

Sustainability Report



M1 is committed to continually improving the reporting process, data collection and monitoring of our sustainability performance.

Introduction

This is M1's third annual sustainability report, covering our economic, environmental, social and governance (ESG) performance for the period 1 January to 31 December 2013.

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) G3.1 guidelines. We have used internationally accepted measurement units in the reporting of performance data covered in this report, and no previously reported sustainability data has been restated. A list of our standard disclosures and indicators can be found in the GRI Content Index section, on pages 72 to 75 of the Annual Report.

M1 is committed to continually improving the reporting process, data collection and monitoring of our sustainability performance, and we welcome feedback on this report and possible areas of improvement. Please send your comments to corpcomms@m1.com.sg

Scope of Report

This sustainability report covers the impact of M1's operations across the organisation, including our subsidiaries.

Sustainability Reporting Process

We have reported on our economic performance, corporate governance performance and corporate social responsibility efforts in our Annual Reports. For our 2011 Annual Report, we began disclosing additional sustainability information, including our efforts to minimise our environmental footprint.

In 2012, we worked with an external Corporate Social Responsibility (CSR) consultant to help us map out our key stakeholder groups, their concerns, and the impact of M1's business operations on them. Through this exercise we were able to identify the issues most material to M1 and our stakeholders, and prioritise our efforts to address them.

We continued to build on our sustainability efforts in 2013, details of which are disclosed over the following pages. We have also enhanced our reporting with additional information such as key elements of our employee Code of Conduct, to improve our disclosure to this report's audience – our customers, shareholders, business partners, employees, regulators, analysts and the media, as well as the community whose lives we may impact.

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Introduction

Stakeholder Engagement

M1 engages with all our stakeholders on a regular basis so that we can better understand their concerns and expectations, and address them appropriately and effectively. The table below summarises our stakeholders, their key areas of concern, and our efforts to engage them.

Stakeholder	Main engagement channels	Stakeholder's materials issues and expectations	How M1 addresses concerns
Consumer and enterprise customers	<ul style="list-style-type: none"> • 24-hour contact centre • M1 Shop outlets • Mobile sales team • Enterprise sales team • Technical support team • M1 website and Facebook page feedback forms 	<ul style="list-style-type: none"> • Reliable, quality network access • Affordable, extensive selection of relevant products and services • Effective customer service • Data protection 	<ul style="list-style-type: none"> • Continual investment in our networks to further enhance the customer experience • Clear disclosure of all information relevant to customers in our marketing materials • Procedures to ensure our customers' privacy
Institutional and retail shareholders	<ul style="list-style-type: none"> • Access to our Investor Relations team and senior management through: <ul style="list-style-type: none"> ◦ Emails ◦ Teleconferences ◦ Meetings ◦ Investor conferences ◦ Investor roadshows ◦ Annual General Meeting (AGM) • Annual reports 	<ul style="list-style-type: none"> • Sustainable business growth • Ability to generate expected returns on their investment in M1 • Good corporate governance • Relevant CSR initiatives • Transparency in business strategy and operations • Protection for minority shareholders' interest 	<ul style="list-style-type: none"> • M1's Investor Relations team is committed to responding to investors' concerns in a timely manner • Our quarterly financial results briefing and Q&A sessions are conducted within a month of period end • Senior management is present and responsive in investor meetings, teleconferences, roadshows and AGMs
Business partners and suppliers	<ul style="list-style-type: none"> • Meetings • Emails • Telephone 	<ul style="list-style-type: none"> • Transparent and fair procurement and other business practices • Compliance with terms and conditions of business contracts 	<ul style="list-style-type: none"> • Communicating M1's policy on corruption to all our staff • Transparent business processes in the selection of winning tenders • Avenues to report incidents of abuse and corruption • Whistleblower policy
Employees	<ul style="list-style-type: none"> • Staff feedback sessions • On-site and off-site team-building • Annual staff appraisal • Townhall events • Quarterly CEO messages • Grievance handling channel through Human Resource Department • Union representation 	<ul style="list-style-type: none"> • Safe working environment • Fair remuneration and benefits • Non-discriminatory employment practices • Career growth • Relevant staff training 	<ul style="list-style-type: none"> • Maintaining a safe and pleasant working environment • Performance, merit-based recruitment and promotion policy • Continual investment in our human capital
Regulators	<ul style="list-style-type: none"> • Regular formal and informal discussions • Teleconferences • Active participation, including written submissions, in industry consultation sessions 	<ul style="list-style-type: none"> • Compliance with regulations and service requirements • Deliver continued socio-economic benefits to community • To work with industry to maintain consistent technological standards 	<ul style="list-style-type: none"> • Policies to ensure compliance with regulations and laws • Swift remedial action in case of any regulatory or legislative violation

Stakeholder	Main engagement channels	Stakeholder's materials issues and expectations	How M1 addresses concerns
Analysts and the media	<ul style="list-style-type: none"> Access to our Corporate Communications and Investor Relations teams through: <ul style="list-style-type: none"> Emails Teleconferences Meetings Media briefings Organised visits and industry events Quarterly results conferences and teleconferences 	<ul style="list-style-type: none"> Timely and transparent disclosure of corporate information Access to senior management where relevant Prompt response to queries 	<ul style="list-style-type: none"> Our Corporate Communications and Investor Relations teams engage with these stakeholders to ensure they have access to the information they need, and to respond to their queries in a timely manner
Trade associations	<ul style="list-style-type: none"> Engagement with trade bodies and associations, such as the Singapore National Employer Federation 	<ul style="list-style-type: none"> Deliver our products and services in line with industry-approved technological, product health and safety, and other relevant standards Adoption of industry best practices 	<ul style="list-style-type: none"> Participation in industry events and dialogue sessions Harmonising our networks with globally accepted technologies and standards
Non-governmental organisations and community partners	<ul style="list-style-type: none"> Discussions with community groups Participation in key relevant industry events Reporting on our sustainability strategy and performance 	<ul style="list-style-type: none"> To minimise any negative social, public health or environmental impact To support deserving community efforts and underprivileged groups 	<ul style="list-style-type: none"> Continuing support for our community causes and conservation efforts Extending M1's products and services to serve the underprivileged and underserved communities Sustainability reporting

M1's Sustainability Approach and Materiality Analysis

As a socially-responsible corporate entity, we strive to achieve a sustainable balance between business objectives and obligations to our customers, employees, as well as the community and the environment we operate in.

Being a full-service provider of mobile and fixed communications services in Singapore, we have more than two million customers who depend on us for their personal and business communications needs. To address these stakeholders' concerns, we continually invest in our networks and customer service. We also strive to make available an extensive and fairly priced range of products and services, comply with all relevant legislation and regulation, and embrace responsible business practices, to enable us to achieve our goal of a successful and sustainable business. Details of our corporate practices can be found in the **Our Business** section.

Alongside the pursuit of business objectives, we are committed to providing an inclusive and collaborative workplace for our passionate and hardworking employees who are critical to the success of our business. Our human resource practices and policies, from recruitment to retention, are designed to help our talents grow professionally and personally. A detailed description of our efforts to further enhance M1's standing as an employer of choice is available in the **Our People** section.

Our contributions to the betterment of our society and environment are important to us, and we invest significant resources to further these causes. Details of the programmes and initiatives that we have embarked on are elaborated in the respective **Our Community** and **Our Environment** sections.

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Our Business

Connectivity is an important tool in today's society, and we constantly review how we can further extend the benefits of our networks and services to more people, especially those from underprivileged or underserved communities.

M1 is committed to fair, transparent and responsible business practices in our dealings with customers, suppliers and business partners. We strive to comply with regulatory requirements, and meet or surpass the expectations of our customers.

Financial Performance

A summary of our key financial indicators:

Financial indicators	2013 (\$m)	2012 (\$m)
Operating revenue	1,007.9	1,076.8
Net profit after tax	160.2	146.5
Operating expenses	812.4	888.6
Staff costs	108.7	97.4
Dividends paid to shareholders	136.3	132.2

For a more detailed discussion on our financial performance, please refer to the Financial Statements section of this Annual Report.

Enhancing our Networks

M1 continually enhances the performance and reliability of mobile and fixed services delivered to customers, and we committed S\$120 million to modernise and upgrade our networks in 2013.

These investments include deploying a nationwide 3G radio network on the 900MHz spectrum band, and upgrading our core infrastructure to pool mobile switching centres and media gateways to enhance network performance and resiliency. We also expanded and upgraded the 3G network with additional base stations and a nationwide optimisation programme to improve call connectivity. A small cell solution



was also deployed to further enhance indoor 3G radio coverage and capacity.

A full list of our 2013 network upgrades and enhancements can be found in our Operating and Financial Review section of this Annual Report.

Delivering Quality Products and Services

Connectivity is an important tool in today's society, and we constantly review how we can further extend the benefits of our networks and services to more people, especially those from underprivileged or underserved communities.

To address the needs of prepaid customers who want high-speed mobile Internet access, we launched Singapore's first prepaid 4G mobile broadband service in March 2013, followed by Singapore's first prepaid 4G smartphone plans in April 2013.

In July 2013, we introduced MiBox, an exciting new Internet TV service that offers affordably-priced video-on-demand entertainment and educational titles, games, e-books and applications. The service is targeted at customers who prefer an on-demand, a-la-carte model of TV content consumption. Take-up of the service has been encouraging, and we will continue to add content and features to the service.

M1 also offers mobile service plans specially designed to meet the needs of the deaf and hard-of-hearing community. These plans, available to members of the Singapore Association for the Deaf, offer additional SMS and MMS messages, well as a higher mobile data bundle, in recognition of the different needs of the deaf and hard-of hearing community.

Compliance with the Law

M1 strives to conduct our business in compliance with all applicable laws and codes, as well as supporting voluntary codes and best practice guidelines.

These include the Telecommunications Act which governs our core telecommunications business, as well as the Telecoms Competition Code 2012 which sets down quality of service (QoS) delivery standards and service obligations to our customers. We operate our media-related services in accordance with the Broadcasting Act, and websites on the Media Development Authority's list of prohibited websites are blocked as directed.

To protect vulnerable customers, we worked with the other mobile operators to create the Voluntary Code of Self-Regulation of Mobile Content in Singapore, to protect minors from accessing prohibited content via mobile phones.

In addition, M1 abides by all applicable business, health, manpower, consumer protection, data protection and marketing-related laws and codes.

Fines and Sanctions

M1 was fined S\$1.5 million in September 2013 by the IDA, in relation to our network incident on 15 January 2013. We did not face any sanctions in 2013 on anti-competition, anti-trust, or monopolistic grounds.

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Our Business

Customer Privacy

We respect our customers' privacy and do not share their personal data with third-parties other than as permitted or required under applicable laws and/or regulations, or with the customers' consent. We have not been censured by our regulator, IDA, for any relevant privacy-related violations during 2013.

In anticipation of the enforcement of the personal data protection provisions under the Personal Data Protection Act in July 2014, we briefed our relevant employees on the key obligations concerning personal data protection under the Act.

In addition, we have appointed two senior executives of the Company as Data Protection Officers to oversee compliance with the Act in relation to both customer and employee personal data respectively.

Responsible Marketing

M1 clearly labels all our products and services in our advertisements and marketing collaterals. The following relevant details are included in our customers' contracts and our employees will strive to explain these clearly prior to processing any customer transaction:

- Prices;
- Product specifications;
- Network access speed;
- Excess charges;
- Value-added services offered on a promotional or trial basis; and
- Early termination charges.

Telecommunications and Public Health

We recognise the public's interest and concern regarding the possible impact of electromagnetic energy produced by cellular devices and equipment, such as mobile devices and base stations.

To date, the World Health Organisation has found no substantiated link between exposure to electromagnetic field (EMF) radiation and adverse impact on human health. In Singapore, the IDA exercises strict control over the installation and transmitter power limits of our radio base station equipment, and conducts random site visits to ensure compliance with reference levels set by the International Commission on Non-Ionising Radiation Protection (ICNIRP).

Nevertheless, we would like to assure stakeholders of our commitment to public health and safety. In 2013, we continued to work with the National Environment Agency (NEA) to measure radiation levels at our base stations to ensure they meet all relevant guidelines. Going forward, we will continue to work with agencies, such as the NEA's Centre for Radiation Protection and Nuclear Science and the IDA to address areas of public health concern.

Ensuring a Positive Customer Experience

Providing excellent customer service is one of M1's core values, and we invest in our employees' service skills and product knowledge to ensure we constantly deliver a positive customer experience across all touch points of our business operations.

The M1 staff orientation programme includes a strong emphasis on customer service, and incorporates an attachment to our customer contact centre and retail outlets. This helps our employees to better understand our customers, and enables them to experience and appreciate the requirements in achieving excellence in customer service. Our senior management also participate in the attachment programme, to ensure they are in touch with our customers' changing needs and expectations.

Customer feedback is important to us and we obtain such information through our 24-hour contact centre, retail outlets, letters to the media, mystery shopping surveys, and from social media networks such as Facebook. Our customers' feedback is reviewed and used to help identify areas for improvement.



M1 Shop Revamp



In 2013, we revamped three of our M1 Shop outlets at Change Alley, NEX, and Suntec City to create a warmer, more personal retail experience for customers, and reduce their waiting times by up to 40% through swifter and more convenient transactions. The revamp of our first outlet was completed in April 2013, and we expect to complete revamp of the entire chain of outlets by this year.

Web Channel Revamp



A revamped M1 website was launched in November 2013 to deliver an enhanced surfing experience to the increasing number of customers who access our web channel via smart devices such as smartphones and tablets. Sporting a clean and clear interface, the website allows customers to navigate and search for information easily.

Code of Conduct and Internal Controls

M1 is committed to a high standard of corporate governance and we have a zero tolerance policy with regard to unethical or corrupt conduct.

We have in place layers of policies and processes that manage risk, deter fraud and ensure accountability and integrity. Employees are encouraged to report suspicious or irregular behaviour they encounter in the course of work, and we will ensure the confidentiality of any whistleblowing.

Acts that violate our Policy for Disclosure of Reportable Conduct include:

- Unlawful acts;
- Theft, misuse or wilful damage of M1 resources;
- Dishonest, fraudulent or corrupt activities;
- Misuse or abuse of power or authority for any unauthorised or ulterior purpose;
- Unsafe work practices.

M1 will investigate allegations raised, and firm action will be taken to deal with corrupt behaviour or illegal acts. Significant cases will be escalated to members of senior management and the Board of Directors, and/or referred to the appropriate authorities, such as the Singapore Police Force, Commercial Affairs Department or Corrupt Practices Investigation Bureau.

Individuals who make a report under this Policy will be protected from reprisal if he/she:

- Makes the report in good faith and without malice;
- Reasonably believes the matters referred to in the report to be substantially true;
- Does not seek any personal or financial gain from making the report;
- Follows the reporting procedure set out in this Policy.

If there are any attempts at reprisal against the whistleblower, he/she will be given the opportunity to bring the matter to the attention of the appropriate level of senior management and/or the Board's Audit Committee Chairman.

For a fuller description of our corporate governance practices, please refer to our Corporate Governance section in this Annual Report.

Employee Code of Conduct

M1 has a Code of Conduct which all employees are required to adhere to. The key tenets of this Code, which is available on our company's intranet, include the following:

- Employees are prohibited from activities that may lead to conflicts of interest when dealing with suppliers, customers and other business partners. If a conflict of interest arises, they must inform their line manager immediately;
- Employees and their family members are prohibited from soliciting or accepting any gifts or favours from any suppliers or clients. If refusal is difficult, the employee must report the gift to his/her line manager. The gift should be handed to M1's Human Resource department, and management will decide how to dispose of the gift;
- Employees are not allowed to download hacking tools or file-sharing programmes for the purpose of downloading pirated and other illegal materials;
- Employees should not distribute content disparaging colleagues, customers or business partners;
- Employees are expected to maintain appropriate relationships with other employees. Employees should disclose family or close personal relationships to their managers, with such employees strictly prohibited from being in a supervisory-subordinate relationship.

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Our People

M1 is committed to practices that foster diversity and equality in the workplace, and our recruitment, appraisal and promotion policies reflect this commitment.

M1 recognises the contributions of our passionate and hardworking employees to our continued success, and in turn strive to offer an inclusive and collaborative environment that supports their professional and personal growth.

In line with this commitment, our human resource strategy, policies and practices are designed to create a workplace that embraces equality, diversity, respect for the individual and work-life effectiveness as core values.

Ensuring Equality and Diversity

M1 is committed to practices that foster diversity and equality in the workplace, and our recruitment, appraisal and promotion policies reflect this commitment. In addition, we are also a signatory to the Tripartite Alliance for Fair Employment Practices (TAFEP), which promotes the adoption of fair, responsible and merit-based employment practices.

In our recruitment process, all job candidates are evaluated and hired based on their qualifications and merit, regardless of gender, age or ethnicity, and our recruitment advertisements reflect this practice.

Each year, our employees undertake a transparent appraisal exercise with their supervisor. The employee's performance assessment for that year and the performance targets set for the following year are mutually agreed upon between the employee and supervisor, and subsequently made available to the employee.

In 2013, M1 did not receive any employee complaint on discriminatory grounds.

Gender Diversity

M1 values the contribution of our female employees. They comprise 52% of our workforce, and enjoy similar starting salaries as male hires. As at end-2013, women comprised 27.5% of senior management, including the office of Chief Executive Officer (CEO).



2013	Male %	Female %
Senior Management	72.5%	27.5%
Mid-Management	55.2%	44.8%
Executive	53.4%	46.6%
Non-Executive	41.6%	58.4%
Total	48.0%	52.0%

2012	Male %	Female %
Senior Management	76.6%	23.4%
Mid-Management	51.6%	48.4%
Executive	54.0%	46.0%
Non-Executive	42.5%	57.5%
Total	48.0%	52.0%

Open and Transparent Communications

We recognise the importance of transparent and open communications with our employees.

Through our monthly newsletter Voice and regular company-wide email updates, employees are apprised of new developments in the company. The CEO also sends out a quarterly message to all employees on the company's financial performance and pertinent developments in the quarter. In addition, townhall-style discussion sessions are conducted twice a year to enable employees to interact with senior management and share views on company-related matters.

Delivering Fair Compensation and Benefits

We offer employees competitive remuneration packages commensurate with their experience, performance and job responsibilities, complemented with a performance-based variable bonus. Senior employees are eligible for the M1 employee Share Option Schemes, with options vesting over a three-year period. This enables M1 to retain talent and align their interests with the company's long-term performance.

In addition, our flexible benefits programme allows employees to tailor their benefits portfolio according to their needs. Employees can choose to use their annual benefits on a variety of products and services, such as dental treatments, optical purchases, personal insurance, childcare fees and books. Our employees enjoy subsidised meals at our on-site canteen. We also make available a shuttle bus service for employees to commute between major township hubs, MRT stations and the M1 office at a highly subsidised rate per month. An extensive range of mobile and fixed products, accessories, and services is also made available to employees at discounted rates.

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Our People

Every full-time employee is entitled to a host of medical benefits, including outpatient and inpatient medical coverage, and all employees are provided with regular health screening and group insurance coverage.

Caring for our Employees

M1 is committed to our employees' physical and mental health and well-being.

Every full-time employee is entitled to a host of medical benefits, including outpatient and inpatient medical coverage, and all employees are provided with regular health screening and group insurance coverage.

A new initiative, Fun!@M1, was launched in 2013 to champion employee health and wellness. During the year, Fun!@M1 organised lunch talks on topics such as stress management, parenting and financial planning, sporting events like futsal, basketball and bowling, as well as skills such as finger painting. The response to Fun!@M1 has been very encouraging and most programmes, held over lunch time or after office hours, experienced high participation rates.

M1's fully-equipped on-site gymnasium is open 24 hours a day for use by employees. In addition, employees are encouraged to participate in inter-company games, such as the M1 Corporate Challenge and the Keppel Games, and subject to work exigencies, enjoy official time-off for participation.

Workplace safety is of key importance to M1. We have in place safety procedures that employees, contractors and visitors must comply with within our office, retail outlet and base station premises. We also conduct regular workshops to familiarise employees with workplace safety and health regulations.

Automated external defibrillators (AEDs), portable electronic devices used to treat emergency cardiac arrest, are available at conveniently accessible public areas within our office buildings and also at some of our M1 Shop outlets. We have



Type of employment

	2013	%	2012	%
Full-time	1,439	95.1	1,380	90.3
Part-time	35	2.3	68	4.5
Contract	40	2.6	80	5.2
Total	1,514	100.0	1,528	100.0

Length of service

	2013	%	2012	%
< 5 years	831	54.9	844	55.2
5 - 10 years	210	13.9	215	14.1
> 10 years	473	31.2	469	30.7
Total	1,514	100.0	1,528	100.0

30 fire wardens trained in the use of these life-saving devices and in cardio-pulmonary resuscitation (CPR) techniques, in case of emergency.

A Pro-family and Work-life Integrated Organisation

M1 believes in and supports pro-family initiatives. We began offering employees paternity leave and shared parental leave schemes, ahead of legislative requirement. We also accommodate flexible work arrangements where possible and provide on-site nursing facilities. Parents are entitled to childcare leave which they may utilise on an urgent or flexible basis, and M1 employees' dependents enjoy extended medical coverage. We also provide an on-site childcare centre managed by a leading pre-school provider, Modern Montessori International, at highly-attractive subsidised rates.

As a strong advocate of family values, M1 participates in the annual nationwide "Eat With Your Family Day" initiative, allowing employees to leave work earlier to dine with family members and strengthen family bonds. Our annual "Bring Your Kids To Work" day further reinforces our pro-family values.

Additional pro-family measures we have adopted include complimentary passes for employees to the Singapore Zoological Gardens, River Safari, Night Safari, and Jurong Bird Park, and chalet rentals at subsidised rates, which employees and their families may enjoy throughout the year.

To encourage work-life balance, every department is granted an annual teambuilding and de-stress budget they can use to organise sports, games, and meals and at the same time, foster camaraderie. The annual company Dinner & Dance is the key highlight of our company's social calendar.

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Our People

In 2013, the average number of training hours clocked per employee was 43.4 hours, compared to 40.3 hours in 2012.

Continued Learning and Development

We continually invest in employee learning and development to enhance their professional knowledge and skills, as well as support their personal growth. This enables them to be more motivated and productive in their roles.

M1's in-house Learning and Development team offers various programmes to cater to the needs of employees, such as customer service and communication skills, and our employees are also given opportunities to attend external courses and conferences relevant to their work. In addition, to enable employees to pursue longer-term professional or certification courses, examination leave is granted as required.

In 2013, the average number of training hours clocked per employee was 43.4 hours, compared to 40.3 hours in 2012.

Respect for Human Rights

M1 complies with the Singapore Employment Act, governing the employment of children and youth under the age of 16, and we do not support the use of child labour.

We do not employ forced labour, and our employees are free to join or leave the company upon completion of their contractual notice period or upon making payment in lieu of serving the notice. M1 does not evaluate our suppliers and vendors for human rights risks.

Building a Harmonious Labour Management Union

M1 strongly supports the union movement's efforts to promote industrial harmony and improve worker welfare. We are also supportive of the NTUC Women Development Secretariat's Back-to-Work with U Programme, which aims to help women remain in and re-enter the workforce.

During the year, we fostered a stronger relationship with the Singapore Industrial & Services Employees' Union (SISEU) through continued dialogue with its representatives. In recognition of this, we received a Certificate of Commendation Award from SISEU in November 2013.

In 2012, we signed a two-year Collective Agreement with the SISEU, covering employment matters such as working hours and overtime pay, and we continue to work with SISEU to manage employment-related issues that impact their members within the company. Our employees are free to join SISEU, and as at end-2013, 41% of eligible M1 employees are SISEU members.

M1 female workforce 2013

Age	Chinese	Indian	Malay	Others	Total
< 20	–	–	–	–	–
20 - 29	165	7	13	37	222
30 - 39	240	16	23	89	368
40 - 49	123	7	12	20	162
50 - 59	30	1	1	1	33
≥ 60	2	1	–	–	3
Total	560	32	49	147	788
%	71.1	4.1	6.2	18.7	100.0

M1 male workforce 2013

Age	Chinese	Indian	Malay	Others	Total
< 20	–	–	1	–	1
20 - 29	150	9	9	30	198
30 - 39	224	7	12	56	299
40 - 49	152	5	10	6	173
50 - 59	41	2	7	2	52
≥ 60	2	–	1	–	3
Total	569	23	40	94	726
%	78.4	3.2	5.5	13.0	100.0

M1 female workforce 2012

Age	Chinese	Indian	Malay	Others	Total
< 20	4	–	–	–	4
20 - 29	177	10	20	38	245
30 - 39	262	14	26	72	374
40 - 49	109	5	12	10	136
50 - 59	30	1	2	–	33
≥ 60	2	1	–	–	3
Total	584	31	60	120	795
%	73.5	3.9	7.5	15.1	100.0

M1 male workforce 2012

Age	Chinese	Indian	Malay	Others	Total
< 20	5	–	–	–	5
20 - 29	175	12	12	29	228
30 - 39	214	8	10	55	287
40 - 49	140	4	13	4	161
50 - 59	41	1	5	3	50
≥ 60	–	1	1	–	2
Total	575	26	41	91	733
%	78.5	3.5	5.6	12.4	100.0

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Our Community

M1 is committed to making long-term contributions to the arts, sports and youth causes, and we continued to invest resources in support of these causes in 2013.

Our employees' enthusiastic support for our adopted charities and participation in events, such as the inaugural M1 Corporate Challenge, has been invaluable. In addition, we raised a record amount for our adopted charities in our fund-raising drives in 2013.

Elevating the Arts

The arts is an area M1 has passionately supported since our inception in 1997. We aim to build a more vibrant, creative and enriching environment for the arts in Singapore. We believe that a thriving arts scene is key to enriching our quality of life, as well as strengthening social bonds and sense of community and nationhood in Singapore's multi-racial society.

While M1 supports a variety of works, we appreciate the challenges faced by start-up arts groups, and we focus on helping groups in this development stage where our contribution can make a greater difference. In recognition of M1's support for Singapore's arts scene, we were honoured with our 13th consecutive Patron of the Arts Award in 2013.

In 2013, we continued our collaboration with The Necessary Stage to present the 9th annual edition of the M1 Singapore Fringe Festival, with the theme Art and Entertainment. Held in January, the 12-day event featured dance, music, visual arts and mixed media performances by local and international artistes. Show highlights included Tao Te by Hungarian choreographer Ferenc Fehér's all-male dance cast, Hideaki

Hamada's Haru & Mina, a fascinating collection of photographs of two young children exploring the world, and the world premiere of Best Of, a monologue featuring award-winning actress Siti Khalijah Zainal. We also continued our support for two of Singapore's leading contemporary dance schools, T.H.E Dance Company and Frontier Danceland, and are heartened that their talented dancers have continued to win accolades from critics and audiences with their passionate and graceful performances.

As a passionate champion of the arts, we were encouraged by the Cultural Matching Fund set up by the Ministry of Culture, Community and Youth in November 2013, to provide dollar-for-dollar matching grants for private cash donations to arts and heritage charities. We will look at how the Fund can further enhance our contributions to the arts in 2014 and beyond.

Driving the Sports Scene Forward

We appreciate the ability of sports to inspire and energise people, and this motivates our support for a variety of sports causes.

In 2013, we continued our support for Netball Singapore's initiatives, such as the M1 Talent Identification Programme and the M1 Schools Challenge League. We further extended our support with the organisation of Singapore's biggest corporate netball competition, the M1 Corporate Challenge. The one-day event in November 2013 saw the enthusiastic participation of 48 teams from companies including Barclays Bank, Deloitte & Touche LLP, HDB, Keppel Corporation and Nestle, at the Kallang Netball Centre. M1 fielded five





teams, including a team comprising our senior management who played an exhibition friendly match against a sporting team of Members of Parliament including Acting Minister for Culture, Community and Youth Lawrence Wong, Senior Minister of State for Trade and Industry Lee Yi Shyan, Minister of State for Trade and Industry Teo Ser Luck, Deputy Speaker of Parliament and MP for Marine Parade GRC Seah Kian Peng and MP of East Coast GRC and President of Netball Singapore Jessica Tan.

In addition to netball, M1 also sponsored the Li-Ning Singapore Open 2013 badminton championship.

Supporting our Youth

We are pleased to note that M1, with the generous support of our business partners and staff, successfully raised a record S\$355,000 through our annual M1 Charity Golf and M1 Charity Carnival fund-raising events, for our five adopted charities - Beyond Social Services, Children-At-Risk-Empowerment Association, Children's Cancer Foundation, Singapore Children's Society and Cerebral Palsy Alliance Singapore.

The annual M1 Charity Golf tournament is one of our signature charity fund-raising events. Our 10th Charity Golf, held at the Sentosa Golf Club on August 2013, saw M1's senior management tee off with our business partners for charity.

M1's other main fund-raising activity is our annual M1 Charity Carnival. Named Mini-Cirque Pour La Charité in 2013, the carnival was held in November at M1's corporate headquarters in conjunction with our annual "Bring Your Kids To Work" day, and our staff's enthusiastic support and contributions for this event enabled us to further enrich the lives of the beneficiaries of our adopted charities.

Throughout the year, M1 employees also volunteered their time and effort to organise interesting and educational activities for the beneficiaries of our adopted charities, including excursions to the River Safari and the S.E.A. Aquarium Marine Life Park.

In October 2013, M1 opened Future Lab, a facility for application development and test-bedding, located at M1's Regional Operating Centre in Aljunied. With this facility, we tied up with Ngee Ann Polytechnic to launch the school's first app development competition, the M1 Future Lab School Challenge. Future Lab was also made available to the polytechnic's Electronic & Computer Engineering students, to nurture their interest in creating mobile applications as part of their school curriculum, and enable them to develop skills and knowledge in this area.

Giving to our Nation

In maintaining our commitment to the nation, M1 is proud to be the principal partner sponsor of the National Day Parade (NDP) 2013. Held at The Float at Marina Bay against the striking cityscape, the 48th NDP featured "Many Stories... One Singapore" as its theme and showcased heart-warming performances and spectacular displays to unite all Singaporeans and celebrate what makes them Singapore.

During the year, we also worked with the Singapore Red Cross Society to organise two on-site blood donation drives at our Jurong office. A total of 132 people donated and 98 units of blood were collected for the blood bank, which in turn will benefit almost 300 patients.

Sustainability Report

Our Environment

Several initiatives were launched during the year to reinforce our conservation efforts.

M1 strives to conduct our business operations efficiently, to minimise our environmental impact and usage of limited resources. We are committed to adhering to all applicable environmental regulations, and have never been fined or otherwise penalised for environment-related violations.

Our Environmental Footprint

M1's mobile networks, office buildings and data centre operations used 54,740,425 kWh of electrical power in 2013. This was 6.2% higher than the 51,546,565 kWh used in 2012, due to growth in business operations and to support 100 additional base station sites.

In 2013, our overall vehicle fleet fuel consumption declined by 7.1% to 34,626 litres of petrol and diesel, compared to the year before. Segmentally, diesel consumption by our 12 diesel vehicles decreased 15.9% to 19,671 litres, and consumption for our nine petrol vehicles increased 7.5% to 14,955 litres.

Diesel is also used by our offshore base stations located on the islands of Pulau Satumu, Pulau Tekong and St. John's Island, to power on-site generators as those sites are not connected to Singapore's power grid. The diesel consumption at our three offshore base stations was 67,936 litres in 2013. This was 11.1% lower compared to 2012, primarily due to reduced diesel usage at Pulau Satumu following the installation of solar panels to enable the use of renewable energy.

Water consumption in 2013 was 54,974 m³, and this was 4.7% higher compared to 52,500 m³ in 2012. The water, which comes from the utilities company, is primarily used for drinking, cleaning and equipment cooling. The increase in usage was mainly for the construction of our new building extension at MiWorld building.



Our Conservations Efforts

Several initiatives were launched during the year to reinforce our conservation efforts.

As part of the revamp of our M1 Shop retail outlets, we have done away with print brochures. The sales transaction process has also become fully electronic and paperless, but with an option for a paper printout if customers require so. Three M1 Shop outlets, located at Change Alley, Suntec City and NEX, were revamped in 2013, and we plan to convert all remaining outlets to the new environmentally-friendly paperless concept by 2014.

M1 also worked with industry peers to organise Singapore's first telecommunications sector environmental collaboration, in support of the World Wildlife Fund's Earth Hour Challenge 2013. As part of this initiative, we invited our customers to decline plastic bags at our outlets over a one-week period and our staff volunteers cleaned up a stretch of East Coast Beach. In addition, M1 has since replaced all plastic bags at our retail shop outlets with fabric ones made from recycled materials.

As part of our continued efforts to optimise our lighting fixtures, we are currently replacing all fluorescent lights at our office buildings in Jurong and Aljunied with energy-efficient light-emitting diode (LED) lights. A partial replacement exercise saw 550 lights replaced in 2013, and we expect to replace all remaining 3,800 fluorescent lights by the second quarter of 2014.

Together with the 2,300 fluorescent lights that were replaced with LED lights at our MiWorld building in 2012, the whole lighting optimisation exercise will enable M1 to reduce our power consumption for lighting by an estimated 450,000 kWh every year.

Last year, we began construction of a new building extension, sited next to our MiWorld building. Scheduled to be completed in the second quarter of 2014, the new building extension will incorporate environmentally-friendly features, such as LED lighting, rainwater harvesting tanks, as well as bicycle lots and shower facilities to encourage employees to cycle to work.

Following the successful installation of solar panels at our Raffles Lighthouse base station on Pulau Satumu in 2012, we conducted a review of our other offshore sites to evaluate the feasibility of switching to renewable energy. We have since begun the process of installing solar panels at St. John's Island. When completed in the third quarter of this year, these panels will enable a 45% reduction of diesel consumption of our St. John's Island base station.

Our 2G base station modernisation programme to replace 1,200 base stations with multi-radio ones that do not require air-conditioning was completed in 2011 and continues to yield power savings of 6,876,600 kWh a year.

Energy consumption

	2013 (kWh)	2012 (kWh)
M1 buildings and data centre operations	28,819,931	27,156,707
Mobile networks	25,532,962	23,984,962
Retail outlets ¹	387,532	404,896
Total	54,740,425	51,546,565

¹ Estimated based on utility bills

Fuel consumption

	2013 (in litres)	2012 (in litres)
Diesel (offshore base stations)	67,936	76,424
Diesel (fleet)	19,671	23,378
Petrol (fleet)	14,955	13,905

Water consumption

	2013 (m ³)	2012 (m ³)
Total usage	54,974	52,500

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