devices can be dropped off into the *ReCYCLE* bins at selected Singtel Shop and Singtel Exclusive Retailer outlets and post offices, as well as other partner locations. All locations are listed on recycle.sg. Alternatively, members of the public can also ask for a *ReCYCLE* envelope from any Singtel Shop and Singtel Exclusive Retailer outlets, and Post Offices, and mail their unwanted mobile device and accessories at no charge as postage is waived. The programme collected 22,340 kg of e-waste in FY2019/20 from 61 collection points island-wide. This is an increase of 42% from the previous year.

Raising awareness

Every individual in SingPost can play their part in reducing their environmental footprint. We continually engage our employees through an array of communication tools and events such as Earth Hour to instill a shared sense of responsibility towards the environment. SingPost has been supporting Earth Hour since 2013 and in March 2020, the SingPost Centre switched off all facade lights and non-essential lighting for an hour as a show of commitment to our planet.

Installation of solar photovoltaic (“PV”) systems

These power systems are designed to supply usable solar power by means of solar panels. While we have invited tenders for our two larger buildings, Singapore Post Centre and Regional eCommerce Logistics Hub, this project is currently under evaluation and further planning.

Pilot test on electric vehicles (“EV”)

SingPost is currently exploring to pilot the use of Electric Vehicles (“EV”) as a more sustainable alternative to our current fleet of logistics. Our pilot trial has been put on hold in light of the COVID-19 situation.

Chiller upgrading

Chiller systems, which provide ventilation and air-conditioning, make up a significant portion of energy consumption within a building. We are currently assessing our chiller performance ratings and working with vendors to maintain equipment efficiency, and we are exploring chiller upgrades.

Automatic lighting system

We are exploring the feasibility of implementing an automatic lights-off system after working hours for certain areas in our buildings.

PERFORMANCE INDICATORS

102-48 302-1 305-1 305-2

Energy and GHG Emissions ⁵	FY2017/18 ⁶	FY2018/19	FY2019/20
Fuel Consumption			
Post & Parcel (TJ)	36	36	37
Logistics (TJ)	14	15	13
Total Fuel Consumption (TJ)	50	51	50
Electricity Consumption			
Post & Parcel (MWh)	29,910	38,076	38,856
Logistics (MWh)	10,010	9,612	5,807
Others ⁷ (MWh)	509	406	341
Total Electricity Consumption (MWh)	40,429	48,093	45,004
Total Electricity Consumption (TJ)	146	173	162
Total Energy Consumption within SingPost			
Total Energy Consumption within SingPost (TJ)	196	224	212
Direct (Scope 1) GHG Emissions			
Post & Parcel (tCO _{2e})	2,646	2,676	2,717
Logistics (tCO _{2e})	1,035	1,136	983
Total Direct (Scope 1) GHG Emissions (tCO_{2e})	3,681	3,812	3,700
Energy Indirect (Scope 2) GHG Emissions			
Post & Parcel (tCO ₂)	12,673	15,961	16,273
Logistics (tCO ₂)	4,241	4,029	2,432
Others ⁷ (tCO ₂)	216	170	143
Total Energy Indirect (Scope 2) GHG Emissions (tCO₂)	17,130	20,160	18,848
Total Energy Indirect (Scope 2) GHG Emissions			
Total Direct (Scope 1) and Energy Indirect (Scope 2) GHG Emissions (tCO_{2e})	20,811	23,972	22,548

⁵Restatements were made for FY2017/18 and FY2018/19 data for greater accuracy. Please refer to the Appendix for our energy and GHG emissions methodology.

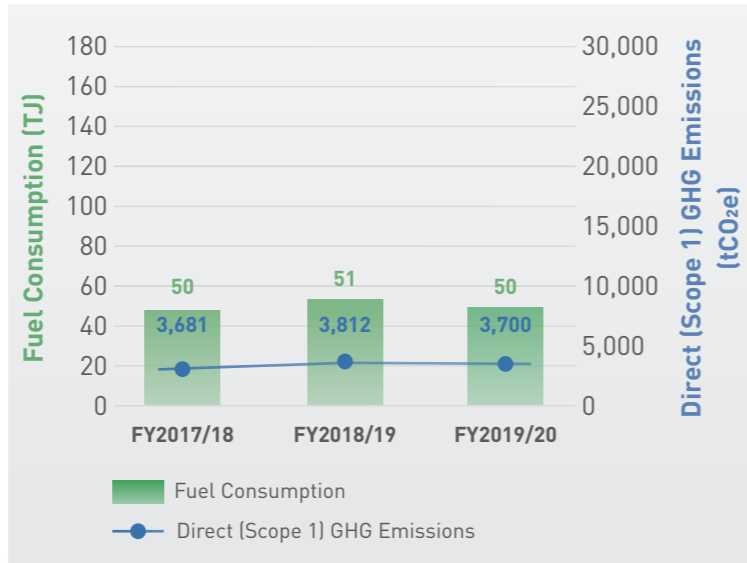
⁶In FY2018/19, SP Parcels was moved from the Logistics segment to the Post & Parcel segment. This was reclassified for FY2017/18 for better comparability in this report.

⁷Others relate to SingPost's properties which have been leased out as well as properties under Group Technology.

FUEL CONSUMPTION AND ASSOCIATED DIRECT (SCOPE 1) GHG EMISSIONS⁸

Across our business operations, we utilise motor gasoline and diesel oil for vehicles and equipment. A significant portion relates to fuel consumption of our own fleet and leased vehicles. In FY2019/20, there was a slight decrease in our total direct (Scope 1) GHG emissions by approximately 3% from FY2018/19, mainly attributable to our Logistics segment. This relates to a slight reduction in cargo volume in our freight forwarding business, due in part to the global trade slowdown and the impact of the international COVID-19 pandemic.

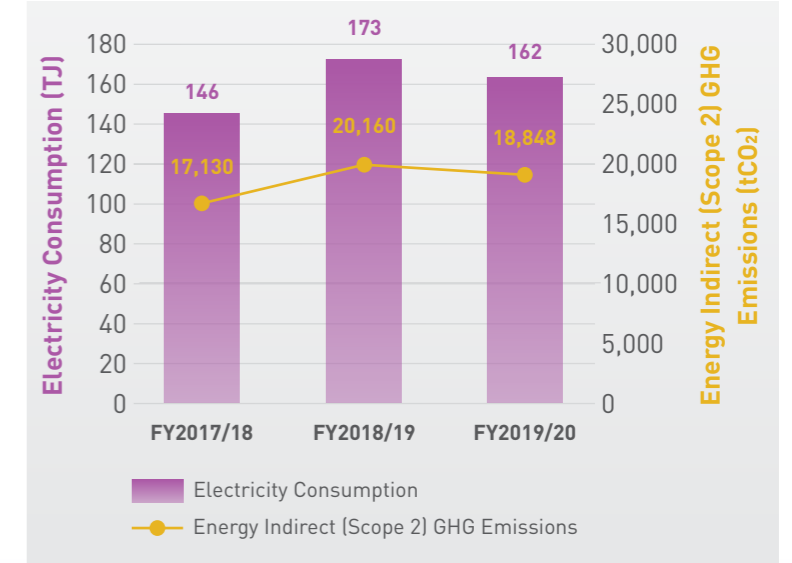
FUEL CONSUMPTION & DIRECT (SCOPE 1) GHG EMISSIONS



ELECTRICITY CONSUMPTION AND ASSOCIATED ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS⁹

Electricity is utilised for our leased spaces and properties owned or under SingPost's operational control. Our two largest buildings are the Regional eCommerce Logistics Hub, an automated parcel sorting and warehousing facility, and SingPost Centre. In FY2019/20, our total energy indirect (Scope 2) GHG emissions decreased by approximately 6% from FY2018/19, mainly attributable to our Logistics segment. This mainly relates to the closure of a warehouse and post office in the third and fourth quarters of FY2018/19 respectively, as well as a result of the installation of energy-efficient LED light fittings at the Regional eCommerce Logistics Hub.

ELECTRICITY CONSUMPTION & ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS



⁸Please refer to the Appendix for our energy and GHG emissions methodology.

⁹Please refer to the Appendix for our energy and GHG emissions methodology.

OPERATIONAL EXCELLENCE

We care about doing the right things the right way, across our entire value chain

SingPost has a heritage dating back to the founding of Singapore in 1819. We recognise that future-proofing this success would not be possible without the trust of our stakeholders and our people's commitment towards excellence. Underpinned by the highest standards of corporate governance, we adopt best-in-class practices that reflect our obligation towards accountability, transparency and safeguarding of our stakeholders' interests.



0
CASES OF CORRUPTION OR UNETHICAL BEHAVIOUR

ESG MATTERS IN THIS PILLAR



Our People

Not identified as a material ESG matter but reported additionally



Compliance with Laws and Regulations



Ethics, Anti-Bribery and Corruption



Data Security and Privacy



Business Continuity Planning

PEOPLE ARE THE HEART OF SINGPOST

Our People

Our achievements and sustained success over the years would not have been possible without our people. Today, SingPost comprises a 4,183-strong family in Singapore. We believe in the benefits of having a diverse workforce, bringing together employees from a wide range of backgrounds and career experiences.

OUR MANAGEMENT TOOLS

- PRIDE Framework
- Various learning and development opportunities and programmes

OUR CHANGE MAKERS

- Human Resources Department



OUR PEOPLE 102-12

We offer our people a workplace built on trust and mutual respect.

As a signatory to the Employers' Pledge of Fair Employment Practices by the Tripartite Alliance for Fair & Progressive Employment Practices ("TAFEP"), we strive to adopt fair and progressive practices on employment. From recruitment to development and the reward of our talents, meritocracy is one of the key values we uphold at SingPost.

We invest in developing our people and accompany them through their career journeys.

We believe that SingPost will only succeed when our employees do – which is why we invest in shaping our workforce to be one that is future-fit. PRIDE, our people strategy, encompasses five objectives - all of which are integral to transforming the way we work and sustainable in a changing world.






As we continue on our transformation journey, it is important for us to develop a learning organisation by balancing the needs of today while future-proofing for tomorrow. We have taken a number of steps in this direction.

SingPost was one of the first few unionised companies in the Trade and Connectivity sector to seal our commitment to reskilling of our workers, through the formation of the Company Training Committee ("CTC") in partnership with the Union of Telecoms Employees of Singapore ("UTES"). Within the first 6 months of its inception, more than 500 front-line team members have received training relevant to their roles, aimed at increasing their digital readiness, productivity and service quality. Our goal is to train close to 1,500 staff over 3 years.

We remain committed to building leadership capabilities at the middle management level through our accelerated development programme, iLEAD and Manager Effectiveness Programmes in our efforts to grow our own timber, strengthen our talent bench strength and build a pipeline of successors. Through this programme, we have been able to offer career progression for more than 55% of our talent pool.

We endeavour to create an agile learning mindset in our workforce by offering accessible learning opportunities through e-learning platforms, annual learning carnival in partnership with SkillsFuture, monthly lunch and learn sessions and specially curated On-Demand Learning Journeys supporting specific business upskilling needs. As part of our efforts to digitalise and upscale our learning programmes, we launched our e-orientation programme #MySingPostStory in October 2019 on mobile and web platforms. This allowed all new hires across the Group to receive a consistent and engaging virtual orientation experience with easy-to-access, bite-size and interactive content. The programme successfully on-boarded approximately 100 new hires at Managerial levels, enabling them to assimilate into their roles and the organisation seamlessly.

SINGPOST PRIDE FRAMEWORK

- 
Providing top talent across the Group
For talent pool and leadership bench strength, and succession pipeline
- 
Rewarding for performance
For a high-performance culture to achieve business results
- 
Instilling a lean HR operating system
For scalable and efficient processes through leveraging technology
- 
Developing and growing our talent
For enhanced managerial and talent capability, and opportunities for growth
- 
Engaging every employee in our transformation
For high engagement and organisational drive

KEY ACTIVITIES IN FY2019/20

Best Ambassador Of The Year Awards

Best Ambassador of the Year ("BAOY") is SingPost's annual award event held in October on World Post Day as we recognise exemplary members of our SingPost family who consistently demonstrate our Core Values, delight and positively impact our customers. In 2019, 24 staff across frontline and support units were given awards across 15 categories.



Refreshing Our Look

At SingPost, we pride ourselves as postal ambassadors, serving our customers with pride and confidence as we connect communities. In celebration of World Post Day on 9 October 2019, we launched a brand new set of uniforms for our frontline staff at our post offices and philatelic stores.



Workforce Skills Qualifications ("WSQ") Professional Image & Etiquette trainings were also provided for effective communication. The launch of our new uniforms for frontliners formed the 'hardware' component while the training formed the 'software' soft skills component of our initiative to improve customer service standards. Together, they aimed to equip our staff to deliver an exemplary customer experience across the 56 post office touchpoints in Singapore.

For more information on the WSQ training, please refer to the section on 'Customer Satisfaction'.

SPECIAL PROFILE

Interview with Mr James Wee, Neighbourhood Postman

"This is not a job, it's a mission given by the sender. We have to fulfil their mission - we have to do the job and do it nicely and I cannot let down our senders."



Mr James Wee, 60, has been delivering mail at an estate in Yishun for 7 years, covering 15 blocks and over 2,000 units each day. He recently emerged as one of five highest rated postmen¹⁰, which he attributes to making sure he greets the residents with a friendly "good morning" every day.

¹⁰The ratings were based on MyPostman campaign, which allows residents to rate their neighbourhood postmen. For more details, please refer to the Customer Satisfaction section of this report on page 50.

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER IN SINGAPORE

Our Employees <small>102-7 102-8</small>	FY2017/18	FY2018/19	FY2019/20
Total number of employees			
All	4,210	4,135	4,183
Percentage of employees, by gender			
Male	50%	52%	52%
Female	50%	48%	48%
Total number and percentage of employees, by employment contract and gender			
Permanent employees	2,723	2,694	2,755
Permanent employees (Male)	66%	68%	67%
Permanent employees (Female)	34%	32%	33%
Contract employees	1,487	1,441	1,428
Contract employees (Male)	22%	23%	22%
Contract employees (Female)	78%	77%	78%
Total number and percentage of employees, by employment type and gender			
Full-time employees	3,237	3,070	3,199
Full-time employees (Male)	62%	64%	64%
Full-time employees (Female)	38%	36%	36%
Part-time employees	973	1,065	984
Part-time employees (Male)	11%	18%	12%
Part-time employees (Female)	89%	82%	88%

GOING BEYOND COMPLIANCE

Compliance with Laws and Regulations

103-1 103-2 103-3

Going above and beyond regulatory compliance is important to us as it reinforces our fundamentals: to fulfill our duties to the communities we serve, and to serve the best interests of all our stakeholders.

OUR MANAGEMENT TOOLS

- Anti-Bribery & Corruption Policy
- Board Renewal and Tenure Policy
- Code of Business Conduct and Ethics for Directors
- Enterprise Risk Management Framework
- Policy on Diversity and Inclusivity
- Policy on Professional Development
- Privacy Policy
- Supplier Code of Conduct
- Whistle-Blowing Policy
- Workplace Safety and Health Policy
- Work Injury Compensation Policy

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
No significant fines or non-monetary sanctions relating to non-compliance with laws and regulations	<p>307-1 416-2 417-2 417-3 419-1</p> <p>IMDA regulates and assesses SingPost's postal performance by setting Quality of Service ("QoS") standards for letter deliveries.</p> <p>For the period of January to December 2019, SingPost met all QoS standards for the delivery of Local and International Basic Letters, but marginally failed to meet its QoS standard for "100% of Local Registered Letters to be delivered by the second working day" with the late delivery of four registered letters and a case of a misplaced registered letter, all of which occurred largely in the first half of the year before service improvement measures were implemented.</p> <p>SingPost achieved 98.81% in January 2019, and 99.63% in March, May, June and July 2019.</p>

OUR CHANGE MAKERS

- Audit Committee ("AC")
- Board Risk and Technology Committee ("BRTC")
- Local Compliance Function
- Group Compliance Function



COMPLIANCE WITH LAWS AND REGULATIONS

BEING COMPLIANT IS OUR FOUNDATION FOR SUCCESS

Non-compliance to our legal and regulatory requirements may result in direct legal consequences that undermine our capability and reputation. To that end, we have in place a strong framework of policies, processes and procedures that serve to guard SingPost against such potential incidences. We regularly monitor, evaluate and audit our key business activities for continual improvement.

To strengthen the effectiveness of the compliance function within SingPost Group, the Group Compliance Function was established to oversee and monitor the Compliance Risk Management and control systems. In tandem, the Group Compliance Charter ("GCC") has been rolled out to define the scope of the Compliance Function and the methodology behind

compliance risk management. To further strengthen compliance at SingPost, the Local Compliance Function ("LCF") and Privacy Liaison ("PL") perform supporting roles towards the Group Compliance on compliance areas across the Group.



Examples of regulations that SingPost adheres to:	Relevant legislation (including but not limited to)
<p>Postal Regulations</p> <p>IMDA regulates SingPost's performance by setting Quality of Service ("QoS") standards for deliveries, and our targets are to meet or exceed these standards.</p> <p>The Company is required to submit quarterly reports regarding its service quality to the IMDA. Monthly letter tests and audits are conducted by appointed independent assessors to measure these service standards and the results are submitted to the IMDA. IMDA announces the results of SingPost's QoS performance each year.</p> <p>SingPost's Postal QoS standards remain one of the most stringent in the world, with delivery standards of 100% for basic letters and registered letters posted by the second working day.</p>	<ul style="list-style-type: none"> Postal Services Act (Cap 237A) Postal License Postal Services Regulations Postal Services Operations Code Postal Competition Code
<p>Anti-Corruption Regulations</p> <p>We are committed to conducting our businesses with utmost integrity, transparency and honesty, as well as implementing and enforcing effective systems to counter bribery and corruption. Recognising that any lapses has a direct bearing on our reputation and loss of confidence from our stakeholders, we continually strengthen our systems in line with the applicable legislations.</p>	<ul style="list-style-type: none"> Prevention of Corruption Act ("PCA") Penal Code Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act UK Bribery Act ("Bribery Act 2010") US Foreign Corrupt Practices Act of 1977 ("FCPA")
<p>Data Protection and Privacy Regulations</p> <p>The workflow and processes of our operations is consistently reviewed by our legal, compliance and operation teams to ensure the security of our data. Our internal Privacy Policy provides information relating to collection, use, and disclosure of personal data. In addition, our PDPA Handbook provides information on SingPost's framework of compliance to PDPA and is made available through SingPost's intranet, "SPhere".</p>	<ul style="list-style-type: none"> General Data Protection Regulation EU regulation 2016/679 ("GDPR") Personal Data Protection Act 2012 ("PDPA")
<p>Financial Sector Regulations</p> <p>We are regulated under the Monetary Authority of Singapore Financial Advisers Act (Chapter 110)¹¹ as we offer financial services distribution via partners at our post offices. We conduct quarterly compliance validation training and tests and have put in place compliance key performance indicators to ensure that our financial service ambassadors comply with the regulations.</p>	<ul style="list-style-type: none"> Monetary Authority of Singapore Financial Advisers Act
<p>Workplace Safety & Health Regulations</p> <p>We are committed to providing a healthy and safe work environment for our staff, and we seek to perform beyond regulatory requirements to protect their rights and welfare. Our Group Workplace Safety & Health ("WSH") Policy and Work Injury Compensation ("WIC") Policy are set in line with relevant acts and legislations, outlining our commitment towards a safety culture of zero accidents, injuries or damage to the assets and human resources of SingPost.</p>	<ul style="list-style-type: none"> Employment Act Retirement & Re-employment Act Workplace Safety & Health ("WSH") Act Work Injury Compensation ("WIC") Act

¹¹Notice and Appointment of Introducers by Financial Advisors: Regulation 31 of the Financial Advisers GN. No. S462/2002.

HONESTY, OUR BEST POLICY



Ethics, Anti-Bribery and Corruption

102-16 103-1 103-2 103-3

Our stakeholders place their trust in us to do good. It matters that this trust is not misplaced. We remain steadfast in upholding our business ethics and integrity to the highest levels. We strive to work with like-minded individuals and entities who resonate with our values and sustainable development objectives.

OUR MANAGEMENT TOOLS

- Anti-Bribery & Corruption Policy
- Anti-Money Laundering and Countering the Financing of Terrorism Policy
- Code of Business Conduct and Ethics for Directors
- Code of Ethics
- Enterprise Risk Management Framework
- Supplier Code of Conduct
- Whistle-Blowing Policy

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
Uphold anti-corruption and ethical behavior	205-2 205-3 There were zero cases of corruption or unethical behaviour.
Communication and training about anti-corruption policies and procedures	Annual anti-bribery and corruption compliance declaration exercise conducted for all senior officers and managerial grade employees.

OUR CHANGE MAKERS

- Audit Committee ("AC")
- Board Risk and Technology Committee ("BRTC")
- Ethics Committee



ETHICS, ANTI-BRIBERY AND CORRUPTION 102-16

OUR CORE VALUES FOSTER AND UNDERPIN A CULTURE OF OPENNESS, TRUST AND ACCOUNTABILITY

KEY ACTIVITIES IN FY2019/20

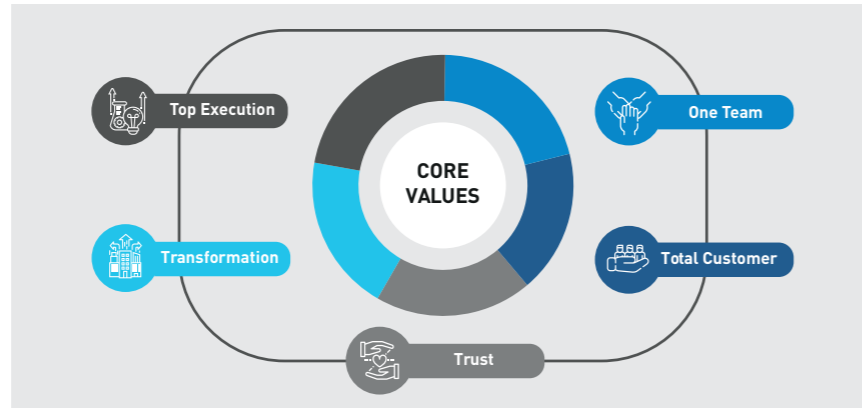
Establishing our Ethics Committee

The Ethics Committee was officially established in June 2019 to implement the revamped Code of Ethics. The Committee comprises the Group General Counsel as Chairman, the Group CFO and Group CHRO as members. The Terms of Reference of the Committee is to:

- Establish;
- Embed; and
- Provide governance oversight and management of ethical principles and values to guide the behaviour and conduct of all employees of the company.

New Anti-Money Laundering and Countering the Financing of Terrorism Policy ("AML and CFT Policy")

In March 2020, our AML and CFT Policy was rolled out. This policy aims to reduce the risk of money laundering and prevent sophisticated terrorist financial transactions that assist in funding criminal activities around the world. SingPost will only conduct businesses with customers, suppliers or vendors and third parties involved in legitimate business activities, and whose funds are derived from lawful and legal sources.



IT IS IMPORTANT TO US THAT WE MANAGE RISKS THAT MAY COMPROMISE OUR VALUES AND INDEPENDENCE

SingPost's Code of Ethics describes the importance of safeguarding sensitive and confidential information as an employee. Employees are expected to conduct themselves in a professional manner with utmost integrity and total commitment to the Code.

Our employees are required to disclose when/if they are placed in a conflict of interest that could potentially lead to such a situation. They are required to make declarations annually and to provide updates where appropriate. Guidelines relating to entertainment, receipt and offer of gifts are also established. Moreover, our employees are required to ensure that all business dealings and decisions are legitimately made for the interest of SingPost and are not conducted under any improper influence or advantage. We are currently developing new training materials on this topic, which will be rolled out in due course.

OUR STAKEHOLDERS ARE EMPOWERED TO DRIVE OUR ETHICAL CULTURE 102-17

Our Whistle-Blowing Policy sets out the guidelines under which our internal and external stakeholders are able to raise concerns about possible matters of improprieties or wrongdoings in confidence. All whistle-blowing reports received will be investigated promptly, professionally, fairly and honestly. Where appropriate, the matter will be escalated to the relevant law enforcement authorities for their investigation and further action. Findings from the investigations and the follow-up actions taken or to be taken will be reported to the SingPost Audit Committee.

To be aligned with our newly rolled out AML and CFT Policy, we conduct proper due diligence on any company that SingPost will be establishing a business relationship with or has an established business relationship that involves the transfer or receipt of funds. Any suspicious transaction or red flag that has been determined will be escalated to the Group Compliance immediately. Furthermore, as part of record-keeping, employees are obliged to maintain records of proper due diligence undertaken.

SAFEGUARDING A DIGITAL WORLD

Data Security and Privacy 103-1 103-2 103-3 418-1

We live in a digital age. As data grows, so do the risks. Cyberattacks, data fraud and theft continue to rank highly in their likelihood and impact on shaping the world's risk landscape¹². It is thus a business imperative for us to dutifully protect our corporate data and that of our stakeholders with the highest standards of data security and privacy.

OUR MANAGEMENT TOOLS

- Enterprise Risk Management Framework
- Information Classification and Handling Policy
- Information Security Policy
- Cybersecurity Framework

OUR CHANGE MAKERS

- The Board Risk & Technology Committee has oversight over risk management
- Group Chief Information Officer, Group Data Protection Officer, as well as all departments are responsible for integrating the approach in daily operations

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance 418-1
Zero data breaches	One breach event was reported to and verified by the Group Data Protection Officer ("GDPO"). GDPO has confirmed the remediation action to address the event.
Compliance with the Personal Data Protection Act ("PDPA")	PDPA talks and e-learning modules were carried out, and gaps identified were tracked till closure with appropriate measures implemented. In addition, a Group-wide privacy and data protection framework was developed and approved, with its programme and activities rolled out to enable all business and support units to comply with their respective privacy and data protection obligations.



¹²World Economic Forum, "The Global Risks Report 2020"

DATA SECURITY

STRENGTHENING DATA INTEGRITY AND PROTECTION IS PARAMOUNT IN THE DIGITAL AGE 102-11

Cybersecurity remains one of our top risk concerns. We are committed to protecting our customers' personal data, building resilience in data security and improving our response to cyber threats. We are also focused on minimising any potential impact from cyber threats and recovery processes.

We have developed the Cybersecurity Framework and Group Information Security Policy as guiding principles and key controls to identify threats, protect, detect, respond to cyber-attacks and recover from incidents. As part of SingPost's Enterprise Risk Management ("ERM") Framework, our data security policies and

manuals are communicated to all employees. These policies are reviewed yearly, and updated where necessary, to ensure continual relevance regulations and industry practices.

WE PUT OUR SYSTEMS TO THE TEST

As cyber threats evolve, SingPost will continuously build on cyber resilience and prepare its people to defend the business. We work with key stakeholders to deploy various means to monitor, measure our systems and stress-test our response across different scenarios. These include:

Audits	Cybersecurity ratings	Scenario-based exercises
<p>We engage in rigorous internal and external audits on our information systems annually.</p> <ul style="list-style-type: none"> We constantly review our Cybersecurity General Controls and identify areas to improve our security operations, with the help of Group Internal Audit. Scope of audit is reviewed annually following the organisation risk landscapes and to address any emerging threat. External consultants are engaged to assess and provide feedback on our Cybersecurity readiness. Its cybersecurity subject matter experts have conducted stress-testing security controls of our critical systems and review their compliance to Group Policy and regulatory requirements. 	<p>We conduct reviews of the cybersecurity threat landscape, our security posture and identify new methods to improve our cybersecurity resilience.</p> <ul style="list-style-type: none"> We engage Bitsight, a cybersecurity ratings company, for a data-driven measurement of our cybersecurity performance and monitor our ratings every quarter to keep it within our target range. Should ratings fall, we will take the necessary improvement actions based on the recommendations provided by Bitsight. Internally, we continue to implement a comprehensive threat and vulnerability management program, strengthen our cybersecurity hygiene and further invest into layered defence capabilities. Cybersecurity cuts across entire Group businesses, we provide regular updates to senior management and risk committees to keep them updated on key development of Cybersecurity program as well as cyber threat landscapes and incidents in relation to the Group. 	<p>While we continue to strengthen our cybersecurity capabilities, we also focus on improving our people-process in effectively responding to cybersecurity incidents via regular exercise and awareness programs.</p> <ul style="list-style-type: none"> We work with industry stakeholders such as IMDA to together conduct a tabletop exercise on a specific topic annually. The tabletop exercise conducted recently was on the topic of registered articles. One of the scenarios presented was a cyber-attack where the 'compromised' IT system rendered the disablement of the mail tracking function, resulting in registered articles not being tracked but are still delivered to the end customer. The exercise helped business stakeholders to improve its business continuity processes in order to minimise the service impacts to our customers. We conduct annual Disaster Recovery exercises for critical information systems across the SingPost organisation. The exercise simulates various types of IT disaster situations, in order to stress test our data and IT system recovery processes. This year, we have conducted the annual security awareness e-learning programme for more than 1,500 employees.

DATA PRIVACY

GREAT EMPHASIS IS PLACED ON RESPECTING THE PRIVACY RIGHTS OF ALL OUR STAKEHOLDERS

Prudent handling, processing, storage and usage of our stakeholders' information in our systems' infrastructure is important to us as significant failure of our controls may result in litigation, penalties and most importantly, undermine trust of our stakeholders. We do our utmost in minimising the risk of privacy breaches and data leakages. We have in place an escalation process for incident management, which ensure timely response, internally and externally, to minimise the impact. To ensure SingPost's data privacy compliance in the markets we operate in, we have acquired the privacy management resources that allow us to:

- Conduct research and track latest privacy and data protection developments in markets where SingPost is operating in;
- Compare global privacy and data protection standards; and
- Utilise available tools and templates for adaption and deployment.



A CONCERTED EFFORT WHERE EVERY EMPLOYEE IS AWARE AND ACCOUNTABLE

Our employees are consistently reminded on the importance of data security and privacy and the role they must play. We do this through regular communication and education awareness on these topics. In addition, all staff are required to go through mandatory PDPA Awareness Training via e-learning modules to be equipped with a good understanding of data protection and how it applies to the workplace.

ANTICIPATING WHAT'S IN STORE

Business Continuity Planning

103-1 103-2 103-3

Global risks are interconnected and ever-shifting. As such, it is vital for us to remain vigilant, enhance our readiness and continually build resilience. Prudent business continuity planning enables us to manage risks and establish mitigative measures to safeguard against disruptive impacts. This is necessary for quick recovery of our critical functions so that we can continue to deliver for our stakeholders.

OUR MANAGEMENT TOOLS

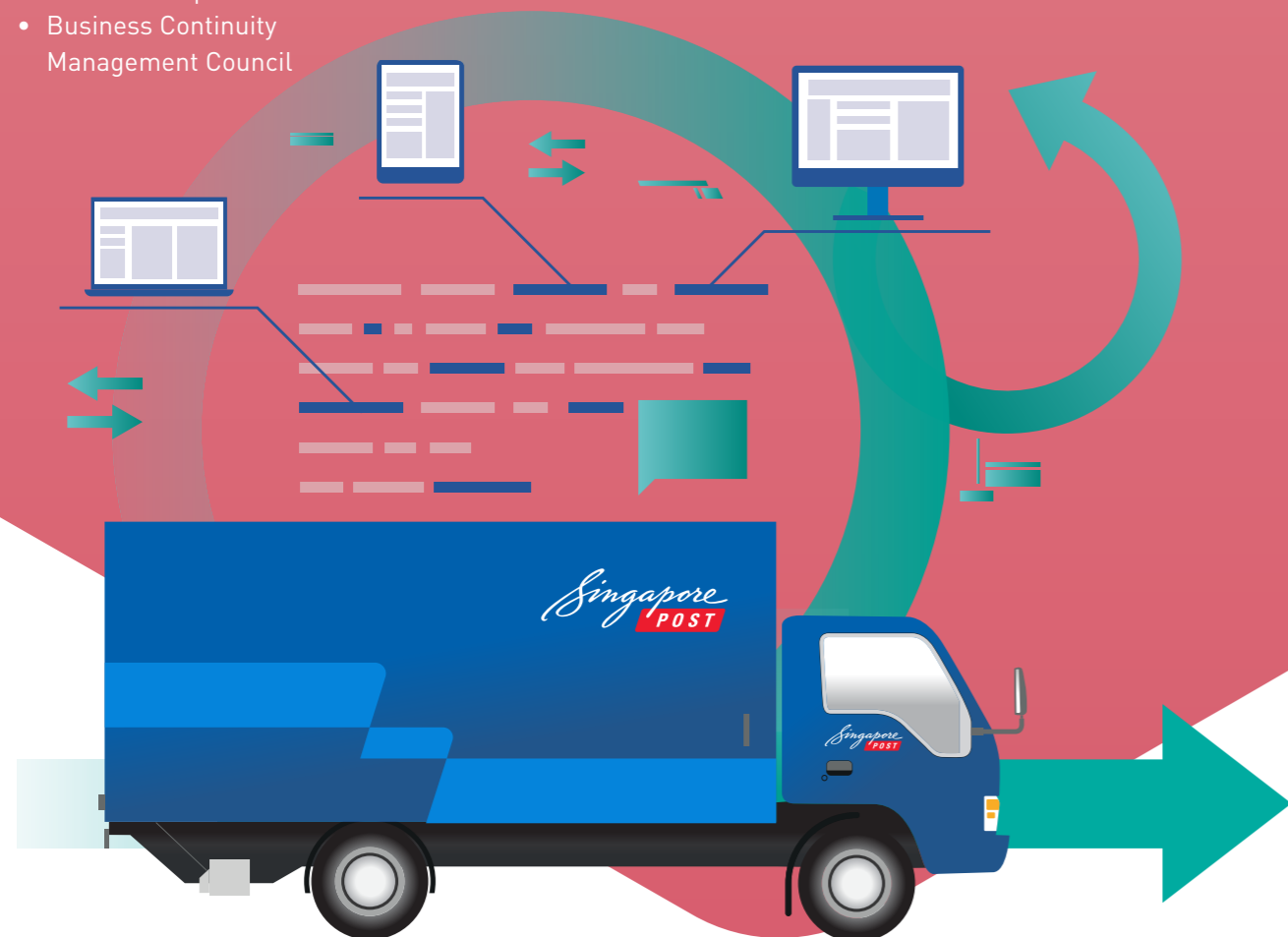
- Business Continuity Management Framework
- Master Crisis Management Directives
- Emergency Response
- Enterprise Risk Management Framework
- IT Disaster Recovery
- Workplace Safety & Health Policy

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
Strengthen governance and instil the Business Continuity culture within the organisation	Formalise Business Continuity Management Council and develop the Business Continuity Management Framework.
Conduct disaster recovery exercises for critical IT systems each year	SingPost has successfully conducted disaster recovery exercises for critical IT systems in the financial year.

OUR CHANGE MAKERS

- Board Risk & Technology Committee, Crisis Management Team and department heads
- Business Continuity Management Council



BUSINESS CONTINUITY PLANNING

102-11

RISK MANAGEMENT IS A CONTINUOUS, ITERATIVE AND INTEGRATED PROCESS

Risks come in various forms and from different sources that may impact our business. Some risks can be eliminated, some may be accepted, some can be mitigated by transferring the risks or via action plans, and managed as part of our business model. Our risk management strategy involves assessing and balancing risk probabilities, preparing for reasonable contingencies while minimising precautionary expenditure or activity. We adopt a top-down as well as bottom-up approach. The Group's Enterprise Risk Management ("ERM") framework is modelled largely on ISO 31000:2018 Risk Management – Principles and Guidelines, and covers the key strategic, operational, financial, compliance and information technology risks facing the Group. 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. More information on risk management and internal controls can be found in our Annual Report, pages 81 – 88.



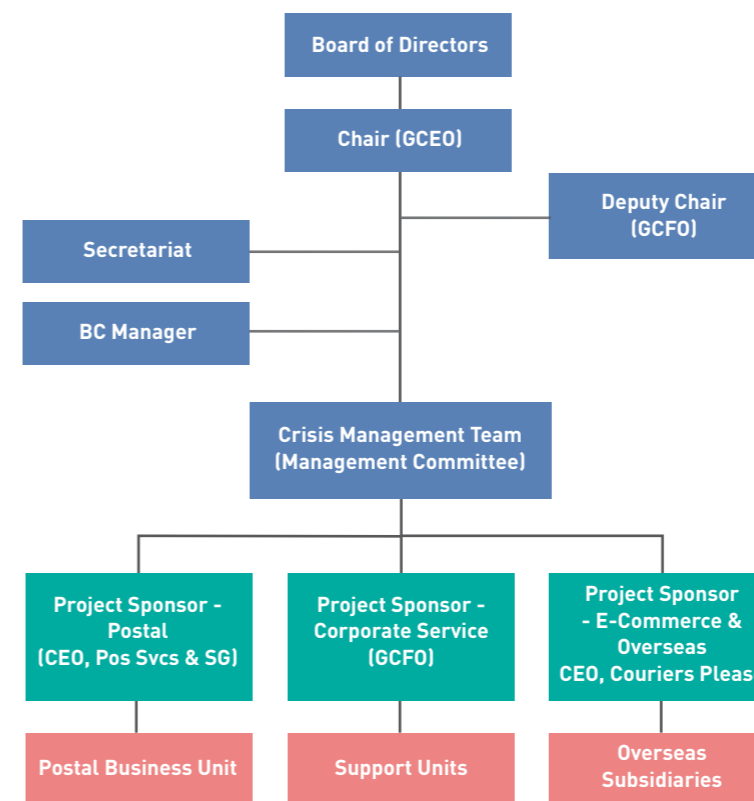
WE ENSURE OPERATIONAL READINESS THROUGH BUSINESS CONTINUITY

Our Business Continuity Management Council with Business Continuity Management Framework serves to drive business continuity plan ("BCP") efforts across the organisation, in order to ensure minimal disruptions of our operations and a quick recovery and continuation of critical business and operational functions. Systems are in place for our operations to respond to incidents, crises and threats when they occur. We have contingency response plans for a broad span of events including emergencies, pandemics and security threats, as well as other forms of disruptions that might occur in the course of our business and operations.

In addition to operational response plans, we have also set out processes to communicate to our stakeholders in an open manner. We communicate timely accounts of all incidents and the progress of the recovery efforts that are being carried out to our stakeholders.

Our crisis management and communication plans are reviewed and refined regularly, as well as updated in our BCPs. In addition, all BCPs are periodically tested, documented and maintained. This enables us to respond to crises in an organised and efficient manner, and expedite recovery processes.

BUSINESS CONTINUITY MANAGEMENT COUNCIL STRUCTURE



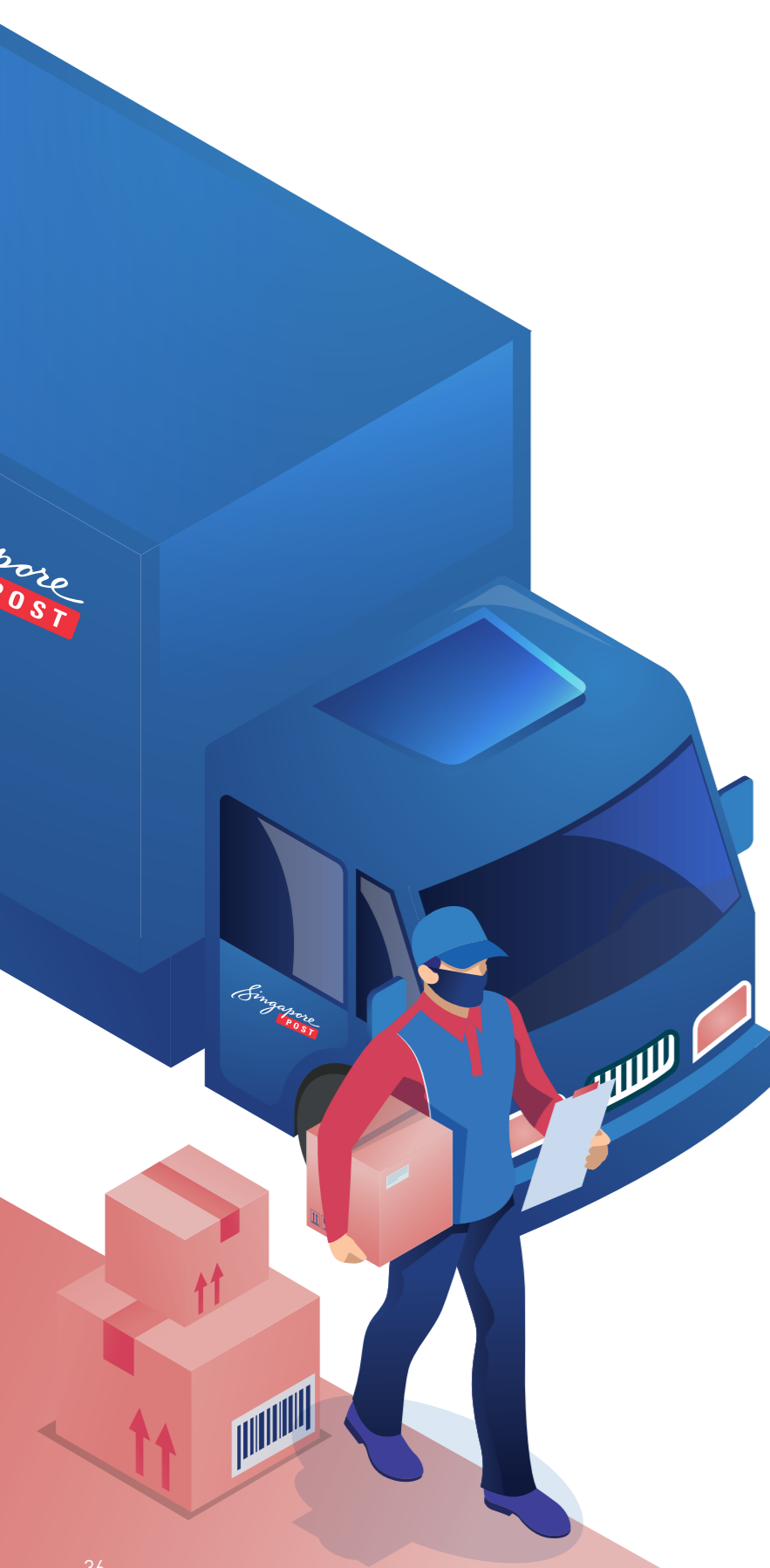
DELIVERING IN THE TIME OF THE CORONAVIRUS 102-10

In the last quarter of FY2019/20, COVID-19 dealt a heavy hand on the world and the global economy. Along with alarming international infection numbers, the immediate wave of city lockdowns swiftly grounded the world economy to a halt. The aviation industry became the earliest corporate casualty of the pandemic and SingPost immediately felt the ripple effects of flight and air freight disruptions, crippling crossborder fulfilment and international deliveries.

With deep dislocations across the global supply chain causing unprecedented depths of economic disruption, our agility and resilience is critical, now more than ever.

Bracing for headwinds and as a stand of solidarity, wage adjustments were made across the SingPost Group management team. A multi-divisional SingPost COVID-19 Task Force was also formed in March 2020 to manage the impact of the pandemic. Immediate measures were put in place to safeguard the well-being of employees, customers, tenants and shoppers across all SingPost touchpoints – the SingPost headquarters, SingPost Centre office building and mall, the Regional eCommerce Logistics Hub, mail delivery bases and post offices islandwide.

Despite the strictest of measures that included donning on personal protection equipment (“PPE”), team segregation and social distancing, the inevitable happened on 27 March as three positive cases of COVID-19 were identified amongst our staff. Subsequently, two additional full-time SingPost employees working on the same floor were tested positive for COVID-19 as well. The curve of SingPost infections levelled at ten employees. All employees have since recovered.



KEY ACTIVITIES IN FY2019/20

OUR RESPONSE TO THE COVID-19 PANDEMIC

Health and safety of our stakeholders

- Measures included strict team segregation, working from home arrangements where possible, daily temperature checks, reminders on personal hygiene practices as well as travel and health declarations.
- For the safety and well-being of our staff as well as customers, SingPost also made changes to its delivery protocol, implementing contactless deliveries for Registered Services and parcels.
- One of the biggest challenges for the postal service was Malaysia's Movement Control Order announced in mid-March. SingPost raced against time to secure hotel accommodation for some 600 Malaysian team members who commute over the Causeway and Second Link daily within 24 hours of the announcement. This move garnered mainstream media attention, showcasing SingPost as the bright example of providing good welfare for its Malaysian employees.

Impact on our deliveries during the onset of pandemic

- Manpower posed an immediate challenge as quarantine orders and stay-home-notices were instantly issued to staff who were in close contact with the infected employees. As a result, mail and parcel delivery were impacted, with delays of up to three working days. Nevertheless, we remained committed to our deliveries.

Commitment to deliver and help our tenants tide through this difficult period

- Albeit the reduction in the number of post offices operating islandwide, which was in line with the government's recommendation to minimise staff numbers working on-site, SingPost remained steadfast to our delivery commitment during the Circuit Breaker period.
- As landlord of the SingPost Centre Mall, we dished out rental support initiatives to tide our mall tenants through this difficult time by waiving rent, obtaining property tax rebate reimbursement from the government, utilising of security deposits for rental payment, marketing support for food and beverage tenants and extending the car park's grace period to support delivery drivers and food-order pick-ups.

SOCIETAL RESPONSIBILITY

We care about our stakeholders and go the extra mile to deliver value to them

We always refer to our first principles on why we do the things we do. At SingPost, our purpose has always been centered around connecting people and communities. In sustaining value creation to the people and communities we serve, we must first ensure that our value chain is one that is responsible and resilient.

AVERAGE SCORE OF
4.8 STARS

OUT OF 5 GIVEN TO
POSTMEN UNDER THE
FIRST SIX MONTHS OF
MYPOSTMAN CAMPAIGN

Clinched

BEST PARTNER IN
CUSTOMER SERVICE
'DOUBLE-11' AWARD BY
ALIBABA CAI NIAO

Launched

BLESSINGS IN A BOX
COMMUNITY-SUPPORT
INITIATIVE TO DRIVE
DONATIONS OF HEALTH
ESSENTIALS TO
VULNERABLE ELDERLY

ESG MATTERS IN THIS PILLAR



Responsible Supply Chain



Customer Satisfaction



Community Investment #

Not identified as a material ESG matter but reported additionally

A WORLD WITHOUT CHAINS



Responsible Supply Chain

103-1 103-2 103-3

At SingPost, we want to connect the world sustainably, linking up with stakeholders across our value chain to build a sustainable future. We envisage a world where people are free from the chains of forced labour and modern slavery; where generations of tomorrow do not suffer from a degraded environment left behind by previous generations. As a crucial player in the global postal, logistics and e-commerce sectors, we too recognise our importance in shaping a responsible supply chain of our partners.

OUR MANAGEMENT TOOLS

- Group Procurement Policy
- Supplier Code of Conduct

OUR CHANGE MAKERS

- Group Procurement

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
Screen selected suppliers on health, safety and environmental criteria	Conducted on-site assessments based on risk-based approach to assess and follow-up on selected suppliers' observation of the Supplier Code of Conduct.



RESPONSIBLE SUPPLY CHAIN

102-9

RESPONSIBILITY STARTS FROM THE WAY WE MAKE DECISIONS

Our Group Procurement function continues to play a key role in the management of SingPost's supply chain. The function oversees the Company's sourcing and purchasing processes, as well as the establishment and implementation of provisions laid out in the Group Procurement Policy. The team works with business users and other stakeholders across departments to source and procure goods and services in the most cost-effective and timely manner, at the same time ensuring that the contractual terms and conditions for the procurement process comply with the standard terms of contract.

In FY2019/20, we engaged a total of 783 suppliers, which is a slight decrease of 2.85% from FY2018/2019. Our spending in FY2019/20 has likewise reduced – a reflection of the continuous management of bought-in goods and services. SingPost continues to leverage on its relationship with key suppliers, which have remained mostly unchanged. Representing 11% of the supplier base, spending on 88 suppliers had accounted for 80% of total spend in FY2019/20. While this illustrates an increase in the proportion of key suppliers from 8% of supplier base in FY2018/19, contracted spend with these suppliers continue to be optimised and kept within our financial budgets and fair, transparent appointment. With our economies of scale, SingPost continues to leverage on our buying power with our key suppliers.

The SingPost Purchasing Manual continues to set out the objectives, approach, key principles and procedures for the sourcing and acquisition of goods and services to support the Group's immediate and strategic needs. The Procurement Policy and Purchasing Manual commit all directors and employees who are involved with the procurement of goods and services to follow the key principles of:

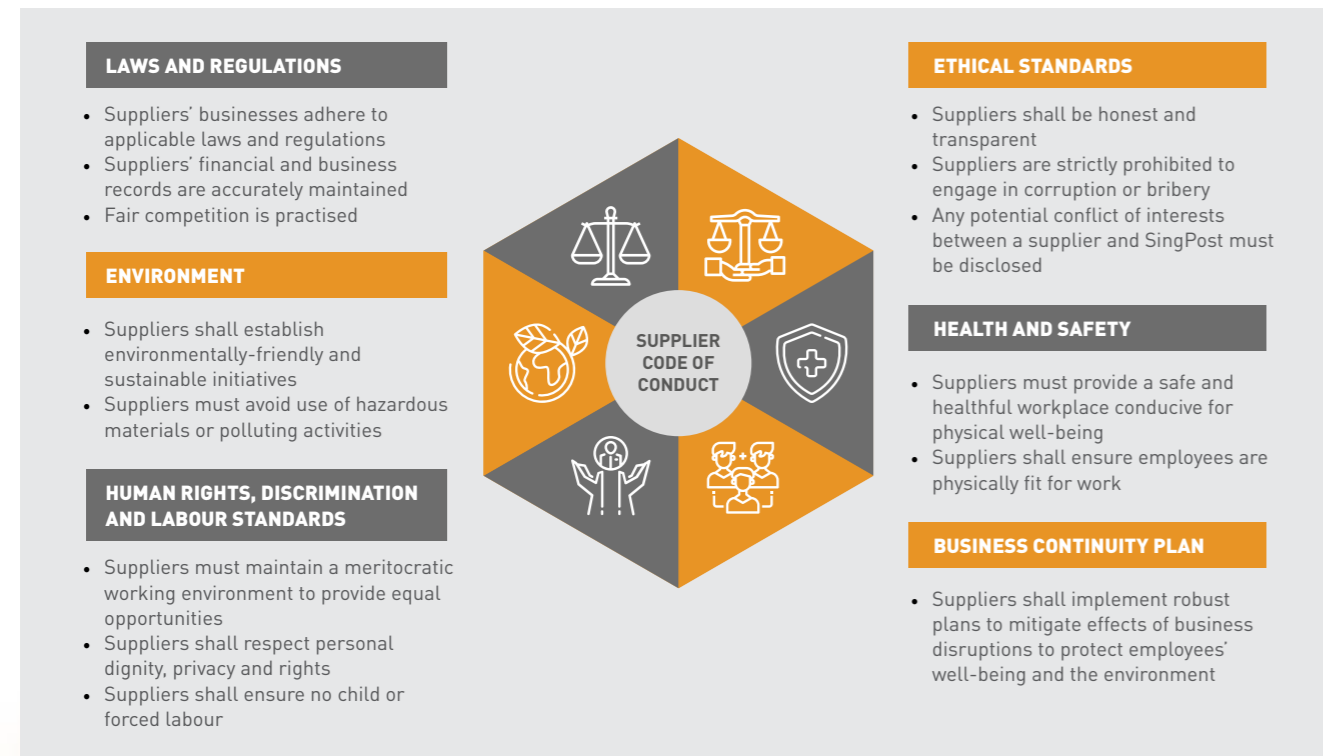
- Able to support operational needs;
- Uphold all regulatory and legal requirements;
- Accountable, transparent and auditable;
- Ethical;
- Environmentally- friendly;
- Able to uphold social responsibility;
- Economically viable;
- Capable of being managed from a risk perspective;
- Capable of being improved continuously, and
- Giving a fair and equitable treatment to vendors who are supplying the goods and services.

The Procurement Policy and Purchasing Manual were reviewed during the period of reporting to keep up to date with procurement's best practices and the postal and supply chain delivery landscape.



WE WORK WITH LIKE-MINDED ENTITIES TO PROPEL THE AGENDA FOR SUSTAINABLE DEVELOPMENT 102-12 102-16 308-1

The Supplier Code of Conduct is an important element of our supplier management approach. The contents of our Supplier Code of Conduct are based on The Ten Principles of the United Nations (“UN”) Global Compact around Human Rights, Labour, Environment and Anti-Corruption. The Supplier Code of Conduct allows our values and principles to be embedded in our supply chain and addresses the following key sustainability agendas:



It is necessary for our suppliers and partners to observe, work towards and adhere to our social and environmental agenda laid out in our Supplier Code of Conduct. As such, when entering into a contract with SingPost and accepting our Conditions of Contract, our suppliers would have been deemed to have accessed and are ready to comply with the Supplier Code of Conduct. Our Conditions of Contract further compels suppliers to comply with and support the provisions of the PDPA.

We have in place a risk-based approach to assess and follow up on selected suppliers' observation of our Supplier Code of Conduct. This approach identifies suppliers operating in industry segments with potential risks, which is especially useful in targeting high-risk suppliers. In general, on-site

assessments conducted in FY2019/20 have confirmed that these suppliers adhere within the limits of our Supplier Code of Conduct and are aware of its importance. In view of our key sustainability agendas, health and safety of human capital is highly prioritised in the suppliers' management of their operating environment. Suppliers have also exemplified their support for environmental protection through sustainable sourcing of raw materials such as the FSC® certified paper, and implementation of soy-based products that substitute traditional petroleum-based products. In FY2019/20, SingPost's procurement team continues to actively explore suppliers who are able to provide alternative energy adoption, such as the use of electric vehicles for delivery.

EVERY DELIVERY COUNTS



Customer Satisfaction 103-1 103-2 103-3

At SingPost, we strive to make every delivery count. Our customers must be more than just satisfied, and we do our utmost to deliver a positive experience in every engagement. From mailing to freight and to enterprise solutions, we go the extra mile and help our customers address their growing needs and concerns.

OUR MANAGEMENT TOOLS

- Customer Experience Framework
- Green Book

OUR CHANGE MAKERS

- Customer Experience Team
- Business units and departments across the whole organisation

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
<p>IMDA regulates SingPost's performance by setting Quality of Service ("QoS") standards for deliveries, and our targets are to meet or exceed these standards.</p> <p>The Company is required to submit quarterly reports regarding its service quality to the IMDA. Monthly letter tests and audits are conducted by appointed independent assessors to measure these service standards and the results are submitted to the IMDA. IMDA announces the results of SingPost's QoS performance each year.</p> <p>SingPost's Postal QoS standards remain one of the most stringent in the world, with delivery standards of 100% for basic letters and registered letters posted by the second working day.</p>	<p>For the period of January to December 2019, SingPost met all QoS standards for the delivery of Local and International Basic Letters, but marginally failed to meet its QoS standard for "100% of Local Registered Letters to be delivered by the second working day" with the late delivery of four registered letters and a case of a misplaced registered letter, all of which occurred largely in the first half of the year before service improvement measures were implemented.</p> <p>SingPost achieved 98.81% in January 2019, and 99.63% in March, May, June and July 2019.</p>
<p>Fleet management system to be implemented in FY2020/21</p>	<p>To be reported in the FY2020/21 sustainability report.</p>



CUSTOMER SATISFACTION

DEVELOPING THE BEST EXPERIENCE FOR OUR CUSTOMERS

In December 2019, the Customer Experience ("CX") team was formed to bring about synergy in the work related to customers' experience, feedback and satisfaction, as well as optimise the resources within SingPost. The CX team consists of four main pillars – Service Quality and Training, Customer Insights, User Experience/Interface, and Service Excellence. With these four main pillars as the foundation of the CX team, the team strives to drive service enhancements via the customer's perspective, working hand-in-hand with our co-drivers from the product, sales, operations and technology business units. With the aim of enhancing products, processes and systems which directly or indirectly contribute to the experience of our customers, SingPost developed our Customer Experience framework comprising the following key aspects:

1. Exploring and understanding customers' experience with SingPost
2. Prioritising the action steps identified
3. Creating and implementing ideas for change
4. Evaluating the effectiveness of implementation

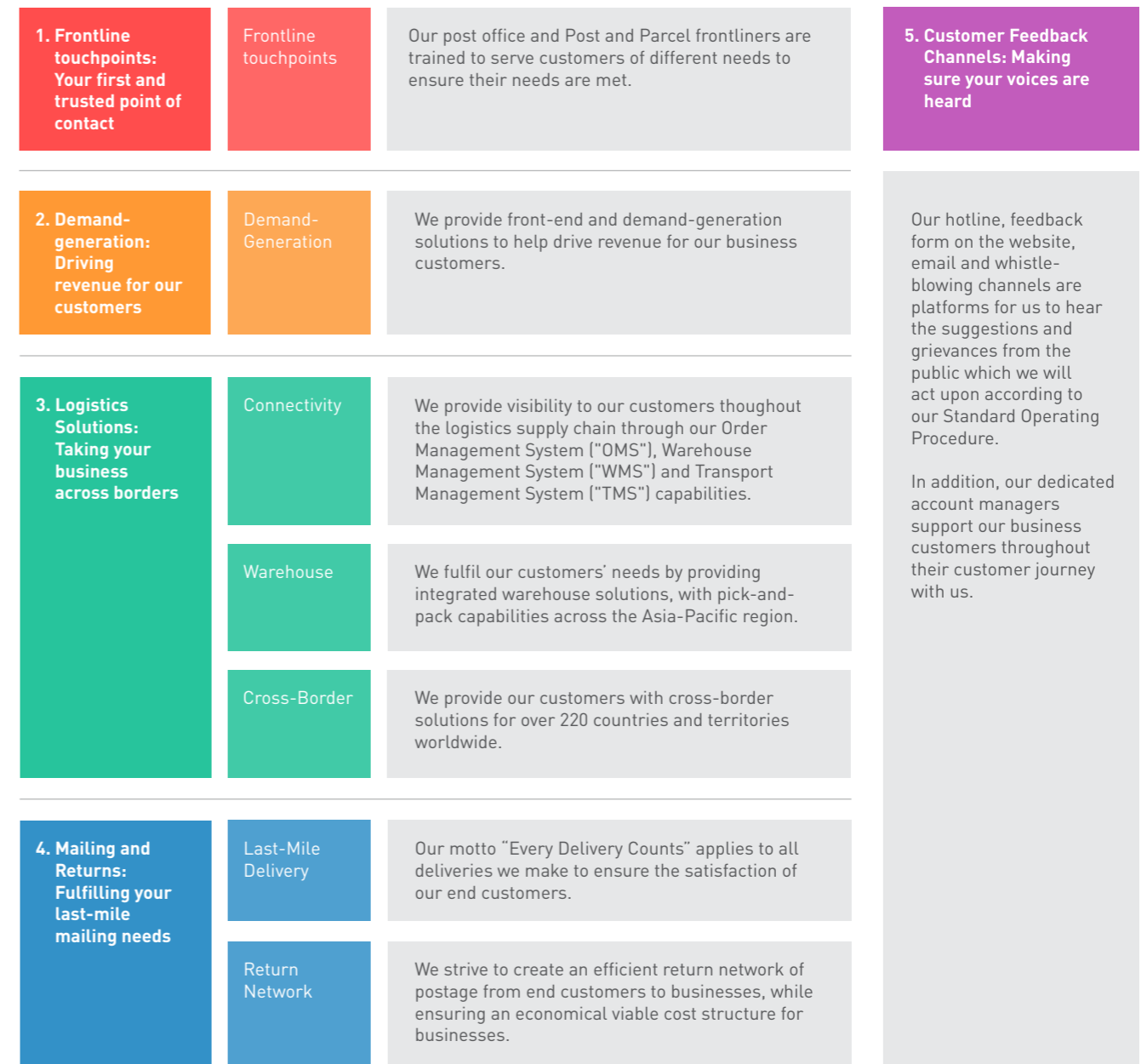
SERVING THE CUSTOMER EACH STEP OF THE WAY

We believe that a commitment to quality service standards is integral to achieving overall customer satisfaction. As the designated Public Postal Licensee in Singapore, we are entrusted with the responsibility to provide top-grade services and meet the Quality of Service standards set by the IMDA.

The SingPost End-to-End Customer Touchpoints diagram illustrates the numerous solutions we provide at each step of the value chain, to cater to the unique needs of every customer. In particular for our eCommerce business, we provide EzyCommerce as an end-to-end solution that integrates the entire process of parcel shipments, storage, fulfillment and delivery on a cloud-based platform for eCommerce customers. Ezy2Ship is our online shipment management system that leverages on SingPost's delivery solutions and streamlines bulk delivery processes. All these solutions allow for increased flexibility and unlimited scale for the business customer, as well as free up time for businesses to focus on their own growth.



SINGPOST END-TO-END CUSTOMER TOUCHPOINTS 102-2



1. Frontline Touchpoints: Your first and trusted point of contact

We have been connecting communities through postal delivery operations since Singapore's founding years.

We have 56 post offices offering over 100 services that cover both postal and non-postal services such as the collection of licenses and passports. Additionally, POPStations (Pick Own Parcel Stations) are installed at 160 locations island-wide with a total of 10,996 lockers to allow for convenient self-collection or returning of parcels. Self-service automated machines ("SAM"), which started as kiosks operating beyond operating hours of our post offices allow individuals to pay bills, fines, top-ups, purchase stamps, weigh packages and more. Today, SAM extends beyond physical kiosks into multi-channels (e.g. web and mobile) to make our services accessible anytime and anywhere.

Customers First is an organisation-wide change management programme that aims for every individual in the company to always be fully committed to our customers. This programme focuses on developing a conscious mindset and behaviour for all employees through various training programmes such that service becomes second nature. For example, a significant number of our service ambassadors and branch managers are able to converse in languages and dialects fluently with elderly, bringing great warmth to the community that we serve every day.

Front-liners in our post offices undergo mandatory training to improve service quality and their professional image, attaining an average of 20 hours per staff annually. They are also required to pass regulatory screenings and background checks under relevant institutions such as the Immigrations and Checkpoints Authority ("ICA"), Official Secrets Act ("OSA"), and the Monetary Authority of Singapore ("MAS").



We also provide our employees with learning opportunities to build on their personal service skillset. Together with the Union of Telecoms Employees of Singapore ("UTES"), we formed a company training council ("CTC") in the Trade and Connectivity sector. This is to enhance the capabilities, knowledge and skillset of postal services employees to better equip them for their roles in the evolving logistics and eCommerce landscape. The commitment was inked with the signing of a Memorandum of Understanding on 13 May 2019 in the presence of Secretary-General of the NTUC Ng Chee Meng. Over the next three years, more than 1,500 frontline postal team members will receive training relevant to their roles, aimed at increasing productivity and service quality through the embrace of technology and adoption of an increasingly customer-centric mindset.



Our Workforce Skills Qualifications ("WSQ") Professional Image and Etiquette for Effective Communications training course is mandatory for our Post Office Network ("PON"), Financial Services ("FS") and Philately front-liners to drive SingPost's overarching objective of strengthening skill-sets, embedding learning mindsets and supporting staff career growth. Employees are assigned online training modules and their progress are tracked. Mandatory online training modules include postal Dangerous Good Regulations ("DGR"), ICA and PDPA.

We work with our service partners to design and curate training topics that inspire, equip and empower our front-liners to elevate their image, etiquette and professional presence from vision to action. Through experiential learning sessions, our employees acquire the skills to present themselves with greater confidence in their day-to-day interactions with our communities. To optimise learning, interactive activities have been planned for every training module and employees' hands-on and e-learning progress are being tracked.



We launched an internal campaign, *Every Delivery Counts*, to instil pride and to develop a service excellence mentality in our staff across our postal operations. We also have in place defined metrics to measure and monitor Net Promoter Score ("NPS") performance for our services. Training roadmaps and development programmes are implemented to upskill our employees' competencies and to enable them to deliver the best service, such as *Powerhour* training workshops, *Leadership Café*, learning events and roadshows, and eLearning Modules on our learning management intranet.

2. Demand-generation: Driving revenue to our customers

SingPost eCommerce provides end-to-end solutions for our business customers to help businesses reach out to a global market. We work on demand-generation, such as admail, digital marketing, tryversting, front-end development and website management, as well as the creation and management of stores on various online platforms.

3. Logistics Solutions: Taking your business across borders

The SingPost Group offers seamless warehousing, fulfilment and shipping solutions both in Singapore and overseas, allowing business customers to take their business across borders. We leverage on OMS, WMS and TMS tools in order to provide visibility for our customers throughout the logistics supply chain.

Internally, we continue to enhance our logistics capabilities. To further enhance the tracking of parcel delivery, SingPost is currently building up a dashboard that allows a holistic view of our end-to-end operations and delivery services, as well as to generate trends, insights and projections on areas critical for planning and forecasting. The dashboard is also designed to measure manpower, equipment, safety incidents, delivery volume and fulfilment, and reviewing of Key Performance Indicators ("KPI"). In addition, we have embarked on our journey in creating a Fleet Management System ("FMS"), a digitalised system that tracks our fleet of vehicles with map visualisation and application support. The FMS is also able to track the total number, condition and exact location of our vehicles, thereby facilitating the optimisation of fleet usage and timely maintenance required.

4. Mailing and Returns: Fulfilling your last-mile mailing needs

SingPost recognises the importance of efficiently managing internal logistics such as manpower, equipment, safety incident(s), delivery volume and fulfilment, and reviewing of KPIs. To measure our delivery performance, our Customer Experience Team works closely with Domestic Post Products Team to identify and evaluate issues faced by our customers. The team then implements systemic changes to capture the root causes, and kickstarts initiatives to close these gaps.

We aim to bring out the best performance in every postman, through an incentive scheme that encourages and rewards our postmen in their daily delivery KPIs. Our 'Postman of the Month' programme aims to recognise exemplary postmen and to motivate good service.

We have increased customer touchpoints throughout the delivery process using digital tools such as the parcel Estimated Time of Arrival ("ETA") software and other scanning applications, so that customers are able to track their deliveries and be informed of their parcel ETA.

5. Customer Feedback Channels: Making sure your voices are heard

In addition to our hotline, feedback forms on our website, email and whistle-blowing channels, we have rolled out the web-chat function and AI chatbot on the corporate website in 2019. Our Customer Service team manages customer service issues and contact centre operations. The team strives to ensure all enquires are attended to and resolved. We follow a workflow procedure catered to respective feedback channels, where we aim to investigate all enquires within the day itself and respond with a solution by the next day, regardless of the enquirer's geographical location.

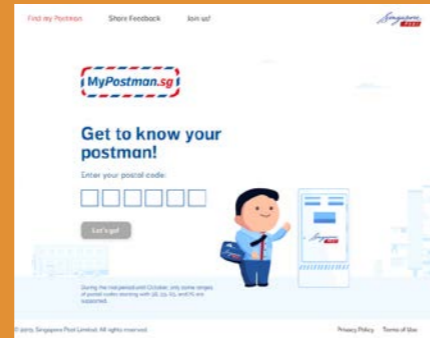
Voice of Customer ("VOC") surveys continue to measure annual business-to-business ("B2B") customer experience over the lifetime of a corporate customer, and monthly business-to-consumer ("B2C") customer experience over a specific event or transaction. We adopt the Net Promoter Score ("NPS") methodology, a customer loyalty metric, as a way of quantification for our VOC surveys, the score of which is reported to the IMDA annually. SingPost has seen stark improvements in this aspect on a yearly basis. Service improvement efforts paid off towards the end of 2019. During the year-end peak season, SingPost delivered 25% more eCommerce items domestically than the preceding year, while achieving significant improvements in NPS for both delivery services and at the post offices. SingPost conducts frequent evaluations across all key customer touchpoints, and information outlining key operational metrics such as postal related issues and SAM machine downtime are consolidated and circulated to management monthly. In the coming years, we will be exploring options that will enhance our service reliance and performance.



KEY ACTIVITIES IN FY2019/20

MyPostman Campaign

The *MyPostman* campaign was launched nationwide in 2019 to encourage Singapore residents to get to know their postmen better, and this is a bid to elevate SingPost's service levels and strengthen the bond between residents and postmen. The concept behind this campaign lends its roots from Singapore's kampong days, where residents were deeply acquainted with their postmen, with whom they interact daily whenever mail was delivered. Over the two-month trial period that covered over 130,000 households served by 80 postmen, about 1,000 ratings were garnered, with an average score of 4.8 stars out of a maximum of 5, given to the postmen.



As part of the campaign, close to 2 million sets of fridge magnets were distributed in phases to every household and business unit across Singapore in 2019. The set of colourful fridge magnets contain information on *MyPostman.sg*, as well as a QR code that users scan using their mobile devices to access the website. On the website, they can key in their postal code to find out which postman is serving their area and can subsequently provide feedback, words of encouragement or rate the service they have received.

This campaign has received positive feedback from the residents, who have helped in boosting the morale of our workforce and bolster the pride they take in being part of the Singapore postal workforce. With the aim of humanising the postal service, we have fostered a community spirit and heightened the community's appreciation for our postmen.

Cai Niao – Best Partner in Customer Service 'Double-11' Award 2019

We are pleased to have clinched the *Best Partner in Customer Service 'Double-11'* Award by Alibaba Cai Niao, for the second time in a row. This award recognises Alibaba's Best Customer Service partners based on a set of stringent customer service criteria, such as the quality of responses, on-time replies and resolution rate. With this, we strive to continue to meet these standards and deliver good customer experience.

Excellence Service Awards ("EXSA") 2019

SingPost frontline staff members have once again won the annual national award organised by the Association of Singapore Attractions and Enterprise Singapore. In 2019, a total of 18 post office team members received the EXSA Star awards, which is EXSA's highest award category.



DELIVERING VALUE TO OUR COMMUNITIES



Community Investment

As SingPost seeks to be a good steward of our postal heritage and uplift the well-being of the disadvantaged in the community, we remain committed to the communities that we operate in. Beyond efforts that uphold the brand and perception of SingPost, we strive to bring improvement to the lives of disadvantaged individuals and families through mobilising our people, leveraging our competencies and fostering collaborations to bring about sustainable and positive outcomes.

OUR CHANGE MAKERS

- Group Brand and Communications

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
1 major charity campaign or initiative each year	We launched <i>Blessings in a Box</i> , a box-recycling campaign that allows recipients of special boxes to donate health essentials to needy seniors.



COMMUNITY INVESTMENT

Having served the Singapore community for over 160 years, we are thankful for every opportunity we have in reaching out to the public. Our initiatives aim to support causes that are able to create shared value for our community, our people and the Company. Our community investment policy focuses on three strategic pillars that reflect our values and expertise – Preserving Heritage, Environmental Stewardship and Community Support. For more information on Environmental Stewardship, please refer to Page 12 of this report.

PRESERVING OUR HERITAGE

With over 160 years of history, we have a responsibility to preserve Singapore’s postal heritage for future generations even as we embrace innovation and transform our businesses for the digital age. SingPost is a long-time partner and supporter of the Singapore Philatelic Museum, funding heritage preservation and public education programmes since 1995.



We make use of national stamp launches to celebrate historical events and shared memories of yesteryear. In 2019, we celebrated the Singapore Bicentennial, which marks the 200th anniversary of Sir Stamford Raffles’ arrival in Singapore. The Singapore Bicentennial stamp issue was released on 22 June 2019. Designed by Singaporean animator and illustrator Lim An-Ling, the stamp set features a tapestry of Singapore’s rich and varied history, tracking Singapore’s story from settlement to nationhood, before ending with a vision of Singapore’s future.



In addition, the 2019 National Day Parade was a special one for SingPost, as it included a segment featuring organisations from the 1800s that contributed to the founding years of Singapore. The organising committee for “Our Bicentennial” segment of the parade featured eight floats, including one for SingPost. The vibrant SingPost float showcased various aspects of the company in its early days, giving parade-goers a glimpse into our past through mock-ups of a colonial letterbox, a mail ship and the old General Post Office. Our long-serving staff members Sim Boon Soo, Raja Aishah Raja Ariffin, Abdul Rahuman Mohd Ismail, Nancy Choo and Cynthia Low also represented SingPost during the parade, dressed in historical postal uniforms.

SUPPORTING OUR COMMUNITIES

SingPost invests resources to drive initiatives that support and improve the well-being of our communities.

SingPost shows appreciation especially to the generation who had built our Nation by looking out for the elderly while making deliveries and encourages the donation of health essentials to vulnerable seniors. We work with other corporates to deliver food to families in need as well.

We continuously engage our community partners for feedback of our initiatives so that we can keep them relevant and bring greater value to our communities. Feedback forms are provided after the various community events. We also hold annual volunteer appreciation gatherings to build

camaraderie among volunteers, recognise their efforts and obtain feedback. We record output data of our initiatives in order to track our performance. For example, the frequencies and length of visits made by our postmen for the *Postman Home Visit* initiative as well as the food saved for the Food Distribution initiative, are all recorded.

On top of these, SingPost also works with partners on cash and in-kind sponsorships, donations, fund raising and other activities where we can render support to the community. We have been a partner of Community Chest’s employee payroll donation matching programme, SHARE, since 2004, and contributed over S\$10,000 towards the programme for FY2019/20. SingPost has also

been a major corporate sponsor of the Singapore Philatelic Museum since 1995. We too continue to support the annual UTES – U Care Bursary awards, contributing S\$80,000 towards bursaries for 289 children, including 110 children of our employees. In a collaboration with Mercy Relief, SingPost places donation tins in our post offices for public donations. Our support for Mercy Relief over the financial year saw a contribution of over \$17,000. Other forms of support that SingPost provides to partners and charity organisations include stamp and venue sponsorships for our community partners’ events.



PROGRAMME SILVER

FY2019/20 marks the second year of *Programme Silver* – a community-support programme we launched in FY2018/19 that addresses issues arising from Singapore's ageing population. Currently, the programme consists of the *Postman Home Visit Initiative*, technology-related workshops for seniors and dementia awareness training for our postmen. The *Postman Home Visits* and *Seniors for Smart Nation* courses were temporarily stopped in March 2020 amid the coronavirus outbreak.

Postman Home Visit Initiative

In collaboration with social welfare organisations, postmen volunteers visit vulnerable or isolated elderly residing within their mail delivery beats¹³ weekly. Training is provided for the postmen prior to home visits. During their house calls, they make simple observations about the elderly, and fill in a checklist for the relevant social service agency servicing the area for them to understand the seniors' mental and physical well-being. Over time, they befriend them such that issues can be addressed quickly.



Technology-related Workshops for Seniors

In partnership with People's Association, we conducted workshops quarterly under PA's *Seniors for Smart Nation* programme for the second year. Led by SingPost staff volunteers, these workshops are aimed at helping seniors navigate new technologies and services at our new-generation Smart Post Offices to facilitate a more hassle-free process. Besides teaching them how to perform postal and bill payment services on self-service automated machine ("SAM") kiosks, the workshops also teach them how to deliver or collect parcels using the POPStation, as well as how to recycle e-waste.



Dementia Awareness Training

Locally, one in 10 people aged 60 and above may have dementia¹⁴. Hence, dementia awareness training sessions are conducted for our frontline postal teams to equip them with the practical know-how to assist those who suffer from dementia or are lost in their neighbourhoods. This complements the *Postman Home Visit Initiative*, as elderly beneficiaries diagnosed with dementia are often more vulnerable and therefore require greater care and companionship.

¹³A postman's beat consists of the blocks of flats, as well as residential, commercial and/or industrial units that he delivers mail to.
¹⁴Well-being of the Singapore Elderly ("WiSE") study led by the Institute of Mental Health, 2015.

KEY ACTIVITIES IN FY2019/20

Food Distribution Initiative

Our Food Distribution Initiative, which has been running for 11 years, taps on our delivery network to distribute unsold food from bakeries and hotels, to collection centres for seniors and families in need. In FY2019/20, the fleet collected and delivered approximately 20,640 buns and loaves of bread valued at an estimated \$40,450. This helped to reduce food wastage and supported about 420 families weekly.



Blessings in a Box

Blessings come in many forms, and one of the most important is that of good health. Financial constraints can hinder some seniors in Singapore from taking care of their health. Some of them may even have a lack of basic health essentials such as plasters, thermometers and toothpaste.

From November 2019 to January 2020, SingPost collaborated with TOUCH Community Services, Shopee and Saturday Club to launch *Blessings in a Box*. Through this initiative, we introduced a specially designed delivery box that can be reused by customers to donate health-related items to vulnerable seniors through TOUCH Community Services. Customers who receive their online purchases in these boxes can donate these items by packing them into the same box and dropping them off at POPStations for free. They were then delivered to TOUCH Community Services for distribution to the elderly.

A limited number of these boxes were also sold at selected post offices for the general public. Besides the free processing and delivery, for every *Blessings in a Box* sold, SingPost donated \$1 to TOUCH Community Services to aid vulnerable seniors under their care. In total, we received close to 200 boxes of donations.



SingPost Community Day

We collaborated with TOUCH Community Services to purchase, pack and distribute Care Packages for vulnerable elderly living in rental flats in Geylang Bahru. 81 staff and family members came together on 6 September 2019 to pack 450 Care Packages consisting of daily household essentials such as food, cooking tissue and cleaning items. In total, we contributed over \$10,000 for the packages, including over \$3,000 raised through a staff donation drive.

SINGPOST'S RESPONSE TO COVID-19

STANDING IN SOLIDARITY WITH OUR STAKEHOLDERS DURING THE PANDEMIC



As the pandemic unfolds, and people are kept physically distanced from each other, we understand how important it is for us to stay close to our loved ones. We have a responsibility to Singapore and our customers through our postal network, to ensure that mail and parcels keep moving – within Singapore and across the world. SingPost continues to connect communities during this trying period, and to lend a hand to those in need by collaborating on initiatives with various organisations.

Some of these efforts include the distribution of pamphlets for the collection of hand sanitisers to households under the *Temasek Foundation's BYOBclean* initiative, as well as the shipping of donated items to the families

of three migrant workers in Bangladesh and India together with *ItsRainingRaincoats*, a community initiative for migrant workers in Singapore. SingPost also collaborated with People's Association on their *Mask Sewn with Love* initiative, where members of the public placed their hand-woven masks into blank envelopes with the initiative's name and place them in any posting box islandwide. Postage fees were not only waived but storage and delivery of the masks as well.

SingPost also delivers medicines and other medical supplies for the National University Hospital as well as Geylang, Toa Payoh and Hougang Polyclinics. With our cold-chain capabilities such as cold rooms and temperature-

controlled ice boxes, we hope this initiative not only gives patients a peace of mind while still getting their medication on time, but also alleviates the load of our frontline healthcare workers.



TRANSFORMATIONAL GROWTH

We care about the distribution of sustainable economic value and the important role we play in transforming the markets we operate in

At SingPost, we see the importance of building an efficient and all-rounded postal service for the community. We recognise the ever-changing business landscape and challenges that come along with it. In sustaining long-term value creation to the people and communities we serve, we must innovate to provide us with a competitive edge as well as better products and services to meet customer expectations.

ESG MATTERS IN THIS PILLAR



Product and Service Innovation

35

NEW POINT OF SALES ("POS") COUNTERS ACROSS OUR POST OFFICES

Launched

NEW CONCEPT POST OFFICE, TAMPINES CENTRAL POST OFFICE @TELEPARK

Unveiled

SMART LETTERBOX PROTOTYPE TO IMPROVE THE EFFICIENCY OF MAIL DELIVERY



THE FUTURE OF POST



Product and Service Innovation

103-1 103-2 103-3

Innovation is at the heart of SingPost’s transformation strategy as we enhance our adaptability and resilience in the face of a changing business landscape. We believe that innovation will boost productivity and efficiency within the organisation and bring about quality enhancements to our products and services.

OUR CHANGE MAKERS

- Digital team
- Product and innovation teams across business units

OUR TARGETS

Perpetual Target	FY2019/20 Progress and Performance
Continue to improve, explore and launch new initiatives in our product and service offerings	New-generation SAM omnichannel platforms; shipping supplies and philatelic product vending machines at post offices; Conceptualisation of Smart Letterbox and Smart Stamp as first steps of SingPost’s Future of Post vision; On Demand Delivery (“ODD”) and Parcel Estimated Time of Arrival (“ETA”) services were launched to improve our product and service offerings.



PRODUCT AND SERVICE INNOVATION

HARNESSING THE POWER OF TECHNOLOGY TO CREATE AN UNPARALLELED CUSTOMER EXPERIENCE

SingPost has significantly developed its eCommerce logistics offerings locally and regionally by developing new packaging products and solutions in response to the burgeoning eCommerce demand today. We have developed a state-of-the-art, fully automated parcel sorting and warehousing facility, fully equipped with mail-sorting equipment, at our Regional eCommerce Logistics Hub.

We also continually upgrade our post offices and self-service automated machines to offer better customer experience, and the POPStation network of smart parcel lockers was also rolled out throughout Singapore over the last few years. This year, we increased the number new Point of Sales (“POS”) counters across our post offices in Singapore by 35 to reduce customer waiting time. Vending machines for packaging and philately products have been introduced in Smart Post Offices. In addition, we have successfully completed the implementation of our new SAM Omnichannel Platform project (please refer to the Key Activities section on following page for more information).

For package deliveries, the Tracked Package service was introduced based on customer feedback reflecting that tracking capabilities and direct letterbox deliveries were preferred over doorstep deliveries that require signoffs. This service offers delivery progress tracking and notifications to update recipients on their package deliveries.

In addition, we re-aligned our service and product offerings in the area of eCommerce logistics. Our logistics and fulfilment business, Quantum Solutions, continues to be transformed with strong emphasis placed on revenue growth. We restructured the business, implemented a culture change programme with a customer-first ethos, and re-aligned the product-and-service portfolio with increased emphasis on simplification and sales, offering clearly differentiated products. Processes were also re-engineered to optimise cross-border networks.

SingPost regularly evaluates the effectiveness of our new initiatives by monitoring indicators such as service levels, system responsiveness and customer satisfaction. We aim to continue improving our product and service offerings on a regular basis.

INTEGRATING STATE-OF-THE-ART INNOVATION IN OUR OPERATIONS

SingPost aims to build on the reliable and affordable postal services we have provided Singapore for more than 160 years by introducing innovations that support our transformational journey to becoming a leading regional eCommerce hub. SmartPost is our suite of technological solutions aimed at digitalising Singapore’s postal operations, in order to raise postal service quality and enhance operational efficiency.

Under the initiative, the amalgamation of near-field communication (“NFC”), radio frequency identification (“RFID”) and mobile application technologies enable the tracking of packages. The system also enhances collection of detailed operational and productivity data, so as to generate insights for better optimisation of delivery operations. In addition, we have in place the Last-Mile Platform (“LaMP”), a first-of-its-kind technology that consolidates various last-mile delivery services, such as courier services, parcel lockers and brick-and-mortar collection points onto a single platform. This brings together retailers and logistics providers to create open eCommerce ecosystems that offer businesses unparalleled control and flexibility with their parcel deliveries.



KEY ACTIVITIES IN FY2019/20

SAM Omnichannel Platform

SAM started as kiosks to give customers self-service options for services ranging from the payment of bills and fines, purchasing of stamps, weighing of packages, beyond the operating hours of our post offices. Today, SAM extends beyond conventional kiosks to multi-channel platforms including web and mobile to bring our services even closer and more accessible to customers anytime and anywhere. We are also implementing the iSAM – a new and more user-friendly Point of Sales (“POS”) terminal across our post offices for customers to perform transactions more quickly and efficiently, and thereby improve customer experience.



Tampines Central Post Office @Telepark

With the move of the Tampines Central Post Office to its new home, we showcased the new concept Tampines Post Office @Telepark, which offers a refreshing postal experience for web savvy customers, eCommerce shoppers and traditional mail users. This new concept post office features a Philatelic Store, 24/7 auto lobby, café, SAM kiosks, POPStation as well as local snacks kiosk. A queue management system has been implemented to minimise queuing time - customers will receive an SMS notification to prompt their turn at the post office. On 28 February 2020, we were honoured to have Senior Minister of State, Ms Sim Ann, grace the official opening of our newest post office at Tampines Telepark.



Smart Letterbox Prototype

In September 2019, we unveiled a smart letterbox delivery system prototype, which aims to improve the efficiency of mail delivery. The system can sort mail by households in an apartment block. It also allows mail recipients in Singapore to track their mail items at every stage of their journey, receive notifications when they arrive, and retrieve them from a storage unit using facial recognition and other forms of authentication. The innovations, which are world firsts, are part of SingPost’s Future of Post transformational strategy to meet the needs of a changing postal landscape.



APPENDICES

ENERGY AND GHG EMISSIONS METHODOLOGY

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ENERGY CONSUMPTION WITHIN SINGPOST

Total energy consumption within SingPost, reported by segments (i.e. Post & Parcel, Logistics, Others)

- **Fuel consumption:** Total fuel consumption within SingPost, expressed in joules or multiples. This includes motor gasoline and diesel oil used for vehicles and equipment owned or under SingPost's operational control, and excludes subcontractors' operations.
- **Electricity consumption:** Total electricity consumption within SingPost, expressed in watt-hours, joules or multiples. This includes electricity used for leased spaces and properties owned or under SingPost's operational control, and excludes tenant space.

The following presents the scope and boundaries across the financial years for both fuel and electricity consumption:

	FY2017/18	FY2018/19	FY2019/20
Post & Parcel	Airmail Transit Centre		
	Mail deliveries		
	Post Offices (56)* *Excluding General Post Office.	Post Offices (56)* *Excluding General Post Office. Temporary closure of Thomson Post Office due to renovation works in Q4.	Post Offices (55)* *Excluding General Post Office.
	Regional Delivery Bases (7)		
	SingPost Centre (partial operations)* • Corporate Headquarters • Data Centre • Mail Processing Centre • Delivery Base • General Post Office *Partial commencement of operations at SingPost Centre.	SingPost Centre • Corporate Headquarters • Data Centre • Mail Processing Centre • Delivery Base • General Post Office	
	SP Parcels activities and locations* *In FY2018/19, SP Parcels was moved from the Logistics segment to the Post & Parcel segment. This was reclassified for FY2017/18 for better comparability in this report.		
Logistics	SingPost Regional eCommerce Logistics Hub		
	FPS Global Logistics activities and locations (3)		
	Quantum Solutions activities and locations (2)* • Regional eCommerce Logistics Hub • 70 ALPS Avenue *Excluding Airmail Transit Centre.	Quantum Solutions activities and locations (3)* • Regional eCommerce Logistics Hub • 70 ALPS Avenue** • 20 Gul Way*** *Excluding Airmail Transit Centre. **Closure of operations at 70 ALPS Avenue in Q3. ***Commencement of operations at 20 Gul Way in Q1.	Quantum Solutions activities and locations (2)* • Regional eCommerce Logistics Hub • 20 Gul Way *Excluding Airmail Transit Centre.
	Lock + Store activities and locations (13)		
Others	Group Technology Offsites (2)		
	Properties Leased Out (2)		

GREENHOUSE GAS ("GHG") EMISSIONS

Greenhouse gas ("GHG") refers to gas that contributes to the greenhouse effect by absorbing infrared radiation. SingPost adopts the use of the GHG Protocol Corporate Accounting and Reporting Standard and accounts for its direct (Scope 1) and energy indirect (Scope 2) GHG emissions using the operational control criteria.

- **Direct (Scope 1) GHG emissions:** GHG emissions from combustion of fuel used for vehicles and equipment owned or under SingPost's operational control. Carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) were included in the GHG emissions calculation and expressed in carbon dioxide equivalents (CO₂e).

GHG emissions were calculated using the default emissions factors from the 2006 Intergovernmental Panel on Climate Change ("IPCC") Guidelines for National Greenhouse Gas Inventories and the respective global warming potential ("GWP") on a 100-year time horizon from the 2014 IPCC Fifth Assessment Report.

Emissions Source	Emissions Factor	Unit	References
Motor Gasoline	70.92	tonnes CO ₂ e/TJ	2006 IPCC Guidelines for National Greenhouse Gas Inventories 2014 IPCC Fifth Assessment Report (AR5)
Gas/Diesel Oil	75.24	tonnes CO ₂ e/TJ	2006 IPCC Guidelines for National Greenhouse Gas Inventories 2014 IPCC Fifth Assessment Report (AR5)

Note: Restatements were made for FY2017/18 and FY2018/19 data for greater accuracy based on the aforementioned emissions factors used.

- **Energy indirect (Scope 2) GHG emissions:** GHG emissions that result from the generation of purchased electricity used for offices and buildings owned or under SingPost's operational control, and excludes tenant space. Carbon dioxide (CO₂) is included in the GHG emissions calculation.

GHG emissions were calculated using the grid emissions factors ("GEF") sourced from the Singapore Energy Statistics, the Energy Market Authority's ("EMA") annual publication on energy statistics in Singapore.

Emissions Source	SingPost's Reporting Year	Emissions Factor	Unit	References
Electricity Generation (Singapore Grid)	FY2017/18	0.4237	kgCO ₂ /kWh	EMA, Singapore GEF 2016
	FY2018/19	0.4192	kgCO ₂ /kWh	EMA, Singapore GEF 2017
	FY2019/20	0.4188	kgCO ₂ /kWh	EMA, Singapore GEF 2018

EMA's methodologies for the compilation of the GEF are based on the United Nations Framework Convention on Climate Change ("UNFCCC") Clean Development Mechanism ("CDM") Methodological Tool. The GEF measures the average CO₂ emissions emitted per unit net electricity generated. It is calculated using the Average Operating Margin ("OM") method, the generation-weighted average CO₂ emissions per unit of net electricity generation of all generating power plants serving the electricity grid. (Source: EMA)

Note: Restatements were made for FY2017/18 and FY2018/19 data for greater accuracy based on the aforementioned emissions factors used. With data availability, FY2018/19 data was also restated to include an additional property which commenced operations in 2018.

GRI CONTENT INDEX 102-55

The GRI Content Index summarises the GRI Standards Disclosures mapped across our material ESG topics. References are also provided to direct readers to the key pages within this Sustainability Report and SingPost's Annual Report FY2019/20, which can be found on the SingPost website at <https://www.singpost.com/about-us/investor-relations/annual-reports>. The full GRI Standards is available on the GRI website at <https://www.globalreporting.org/standards>.

Legend : **AR:** SingPost Annual Report FY2019/20 **SR:** SingPost Sustainability Report FY2019/20 **W:** SingPost Corporate Website

GENERAL DISCLOSURES

GRI Standards	GRI Standards Disclosures	Responses and/or References	Identified Omissions and Reasons for Omissions	
GRI 102 (2016): General Disclosures	Organisational Profile			
	102-1	Name of the organisation	Singapore Post Limited	-
	102-2	Activities, brands, products, and services	AR: 18-26, 209, 215-221 SR: 6 W: Our Businesses	-
	102-3	Location of headquarters	Singapore	-
	102-4	Location of operations	AR: 214-221	-
	102-5	Ownership and legal form	AR: 29, 179-185, 236-237 SR: 6	-
	102-6	Markets served	AR: 214-221	-
	102-7	Scale of the organisation	AR: 38-39 SR: 25 W: Business Solutions	-
	102-8	Information on employees and other workers	SR: 25	-
	102-9	Supply chain	SR: 40-42	-
	102-10	Significant changes to the organisation and its supply chain	AR: 8-11, 18-26, 34-37, 147-150, 155-159 SR: 4, 36-37	-
	102-11	Precautionary Principle or approach	AR: 50-52, 64-66, 81-88 SR: 32, 35-37	-
	102-12	External initiatives	AR: 73-80 SR: 23, 42	-
	102-13	Membership of associations	AR: 73-80	-
	Strategy			
	102-14	Statement from senior decision-maker	AR: 8-11 SR: 4	-
	Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	SR: 29-30, 42	-	
102-17	Mechanisms for advice and concerns about ethics	AR: 68 SR: 30 W: Whistleblowing	-	

GRI Standards	GRI Standards Disclosures	Responses and/or References	Identified Omissions and Reasons for Omissions	
GRI 102 (2016): General Disclosures	Governance			
	102-18	Governance structure	AR: 50-53, 82-83 SR: 7	-
	102-19	Delegating authority	AR: 48-53, 64-69, 82-83 SR: 7	-
	102-20	Executive-level responsibility for economic, environmental and social topics	SR: 7	-
	102-22	Composition of the highest governance body and its committees	AR: 14-17, 50-53, 224-235	-
	102-23	Chair of the highest governance body	AR: 14, 56-58	-
	102-24	Nominating and selecting the highest governance body	AR: 59-61	-
	102-25	Conflicts of interest	AR: 49, 53-61, 68, 224-235	-
	102-26	Role of the highest governance body in setting purpose, values, and strategy	AR: 48-53 SR: 7	-
	102-27	Collective knowledge of highest governance body	AR: 55	-
	102-28	Evaluating the highest governance body's performance	AR: 53, 59-61	-
	102-30	Effectiveness of risk management processes	AR: 48-53, 64-66, 82-83	-
	102-32	Highest governance body's role in sustainability reporting	SR: 7	-
	102-35	Remuneration policies	AR: 52, 61-64, 96-100	-
	102-36	Process for determining remuneration	AR: 52, 61-64, 96-100	-
	Stakeholder Engagement			
	102-40	List of stakeholder groups	AR: 73-78 SR: 8	-
	102-41	Collective bargaining agreements	Approximately 53% of our staff are covered by collective bargaining agreement.	-
	102-42	Identifying and selecting stakeholders	AR: 73-78 SR: 8	-
	102-43	Approach to stakeholder engagement	AR: 73-78 SR: 8	-
	102-44	Key topics and concerns raised	AR: 73-78 SR: 8	-
	Reporting Practice			
	102-45	Entities included in the consolidated financial statements	AR: 215-221	-
	102-46	Defining report content and topic boundaries	AR: 73-78 SR: 8-9, 64-65	-
	102-47	List of material topics	SR: 9	-
	102-48	Restatements of information	SR: 17, 64-65	-
	102-49	Changes in reporting	SR: 64-65	-
	102-50	Reporting period	SR: 6	-
	102-51	Date of most recent report	SR: 6	-
	102-52	Reporting cycle	SR: 6	-
	102-53	Contact point for questions regarding the report	SR: 6	-
	102-54	Claims of reporting in accordance with the GRI Standards	SR: 6	-
	102-55	GRI content index	SR: 66-69	-
	102-56	External assurance	SR: 6	-

TOPIC-SPECIFIC DISCLOSURES

GRI Standards	GRI Standards Disclosures		Responses and/or References	Identified Omissions and Reasons for Omissions
Material Matter: Energy Consumption and Associated Greenhouse Gas Emissions				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 14-19, 64-65	-
	103-2	The management approach and its components	SR: 14-19, 64-65	-
	103-3	Evaluation of the management approach	SR: 14-19, 64-65	-
GRI 302 (2016): Energy	302-1	Energy consumption within the organisation	SR: 17, 64-65	-
GRI 305 (2016): Emissions	305-1	Direct (Scope 1) GHG emissions	SR: 17-18, 64-65	-
	305-2	Energy indirect (Scope 2) GHG emissions	SR: 17, 19, 64-65	-
Material Matter: Compliance with Laws and Regulations				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 26-28	-
	103-2	The management approach and its components	SR: 26-28	-
	103-3	Evaluation of the management approach	SR: 26-28	-
GRI 307 (2016): Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	SR: 26	-
GRI 416 (2016): Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SR: 26	-
GRI 417 (2016): Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	SR: 26	-
	417-3	Incidents of non-compliance concerning marketing communications	SR: 26	-
GRI 419 (2016): Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	SR: 26	-
Material Matter: Ethics, Anti-bribery and Corruption				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 26	-
	103-2	The management approach and its components	SR: 26	-
	103-3	Evaluation of the management approach	SR: 26	-
GRI 205 (2016): Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	SR: 26	-
	205-3	Confirmed incidents of corruption and actions taken	SR: 26	-

GRI Standards	GRI Standards Disclosures		Responses and/or References	Identified Omissions and Reasons for Omissions
Material Matter: Data Security and Privacy				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 31-33	-
	103-2	The management approach and its components	SR: 31-33	-
	103-3	Evaluation of the management approach	SR: 31-33	-
GRI 418 (2016): Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR: 31	-
Material Matter: Business Continuity Planning				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its Boundary	SR: 34-37	-
	103-2	The management approach and its components	SR: 34-37	-
	103-3	Evaluation of the management approach	SR: 34-37	-
Material Matter: Responsible Supply Chain				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 40-42	-
	103-2	The management approach and its components	SR: 40-42	-
	103-3	Evaluation of the management approach	SR: 40-42	-
GRI 308 (2016): Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	SR: 42	-
GRI 414 (2016): Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	SR: 42	-
Material Matter: Customer Satisfaction				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 43-50	-
	103-2	The management approach and its components	SR: 43-50	-
	103-3	Evaluation of the management approach	SR: 43-50	-
Material Matter: Product and Service Innovation				
GRI 103 (2016): Management Approach	103-1	Explanation of the material topic and its boundary	SR: 60-63	-
	103-2	The management approach and its components	SR: 60-63	-
	103-3	Evaluation of the management approach	SR: 60-63	-



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