

# Sustainability Overview



## DRIVING SUSTAINABILITY

### Reset for Sustainable Growth

As SingPost expands globally, we recognise the critical imperative to prioritise and embrace sustainability. This commitment is driven by the urgent need to address the impact of climate change on a global scale and the increasingly rigorous environmental, social and governance (ESG) regulations across the different markets we operate in and requirements set out by the customers that we serve. Throughout FY2023/24, the Group intensified our ESG efforts as we reset for sustainable growth. With sustainability as a key priority, we aim to build resilience and unlock long-term value for our stakeholders.

The Group's FY2023/24 Sustainability Report provides stakeholders with detailed insights into the SingPost's sustainability performance and initiatives. This year's report encompasses the activities of the SingPost Group in Singapore and its key subsidiaries: FMH Group<sup>11</sup> (FMH) and CouriersPlease (CP) in Australia, and Quantum Solutions (QS) in seven markets outside of Singapore.

## SUSTAINABILITY FRAMEWORK

### Consistent Pathways for Change and Innovation

As SingPost moves forward on our transformation efforts, we remain consistent in our approach to sustainability. This approach is defined by three core pillars – ***Cherishing our Planet***, ***Collaborative Partnerships***, and ***Culture of Trust*** – which serve to ensure that we continue to maintain our adherence to the highest levels of governance and environmental and social responsibility on our growth journey.

Each pillar and its associated material matters are aligned with the United Nations Sustainable Development Goals (UN SDGs), ensuring that SingPost's commitment and contributions are aligned with global objectives of sustainable development for people and planet. The Group assesses the risks and opportunities within each pillar and sets targets to guide our sustainability journey.

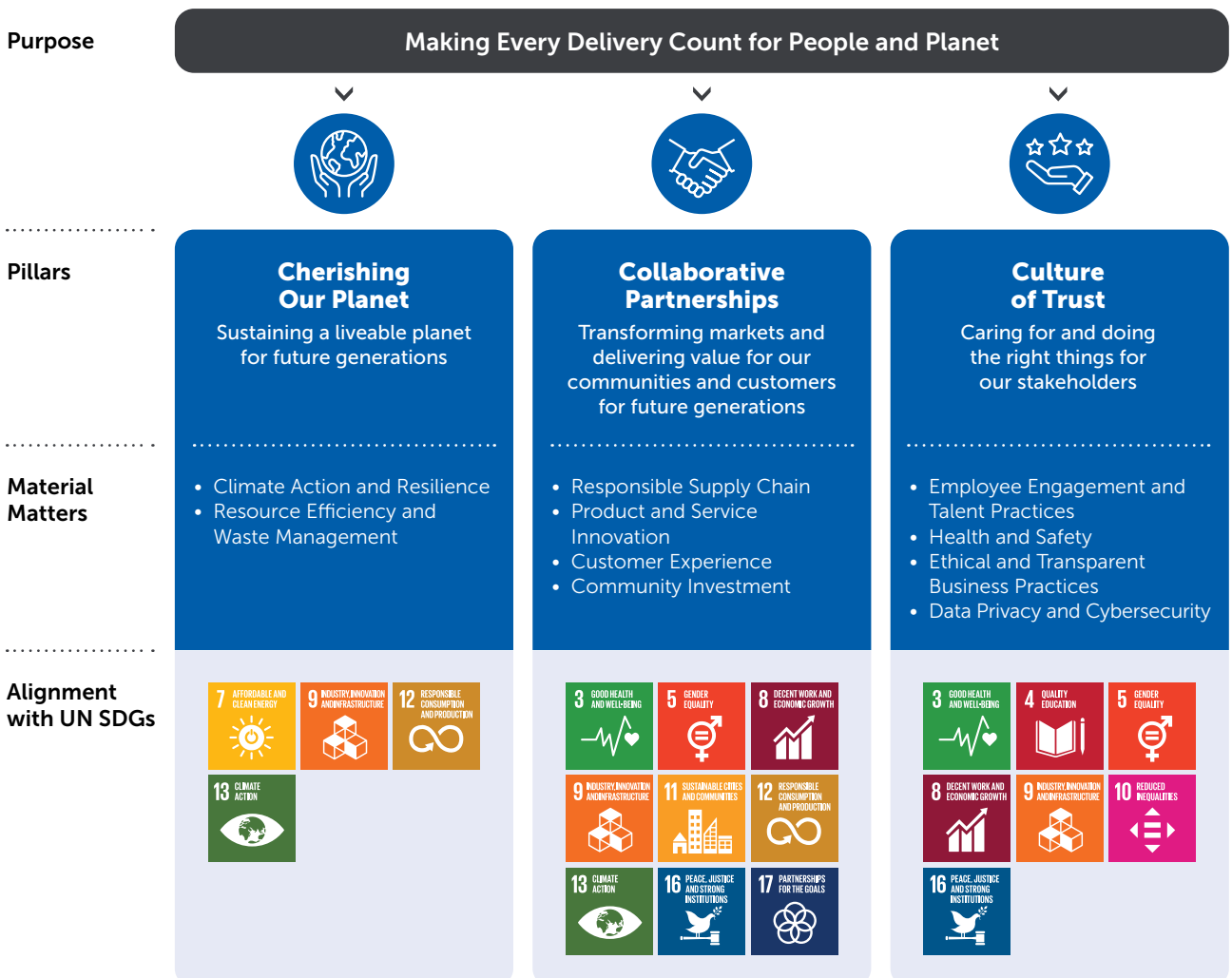
<sup>11</sup> FMH Group, a subsidiary of SingPost, completed the acquisition of Border Express on 1 March 2024. Border Express' data is excluded this year and will be included after the first full financial year of FMH Group ownership/control or when relevant processes and systems have been implemented for consistent data collection and consolidation across the Group.

The pillar *Cherishing Our Planet* reflects the care and concern of sustaining a liveable planet for future generations. As such, it prioritises climate action and resilience, resource efficiency, and responsible waste management.

The *Collaborative Partnerships* pillar is dedicated to transforming markets and delivering value for our communities and customers for future generations. It emphasises active participation within our ecosystem to drive responsible supply chain practices, foster product and service innovation, enhance customer experiences, and deliver positive value to our communities.

Lastly, the *Culture of Trust* pillar emphasises caring for and doing the right things for our stakeholders. It recognises the importance of employee engagement and robust talent practices, prioritises health and safety, ethical and transparent business practices, and the need to safeguard data privacy and cybersecurity.

The Board and management have maintained that the material ESG topics remain relevant with no changes to the material ESG topics for FY2023/24. Given evolving sustainability requirements and rapid harmonisation of reporting standards, the Group will embark on a double materiality assessment in the next financial year.



# SUSTAINABILITY OVERVIEW

## OUR SUSTAINABILITY JOURNEY IN FY2023/24

### Proactivity Toward Positive Outcomes

Sustainability remains intrinsic to our purpose, values, and business operations. As the momentum behind addressing climate change and the broader spectrum of ESG responsibilities grow, we persist in driving positive outcomes and remaining dedicated to our sustainability efforts.

The Group recognises that our endeavours must extend beyond our direct operations to cover the entire life cycle of our services. As we move forward on *Cherishing the Planet*, we maintain our commitment to net-zero (Scope 1 and 2) by 2030 in Singapore and net-zero (Scope 1, 2 and 3) globally by 2050<sup>12</sup>.

We continue to transition to less carbon-intensive transportation options and adopt low-carbon technology. Among the notable low-carbon initiatives in FY2023/24 is the continued progress to electrify our owned delivery fleet in Singapore and material handling equipment across the Group; as well as the expansion of onsite solar generation to two additional facilities - for SingPost Centre which is set to complete by end of 2024, and at Dandendong South in Australia. We have successfully reduced our Scope 1 and 2 carbon emissions by 26% from FY2018/19 baseline level<sup>13</sup> for our Singapore operations and by 11% for global operations compared to last year.

In Australia, we have progressed in understanding the carbon footprint of the local operations and explored decarbonisation pathways during the year. While the Group will take the following year to integrate newly acquired businesses, we have commenced a phased approach to developing our Scope 3 emissions inventory. This has enabled us to gain visibility of our value chain emissions and be more proactive and data-driven in identifying targeted initiatives to decarbonise our value chain.

SingPost is advancing customer-centric innovation and digitalisation across the business to drive long-term value through *Collaborative Partnerships* with our partners and customers. The Group has embraced technology, including digital analytics and AI, to boost customers' experience while driving operational efficiency and enhancing workplace safety. We continue to engage with our supply chain partners through our procurement processes to encourage the integration of ESG practices in their operations so as to build capabilities and resilience to uplift sustainability across the sector as a whole.

We are proud to be recognised for our commitment to continuous innovation and championing sustainability in

the industry. We received two accolades at the esteemed World Post and Parcel Awards 2023, *Best Innovation Strategy* for our POPDrop initiative and *Commitment to Sustainability* for our efforts to champion sustainable practices, from implementing carbon-efficient ecosystems to promoting sustainable packaging solutions. In recognition of our logistics solutions excellence, CouriersPlease was also honoured the Best Carrier in 2023 National Online Retailers Association (NORA) Solution Partners Awards in Australia.

The Group is dedicated to building a *Culture of Trust*, with strong governance and an emphasis on our employees' development and well-being. In FY2023/24, SingPost undertook an initiative to gather feedback and voices from our employees to enable the management to glean valuable insights into our employees' expectations and aspirations. Based on the employee engagement survey conducted, SingPost has been recognised as a Great Place to Work® Certified™ Company in the markets of Australia, China, Singapore, and Taiwan.

We recognise that people are our most valuable asset and prioritise the safety, health and well-being of our employees. During the year, SingPost introduced a mental wellness framework that aims to foster a culture that values and supports mental health in the workplace, empower our employees with the essential knowledge and tools to manage their mental well-being and establish relevant support networks and platforms for support, prevention, active intervention, recovery and maintenance. We are proud to have received recognition in Singapore at the U Safe Forum & Awards 2024, hosted by the National Trades Union Congress (NTUC), for our progressive workplace practices and dedication to fostering safer and healthier workplaces for all employees. SingPost has also transitioned our Group safety reporting system to a digital, cloud-based platform with mobile application capabilities to enhance safety performance monitoring with consolidated data analytics and improve response times to reinforce safety at the workplace.

These achievements in FY2023/24 underscore SingPost's steadfast dedication to sustainability, innovation, employee recognition, safety, diversity, and corporate governance. By consistently upholding these principles, we position ourselves as an industry leader and catalyst for positive change as we fulfil our purpose of Making Every Delivery Count for People and Planet.

More details on sustainability are available in SingPost's Sustainability Report FY2023/24 on [www.singpost.com](http://www.singpost.com) and pages 53 to 57 of this report.

12 This applies to Singapore and International operations. For Australia operations, this target is currently under review, in consideration of recent business acquisition.

13 Scope 1 and 2 GHG emissions in Singapore in FY2018/19 (baseline year) has been restated due to a recalculation of tenant electricity consumption data at owned properties, electricity consumption at leased properties and fuel consumption for our operations. This results in an overall reduction in the Scope 1 and 2 GHG emissions for the baseline year; and SingPost's FY2022/23 reduction for Scope 1 and 2 is restated as 22% from FY2018/19 (baseline year).

## CHERISHING OUR PLANET

### Climate Action and Resilience

As we reset for growth, SingPost is dedicated to reshaping our business and operations for a future that is climate-resilient and sustainable. We are committed to our responsibility of mitigating climate change and have been working on our decarbonisation pathways in line with our net-zero carbon emission targets. SingPost has also commenced climate scenario analysis for both physical and transitional climate risks and opportunities and formulating adaptation plans with the aim to build climate resilience across our operations.

Targets	FY2023/24 Progress and Performance
<b>Net-zero (Scope 1 and 2) for operational emissions in Singapore by 2030<sup>14,15</sup></b>	In progress; on track  SingPost has reduced our absolute Scope 1 and 2 Greenhouse Gas (GHG) emissions in Singapore collectively by 26% from the FY2018/19 baseline level, which is a 4% year-on-year improvement from last financial year <sup>16</sup> .
<b>Net-zero (Scope 1, 2 and 3) for global emissions by 2050<sup>15,17</sup></b>	SingPost has developed an overarching strategy and different pathways for emissions across our global operations. In FY2023/24, the Group has achieved an 11% year-on-year reduction of Scope 1 and 2 carbon emissions for our global operations.  With greater clarity in our Scope 3 GHG emissions inventory, SingPost is better able to curate our decarbonisation strategies and identify necessary engagements with our stakeholders. While our goal is net-zero (Scope 1, 2 and 3) by 2050 for our global operations <sup>17</sup> , SingPost will continue to explore ways to proactively reduce our carbon emissions sooner, wherever possible.

### Resource Efficiency and Waste Management

SingPost recognises the vital role resource efficiency and responsible waste management play in shaping our environmental impact and carbon footprint. Our commitment to environmental sustainability and achieving net-zero for our global operations by 2050<sup>17</sup> drives our dedication to promoting a circular and low-carbon economy. SingPost is seizing the opportunity of evolving regulatory changes and shifting consumer preferences towards eco-conscious practices by offering sustainable packaging and lower carbon delivery options to promote sustainability in our business and for those we serve.

Targets	FY2023/24 Progress and Performance
<b>Increase operational recycling rate to 30% by 2025</b>	SingPost has achieved approximately 23% operational recycling rate in FY2023/24. We continue to explore ways to enhance our operational processes and systems, to further reduce our waste generation, increase waste recycled, and reuse wherever possible.

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

15 SingPost's net-zero targets are based on a 'market-based' approach that reflects emissions from electricity generation that we have purposefully chose, enabling us to use purchasing decisions to drive decarbonisation in our value-chain.

16 Scope 1 and 2 GHG emissions in Singapore in FY2018/19 (baseline year) has been restated due to a recalculation of tenant electricity consumption data at owned properties, electricity consumption at leased properties and fuel consumption for our operations. This results in an overall reduction in the Scope 1 and 2 GHG emissions for the baseline year; and SingPost's FY2022/23 reduction for Scope 1 and 2 is restated as 22% from FY2018/19 (baseline year).

17 This applies to Singapore and International operations. For Australia operations, this target is currently under review, in consideration of recent business acquisition.

# SUSTAINABILITY OVERVIEW

## COLLABORATIVE PARTNERSHIPS

### Responsible Supply Chain

Building and maintaining a responsible supply chain is crucial to our business. SingPost is committed to engaging with our supply chain partners to promote good ESG practices. This approach not only aligns with our sustainability ethos, but also presents us with the opportunity to elevate our entire supply chain. By raising awareness and influencing our supply chain partners to embrace and integrate ESG principles into their operations, SingPost endeavours to play a pivotal role in building the capabilities and resilience of our supply chain to evolving ESG expectations, strengthening the logistics sector's sustainability.

Targets	FY2023/24 Progress and Performance
<b>Screen all suppliers on ESG criteria</b>	<p>All new suppliers<sup>18</sup> with contracts exceeding S\$200,000 have been screened with ESG criteria, in line with the guidelines set out in the Supplier Code of Conduct.</p> <p>Continued work is underway for all new suppliers to undergo ESG criteria screening during the supplier registration process, while existing suppliers will be screened as feasible (e.g. during contract renewal).</p>
<b>Ensure all Tier 1<sup>19</sup> suppliers have an ESG Policy in place by 2023</b>	<p>Through a screening of potential supply partners<sup>18</sup> via a supplier registration process in FY2023/24, more than 60% of the respondents indicated they have a Social related policy and Corporate Governance related policy in place; and over 40% have an Environmental or Sustainability Policy.</p> <p>Of the Tier 1<sup>18,19</sup> suppliers identified for engagement, full transparency and understanding of suppliers' ESG policy and practices were secured for 15% of these suppliers. There are ongoing efforts to further engage with supply chain partners to support them in the journey towards sustainability with us.</p>

### Product and Service Innovation

As SingPost transforms into a global logistics enterprise, we strive to enhance our competitiveness and continually deliver value to our existing and potential customers. To this end, our investments in automation, digitalisation and partnerships for product and service innovation play a crucial role in enhancing productivity and boosting our ability to grow sustainably, providing long-term value for our stakeholders.

Targets	FY2023/24 Progress and Performance
<b>Conduct at least one pilot innovation programme annually</b>	<p>Leveraged AI-powered Close Circuit Television (CCTV) systems through a pilot at the Airmail Transit Centre to strengthen workplace safety.</p> <p>Strategic alliance with Google Cloud and utilised AI tools to enhance operational efficiencies and productivity, and improve customer interactions.</p>

<sup>18</sup> This includes suppliers from Singapore and International operations.

<sup>19</sup> Tier 1 suppliers refer to suppliers that supply at least 80% of total spend amount, identified as at 30 September 2023.

## Customer Experience

As SingPost's business evolves and expands our reach, new opportunities emerge for us to better serve our evolving customer base. We are proactively redesigning our strategies to create a truly seamless, omnichannel experience and investing in digital technology to enhance customer experience.

Targets	FY2023/24 Progress and Performance
<b>Exceed Infocomm Media Development Authority (IMDA) Postal Quality of Service (QoS) standards for Singapore as one of the essential services serving the nation</b>	All requirements under the Postal QoS standards established by IMDA from January to December 2023 were met and the delivery of local basic letters and incoming basic letters received and delivered by next working day were exceeded.
<b>Achieving high service quality and reliability by meeting or exceeding customers' expectations and striving for continual improvement</b>	<p>Total Customer is a core value for our business, and this was demonstrated by our improved customer satisfaction and Net Promoter Scores in FY2023/24<sup>20</sup>.</p> <p>We were honoured to receive several awards in 2023 as a testament to our exceptional customer service including the Express Mail Service (EMS) Customer Care Award 2023; and CouriersPlease was honoured as the Best Carrier in 2023 by the National Online Retailers Association Solution Partners Awards in Australia.</p> <p>This year, 89 SingPost employees also attained the Excellent Service Award (EXSA) 2023, including 36 Star, 12 Gold, and 41 Silver awards.</p>

## Community Investment

Our commitment to community engagement is integral to our broader objectives of innovation, sustainable growth, and creation of long-term stakeholder value. By embedding a culture of giving within the Group and leveraging our capabilities in eCommerce and logistics, SingPost strives to make a significant positive impact on the communities we engage with.

We are guided by our Community Investment Framework, in our interaction with relevant communities, which is aligned with the UN SDGs, focusing on three areas: Community Resilience and Well-being, Digital Inclusion, and Environmental Stewardship. For more details of our community engagement activities, refer to pages 58 to 59 of this report and pages 54 to 60 of our Sustainability Report FY2023/24.

Target	FY2023/24 Progress and Performance
<b>Progressively develop targets as flagship programmes are identified</b>	<p>Celebrated 165 years of postal services in Singapore through various events including the SingPost Open House, which included efforts in digital literacy training and the SingPost Packathon, leveraging our logistics capabilities to deliver 1,858 care packages to communities in need.</p> <p>Supported mangrove restoration in Khlong Khon, Samut Songkhram Province, Thailand, where over 70 employees planted 500 mangrove tree saplings.</p>

20 This applies to Singapore and International operations.

# SUSTAINABILITY OVERVIEW

## CULTURE OF TRUST

### Employee Engagement and Talent Practices

SingPost invests in the professional and personal development of our workforce, providing training and development programmes in key areas such as digitalisation, innovation, and leadership, to equip them with future-ready skills to meet the demands of tomorrow. Learning opportunities are available to all through curated learning pathways. For more details of the training and development programmes for our employees, please refer to pages 62 to 68 of our Sustainability Report FY2023/24.

Targets	FY2023/24 Progress and Performance
<b>Achieve an employee engagement survey completion rate of 70% by 2025</b>	An employee engagement survey was conducted in FY2023/24 with a 90% completion rate across the entire enterprise <sup>21</sup> .
<b>Achieve an employee engagement score above the market benchmark by 2025</b>	SingPost has been recognised as a Great Place to Work <sup>®</sup> Certified <sup>™</sup> Company in the markets of Australia, China, Singapore, and Taiwan.
<b>Maintain at least 30% of women workforce representation in senior management (C-Suite, C-minus-1, and C-minus-2 executives) by 2025</b>	SingPost has ~36% women representation in senior management in FY2023/24.

### Health and Safety

Safety is one of SingPost's core values and ensuring the health and safety of our employees and stakeholders is paramount to the Group's business sustainability. We take proactive steps to further enhance the high workplace health and safety standards expected of us, and to build a culture of safety anchored by our Workplace Safety and Health management system to make every delivery count while doing so safely.

Targets	FY2023/24 Progress and Performance
<b>Achieve zero major work-related injuries (including fatalities)</b>	There were zero cases of fatalities and two high consequence work-related injuries for employees across SingPost Group. Refer to page 75 of our FY2023/24 Sustainability Report for more details.
<b>Improve the year-on-year rate of recordable work-related injuries</b>	The rate of work-related lost time injuries has improved for FY2023/24 to 1.72, as compared to 1.81 in FY2022/23 for employees across SingPost Group. Refer to page 75 of our FY2023/24 Sustainability Report.  In FY2023/24, we have further progressed to align to the recordable work-related injuries definition of the Global Reporting Initiative (GRI) standards to include lost time injury, restricted work cases and medical treatment cases. In FY2023/24, the rate of recordable work-related injuries for employees across the Group per the new definition stands at 2.22. Like-for-like comparison based on the new definition will be made available in the next reporting cycle.

21 This includes employees in Singapore Post Limited, Quantum Solutions, and CouriersPlease.

## Ethical and Transparent Business Practices

SingPost prioritises integrity and transparency as it is crucial for securing stakeholder trust and the Group's long-term success. We uphold ethical and transparent business practices with a zero-tolerance approach towards fraud, corruption, and unethical behaviour. Our values of trust, openness, and accountability are deeply embedded in our daily operations, interactions with our stakeholders and decision-making processes.

Targets	FY2023/24 Progress and Performance
<b>Uphold zero corruption, unethical behaviour, and fraud incidents across SingPost's operations</b>	In FY2023/24, there were zero incidents of corruption and two substantiated cases i.e. one case relating to unethical behaviour and one case relating to fraud. Appropriate actions have been taken on the matters, and operational measures were enhanced to prevent similar occurrences.
<b>Inculcate zero tolerance for bribery and corruption in all employees and business partners</b>	Anti-bribery and anti-corruption compliance declarations continue to be conducted as part of the annual Employee Code of Conduct declaration by all eligible <sup>22</sup> employees. All business partners of SingPost are made aware of SingPost's anti-bribery and anti-corruption requirements through the Supplier Code of Conduct.
<b>Provide annual training on anti-bribery and anti-corruption for 100% of full-time employees</b>	Annual training on anti-bribery and anti-corruption has been conducted as part of the annual employee code of conduct exercise for all eligible <sup>22</sup> employees.
<b>No significant fines or non-monetary sanctions relating to non-compliance with laws and regulations</b>	There were no significant fines or non-monetary sanctions relating to non-compliance with laws and regulations in FY2023/24.

## Data Privacy and Cybersecurity

In this digital age, technology and digitalisation has become increasingly integral to our business growth and processes, enhancing the customer experience for every delivery. SingPost has remained steadfast in ensuring that we continually enhance the monitoring systems, refine response strategies and fortify resilience against evolving cyber threats. We focus on proactively strengthening our digital defences and upholding the highest standards of data privacy and protection to gain a competitive advantage by building customer trust.

Targets	FY2023/24 Progress and Performance
<b>Uphold the highest standards of data privacy protection, including compliance with relevant laws</b>	SingPost has complied with the Singapore Personal Data Protection Act and relevant data protection laws in the jurisdictions in which we operate in. SingPost also regularly reviews our personal data management policies and practices to improve our standards.
<b>Establish a Cybersecurity Framework in line with industry standards</b>	SingPost has ensured that our policies are aligned with industry standards, including the Cybersecurity Framework set forth by the National Institute of Standards and Technology (US NIST).  Moreover, SingPost regularly reviews our policies to comprehensively reinforce benchmarks and standards, most recently aligning with the Cyber Trust Mark in Singapore. In FY2023/24, SingPost achieved the Singapore Cyber Trust Mark at the 'Advocate' tier.

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