

SUSTAINABILITY REPORT



Introduction

M1 has a longstanding commitment to conduct its business in a responsible and sustainable way, and to play a meaningful role in the well-being of our stakeholders, the community we live in and the environment through our sustainability efforts.

We are pleased to present our fourth annual sustainability report, covering M1's economic, environmental, social and corporate governance performance for 2014.

This document has been prepared in accordance with Global Reporting Initiative's (GRI) G4 "Core" level guidelines, in describing key materiality issues and impact on our stakeholders.

Details of M1's corporate practices and our initiatives to further improve in this area, such as our new Supplier Code of Conduct, can be found in the Our Business section. We continue to provide a holistic, inclusive and collaborative workplace for all employees, and we have provided a description of our human resource policies and practices, with additional statistics, in the Our People section. The Our Community and Our Environment sections detail our various contributions to the community, and our continued efforts to minimise our environmental footprint.

Internationally accepted measurement units are used in the reporting of performance data and indicators, and no previously reported data has been restated. A full listing of reported General Standard Disclosures and Specific Standard Disclosures can be found on pages 82 to 86 of this Annual Report.

M1 HAS A LONGSTANDING COMMITMENT TO CONDUCT ITS BUSINESS IN A RESPONSIBLE AND SUSTAINABLE WAY, AND TO PLAY A MEANINGFUL ROLE IN THE WELL-BEING OF OUR STAKEHOLDERS, THE COMMUNITY WE LIVE IN AND THE ENVIRONMENT THROUGH OUR SUSTAINABILITY EFFORTS.

We continually review our sustainability performance, as well as monitoring and reporting processes for further enhancements or improvements.

We welcome feedback on this report and possible areas of improvement at corpcomms@m1.com.sg

Reporting Scope and Boundaries

The report is limited to M1 operations under its direct control for the period 1 January to 31 December 2014.

In preparing this report, we reviewed our business operations to assess and identify key environmental, social and governance issues, and addressed areas of interest highlighted by our stakeholders. We then applied the GRI's G4 reporting principles, including stakeholder inclusiveness, key materiality, the sustainability context, and indicator comparability; to the identified key material issues most relevant to our business operations and stakeholders, and presented the results accordingly.

SUSTAINABILITY REPORT

Introduction

Stakeholder	Main engagement channels	Stakeholder's expectations	How M1 addresses concerns and notable initiatives
Consumer and corporate customers	<ul style="list-style-type: none"> • 24-hour contact centre • M1 Shop outlets • Mobile sales team • Corporate sales team • Technical support team • M1 website and Facebook page feedback forms 	<ul style="list-style-type: none"> • Reliable, quality network access • Relevant and affordable products and services • Effective customer service • Data protection 	<ul style="list-style-type: none"> • Continual investment in networks to benefit customers. In 2014, we launched Singapore's first nationwide 300Mbps 4G mobile network to deliver faster mobile Internet access to customers • Continual investment in customer service and employee training • Clear disclosure of all information relevant to customers in marketing materials • Procedures to ensure the privacy of our customer's personal data
Institutional and retail investors	<ul style="list-style-type: none"> • Access to our Investor Relations team and senior management through: <ul style="list-style-type: none"> ◦ Email ◦ 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 • Good corporate governance • Transparency in business strategy and operations • Protection under laws for minority shareholders' interest • Relevant Corporate Social Responsibility initiatives 	<ul style="list-style-type: none"> • M1's Investor Relations team is committed to responding to investors' concerns in a timely manner • Quarterly financial results briefing and Q&A sessions are conducted within a month of period end. M1 is Singapore's only communications company to report within such a time frame • 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"> • Communicate M1's business policies to employees • Transparent business processes in the selection of winning tenderers • Avenues to report incidents of abuse and corruption • Whistleblower policy • M1's Supplier Code of Conduct, to further encourage best practices in procurement, was developed in 2014 and launched in January 2015

Stakeholder	Main engagement channels	Stakeholder's expectations	How M1 addresses concerns and notable initiatives
Employees	<ul style="list-style-type: none"> Employee feedback Team-building sessions Annual employee appraisal sessions Bi-annual 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 practices Career growth Relevant employee training 	<ul style="list-style-type: none"> Maintain a safe and pleasant working environment Recruit, reward and promote employees based on performance and merit Continual investment in human capital
Regulators	<ul style="list-style-type: none"> Regular formal and informal discussions Teleconferences Active participation, including written submissions, in relevant industry consultation sessions 	<ul style="list-style-type: none"> Compliance with regulations and service requirements Deliver continued socio-economic benefits to society 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 Network upgrading initiatives
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"> Email Teleconferences Meetings 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 Prompt response to queries 	<ul style="list-style-type: none"> M1's Corporate Communications and Investor Relations team works closely with these stakeholders to ensure they have access to the information they need, and respond to their queries in a timely manner
Trade associations	<ul style="list-style-type: none"> Membership in and engaging with trade bodies and associations, including the Contact Centre Association of Singapore, National Trade Union Congress, Singapore Internet Exchange, and Singapore National Employer Federation 	<ul style="list-style-type: none"> Deliver industry approved products and services Adoption of industry best practices 	<ul style="list-style-type: none"> Participation in industry events and dialogue sessions Harmonise our company policies and 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 relevant conferences Reporting on our sustainability strategy and performance 	<ul style="list-style-type: none"> Minimise any social, public health or environmental impact Support deserving community efforts and underprivileged groups 	<ul style="list-style-type: none"> Continual support of adopted community causes and conservation efforts Ensure products and services address the needs of and are available to underserved communities Continually review and enhance sustainability performance and reporting

SUSTAINABILITY REPORT

Introduction

Key Materiality Issues, Aspects and Sustainability Context

The following section is a summary of the key issues material to our operations in the wider context of sustainability, as determined through our engagement with stakeholders, and inputs from our management and employees. We have also provided an indication of the impact of the issues, and a summary of our management approach toward each issue.

Material Issues	Material Aspects	Sustainability Context	Management Approach	Internal impact	External impact
Network access and coverage	<ul style="list-style-type: none"> Good quality and reliable network access Affordable selection of products and services Digital inclusion 	<ul style="list-style-type: none"> We provide mobile and fixed services to close to 2 million customers The availability and affordability of our services greatly enhance our customers' productivity and quality of life 	<ul style="list-style-type: none"> As at end-2014, we have invested more than S\$1.6 billion into our mobile networks and we continually invest in technology to enhance our networks for the benefit of our customers 	Yes	Yes
Ethics and integrity	<ul style="list-style-type: none"> Transparency in business practices including marketing communications, recruitment and procurement Data privacy 	<ul style="list-style-type: none"> Maintaining a high standard of corporate governance is key to protecting the interests of our stakeholders, including customers, employees, business partners and shareholders 	<ul style="list-style-type: none"> The company has strict guidelines and policies with regard to procurement and staff conduct in our business, and we abide by all relevant laws including those governing data protection 	Yes	Yes
Employees	<ul style="list-style-type: none"> A safe and conducive working environment Relevant training 	<ul style="list-style-type: none"> We provide employment to 1,488 full-time employees, who form an important stakeholder segment and a critical component to our continued success in the competitive marketplace 	<ul style="list-style-type: none"> We maintain a safe and conducive working environment We have a merit-based recruitment and promotion policy Our human resource function, management and employees work together to identify suitable and relevant training programmes to enhance employees' skill sets 	Yes	No

Material Issues	Material Aspects	Sustainability Context	Management Approach	Internal impact	External impact
Economic performance	<ul style="list-style-type: none"> Continued, sustainable business growth 	<ul style="list-style-type: none"> We contribute toward Singapore's economy by responsibly paying our taxes and introducing business opportunities for our business partners Our shareholders benefit through regular dividend payouts and share price performance Our employees share in the company's success, through monetary rewards and staff benefits Our continuous network investment and introduction of innovative products and services have a positive impact on the level of competition in our industry for the benefit of both retail and corporate consumers in Singapore 	<ul style="list-style-type: none"> We continually invest in our networks to enhance customer experience, delivering relevant products and services that bring value to our customers, and providing a positive customer experience, to drive our business forward 	Yes	Yes
Community support	<ul style="list-style-type: none"> Supporting deserving community initiatives and underprivileged groups 	<ul style="list-style-type: none"> We believe that for a company to be successful in the long term, it should help create value for the community it operates in 	<ul style="list-style-type: none"> We are a long-term supporter of such causes, by providing financial assistance and conducting outings through the efforts of the M1 SunCare Club volunteers. We focus our efforts on the arts and sports causes in their start-up stage, where our contributions can make a meaningful impact 	Yes	Yes
Environmental footprint	<ul style="list-style-type: none"> Energy usage 	<ul style="list-style-type: none"> Energy is required to drive our business As a non-extractive business, M1 does not have a significant environmental footprint 	<ul style="list-style-type: none"> We continually review our environmental footprint to identify feasible initiatives to make the most efficient use of limited resources in a sustainable way 	Yes	Yes

In addition to the stated key material issues above, we note that there may also be other important sustainability-related issues, such as our impact on biodiversity. We have not included these issues in our report as they are not material to our business, due to our operating environment or the nature of our business.