

SINGAPORE
BUSINESS UNIT

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Dedicated
Shipping



and Returns
Counter

apore

The Singapore economy grew by 1.1% in 2023, easing from the 3.8% expansion in 2022⁹, with all sectors except for the manufacturing sector recording full-year expansions. Against this economic environment, SingPost faced challenges due to global economic uncertainty and geopolitical tensions that disrupted the supply chain in FY2023/24.

SingPost's Singapore business unit (Singapore) identified areas for growth, innovation and transformation. In particular, the positive trends in the eCommerce logistics business opens opportunities for growth. Additionally, SingPost worked with the regulator Infocomm Media Development Authority (IMDA) to conduct a review on the commercial viability of the domestic postal business and executed initial measures to increase postage rates in Q3 FY2023/24.

Transforming Urban Logistics and Deliveries in Singapore

The Singapore business unit continued to lead innovation, best-in-class service quality, and reliability. We continued our market leadership in domestic daily postal deliveries on our extensive network to every household and address in the country. Additionally, Singapore is complementing this unmatched expertise with innovative solutions for business clients.

Investment and innovation in the domestic urban logistics landscape are key priorities as eCommerce logistics continue to grow while letter mail volumes decline. Singapore aims to be a cost-efficient, high-quality, and low-carbon service provider for deliveries to meet evolving demands. An initiative aligned with these goals was the innovative solution, POPStops, which consists of dedicated counters in 52 post offices to support the rising eCommerce delivery.

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The introduction of POPStop marks a transformative milestone in redefining the last-mile delivery journey, empowering customers with enhanced convenience and flexibility in parcel handling.

A highly convenient parcel drop-off and return service, each POPStop counter is staffed by knowledgeable service ambassadors to provide customers with the personal touch. During the peak period from October to December 2023, Singapore set up a pop-up POPStop at Sim Lim Square, to support high volumes of deliveries.

The positive market reception to these POPStops motivated Singapore to further enhance our urban logistics with the launch of the first-of-its-kind POPStop featuring an AI assistant in a high-footfall location, an MRT station. This new POPStop served to elevate customer interactions while providing a highly convenient drop-off option for sellers, catering to Singapore's burgeoning eCommerce landscape.

With a forecasted eCommerce market growth rate exceeding 10% annually¹⁰, Singapore seeks to strengthen our position in multiple ways, including enhanced skills and capabilities training with industry-leading partners and delivering advanced solutions to further the depth of its network. SingPost continues to shape the future of urban logistics while maintaining the sustainability of postal services through critical initiatives.

Adjustments for the Long-Term Sustainability of Post

In the prior fiscal year, the domestic postal business reported an operating loss of S\$11 million, mainly attributable to the post office network sub-segment, which incurred a significant loss of S\$21 million. Against the operational challenges, the profitability of the delivery business, which generated close to S\$10 million in profit last year, was insufficient to offset the losses. The accelerated contraction in letter mail volume further exacerbated the financial strain on the postal services division.

In October 2023, the Singapore business undertook a crucial step towards ensuring the long-term sustainability of our delivery services by adjusting domestic service prices. The last significant rate increment was nine years ago in 2014. The increased rate is aligned with the increasing operational cost while we work on a sustainable model to maintain high-quality postal services and grow our eCommerce business.

The adjustments simplified the postage rate structure, eliminated weight criteria and increased user-friendliness. We also launched the pre-paid labels, enabling fully tracked deliveries. With the adjustments, local customers can enjoy effortless postage calculation with streamlined postage categories, and enhanced customer service experiences.

Overall, this strategic move successfully enabled the domestic postal delivery service to regain stability and improve the efficiency of our postal operations. However, the network of post offices remains challenging. Moving forward, Singapore will undergo a postal review and has plans to implement initiatives for domestic infrastructure optimisation, to enable long-term commercial viability.

¹⁰ <https://www.statista.com/outlook/emo/e-commerce/singapore>

Capturing Opportunities in eCommerce Logistics

On 3 October 2023, Singapore announced a partnership with SHEIN in which SingPost will deliver end-to-end eCommerce logistics services for the global fashion and lifestyle marketplace leader's Singapore operations. Through this partnership, which leverages SingPost's expertise as a leader in eCommerce logistics in Singapore, SHEIN's fulfilment operations will be streamlined, significantly enhancing speed and responsiveness to customer needs, thereby elevating overall satisfaction levels.

SingPost will enhance SHEIN's business with comprehensive eCommerce logistics services, encompassing customs clearance, last-mile fulfilment, and returns management. In addition to doorstep deliveries, SHEIN customers will benefit from enhanced convenience through out-of-home deliveries to letterboxes and collection points as well as access to SingPost's urban logistics network, including POPStation for product returns.

This collaboration is a win-win partnership as SHEIN will gain valuable insights into the local market landscape, including customer preferences, thereby enabling it to tailor its services to the specific needs of its Singapore-based customers. It will also boost SingPost's reach in the fashion and lifestyle business sector, empowering more businesses and brands to build their growth with our seamless eCommerce logistics service offerings in Singapore while driving greater adoption of letterbox deliveries for convenience, security, and a greener last-mile option.



Enhancing Cross-Border Services Through Partnership

SingPost announced a memorandum of understanding (MOU) with FedEx Express (FedEx) to trial the acceptance of FedEx parcels at post offices in FY2023/24. This initiative aims to enhance operational efficiencies and elevate the customer experience by providing additional drop-off locations for cross-border shipments.

In the trial facilitated by POPStop, a dedicated facility for eCommerce parcel-related transactions available in post offices, FedEx customers enjoyed the convenience of dropping off parcels at POPStop counters within six participating post offices across Singapore at no extra cost. Manned by SingPost staff, these POPStop counters guided customers in sending out parcels while supporting efficient delivery by handing them to FedEx daily.

This partnership enabled FedEx to explore the potential for simplifying cross-border trade for Singapore-based businesses using its global network and advanced digital tools. Simultaneously, it allows SingPost to maximise the utilisation of our postal network to deliver enhanced user experiences, underscoring our commitment to innovation and collaboration as we strive to meet evolving customer needs.

Commitment to Community Well-being

SingPost was invited to the Singapore Civil Defence Force (SCDF) Responders' and Partners' Appreciation (RPA) Event to receive recognition for our collaboration and assistance in establishing the Responders Network.

In FY2022/23, SingPost initiated the Automated External Defibrillator (AED)-on-Wheels programme, underscoring our dedication to community welfare and preparedness to aid during emergencies. With AEDs, first aid kits, and fire extinguishers onboard, our delivery staff and vehicles are poised to respond promptly to crises. Moreover, 164 SingPost postal delivery staff volunteered for SCDF training, acquiring vital lifesaving skills and emergency procedures.

For our SingPost frontliners, who stepped forward to serve the community, standing alongside the SCDF responders who share our commitment to community well-being was an honour and privilege.

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Shaping the Growth of Our People

SingPost is committed to shaping a great workplace for all employees, one that prioritises the well-being, growth, and development of employees and offers an environment where each team member feels valued, supported, and empowered.

To that end, the Group renewed our strategic partnership with the Union of Telecoms Employees of Singapore (UTES), which it signed in 2022. At that time, it was a groundbreaking partnership with NTUC's junior membership arm, nEbO, and the Union of Telecoms Employees of Singapore (UTES) to offer young persons valuable insights and hands-on experience in the logistics sector through specially designed programmes.

In addition to the youth partnership, SingPost continues to renew our Company Training Committee (CTC) with UTES. Since its inception in 2019, the CTC has provided 10,000 training places for employees, focusing on digital training workshops and broader skill-enhancing programmes. Through concerted efforts, SingPost and UTES aim to expand the postal service industry and upgrade workers' skill sets to meet future job market demands. This partnership also enables SingPost's employees to access over 75,000 online courses in NTUC's LHUB GO for professional development.

Celebrating SingPost's Hallmark of Excellence

Throughout FY2023/24, SingPost garnered recognition across multiple domains, including customer care, innovation, eCommerce, safety, and service excellence.

SingPost was honoured with the EMS Customer Care Award, a prestigious accolade celebrating outstanding customer service performance within the global delivery network. This recognition underscores our commitment to delivering unparalleled service experiences, ensuring customer satisfaction and trust.

At the esteemed World Post and Parcel Awards 2023, SingPost proudly secured two accolades. The first, for Best Innovation Strategy, acknowledges our groundbreaking POPDrop initiative, a testament to our commitment to revolutionising last-mile delivery solutions. The second, for Commitment to Sustainability, recognises our efforts to champion eco-friendly practices and reduce our environmental footprint, from implementing carbon-efficient ecosystems to promoting sustainable packaging solutions.

SingPost's win at the National Business Award by Singapore Business Review in its E-Commerce category also signifies our pioneering efforts in leveraging technology and innovation to enhance customer convenience and efficiency, exemplified by our POPDrop Smart Posting Box.

Our commitment to safety was duly acknowledged with two prestigious awards. At the U Safe Forum & Awards 2024, hosted by the National Trades Union Congress (NTUC), SingPost was lauded for our progressive workplace practices and dedication to fostering safer and healthier workplaces for all employees. Furthermore, our excellence in fleet safety was recognised at the Singapore Road Safety Awards 2023, where we received accolades in both the Motorcycle Fleet and Light Goods Vehicle Fleet categories, with one of our dedicated staff members, Ms Nooraishah Binti Roslan, earning the esteemed Safe Driver Award.

Lastly, SingPost's stellar service standards were honoured at the Excellent Service Award 2023, organised by the Singapore Retailers Association. With a remarkable tally of 36 Star, 12 Gold, and 41 Silver awards, this recognition reflected our relentless pursuit of service excellence and our commitment to delivering exceptional customer experiences.

These accolades validate our efforts and inspire us to continue pushing the boundaries of excellence, innovation, and sustainability in the logistics industry, reaffirming our position as a leader in the field.

Commemorating 165 Years of Postal Excellence in Singapore

In 2023, SingPost celebrated a significant milestone - 165 years of exemplary postal services in Singapore. To honour this occasion, special events and activities were organised for various stakeholders, including customers, partners, employees, and members of the public.

SingPost hosted a commemorative gathering at the iconic Fullerton Hotel, the historic site of Singapore's former General Post Office, where employees, customers, and partners convened for joyous festivities, including the Singapore STAR Awards ceremony. The event underscored SingPost's ongoing commitment to expanding our network, embracing technological advancements, and fostering endless opportunities for our customers. Each delivery has been instrumental, not only for individuals but also for our planet's well-being.



In the year, Singaporeans of all ages were invited to an Open House at SingPost Centre to explore behind-the-scenes mail delivery and learn about our rich heritage. The event featured family-friendly carnival activities, heritage exhibitions, vintage stamp displays, and guided tours of the mail processing centre. There was also a pop-up philatelic store with exclusive stamp collections.



Since the inauguration of postal services in Singapore in 1858, SingPost has remained dedicated to serving the community. As part of our commemorative activities, SingPost organised the Packaton initiative, distributing 1,858 care packs to underprivileged families across the island. Over 80 dedicated staff volunteers worked tirelessly to prepare and distribute these essential care packs, providing much-needed support to those in need. Despite the challenges, the spirit of goodwill prevailed, with volunteers and recipients sharing smiles and warmth.



During the festive season, SingPost continued our tradition of spreading joy through the Gift-A-Wish programme, bringing smiles to the faces of 165 children. Collaborating with organisations such as Child @Street 11, and Care Corner Singapore, SingPost collected wish lists for Christmas and enabled staff members to sponsor a child's wish. In addition to fulfilling these wishes, SingPost organised Christmas parties at care centres, fostering meaningful interactions between staff and beneficiaries while sharing the spirit of giving.

