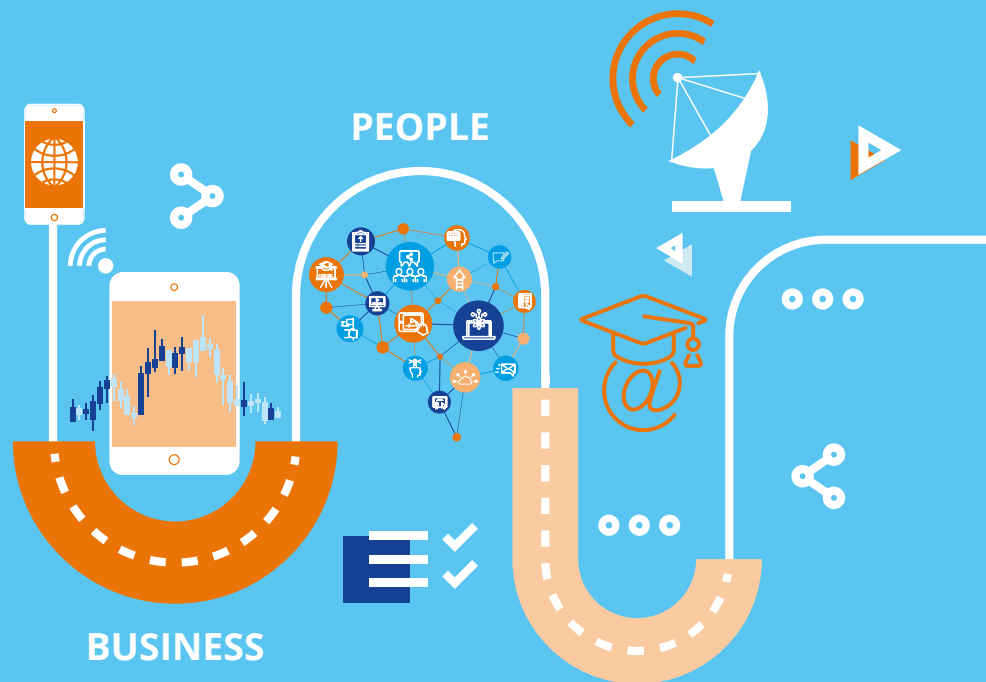


SUSTAIN

We integrate sustainability within our business strategy through efficient allocation and deployment of our financial, built, human and social capital, as well as put in place robust ethics and risk management processes

EMBRACING CORPORATE CITIZENSHIP

We pursue sustainable growth and performance for our business, based on a high standard of corporate governance and risk management policies and processes

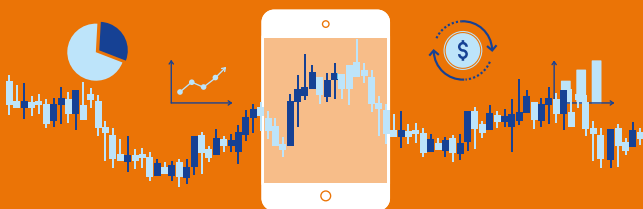


INVESTING

OUR BUSINESS

We are committed to enhancing the performance and resiliency of our networks and delivering a better customer experience

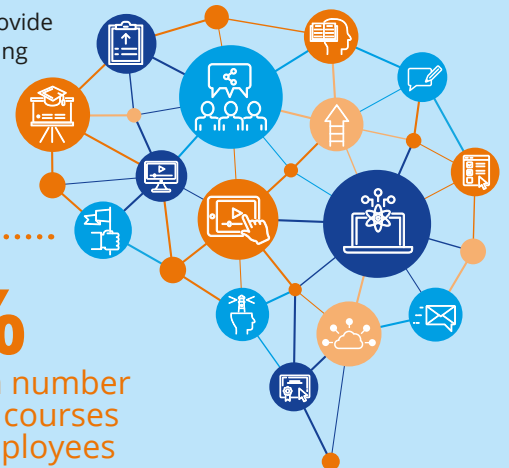
>S\$2 billion
invested in mobile and fixed network infrastructure



TRAINING

OUR PEOPLE

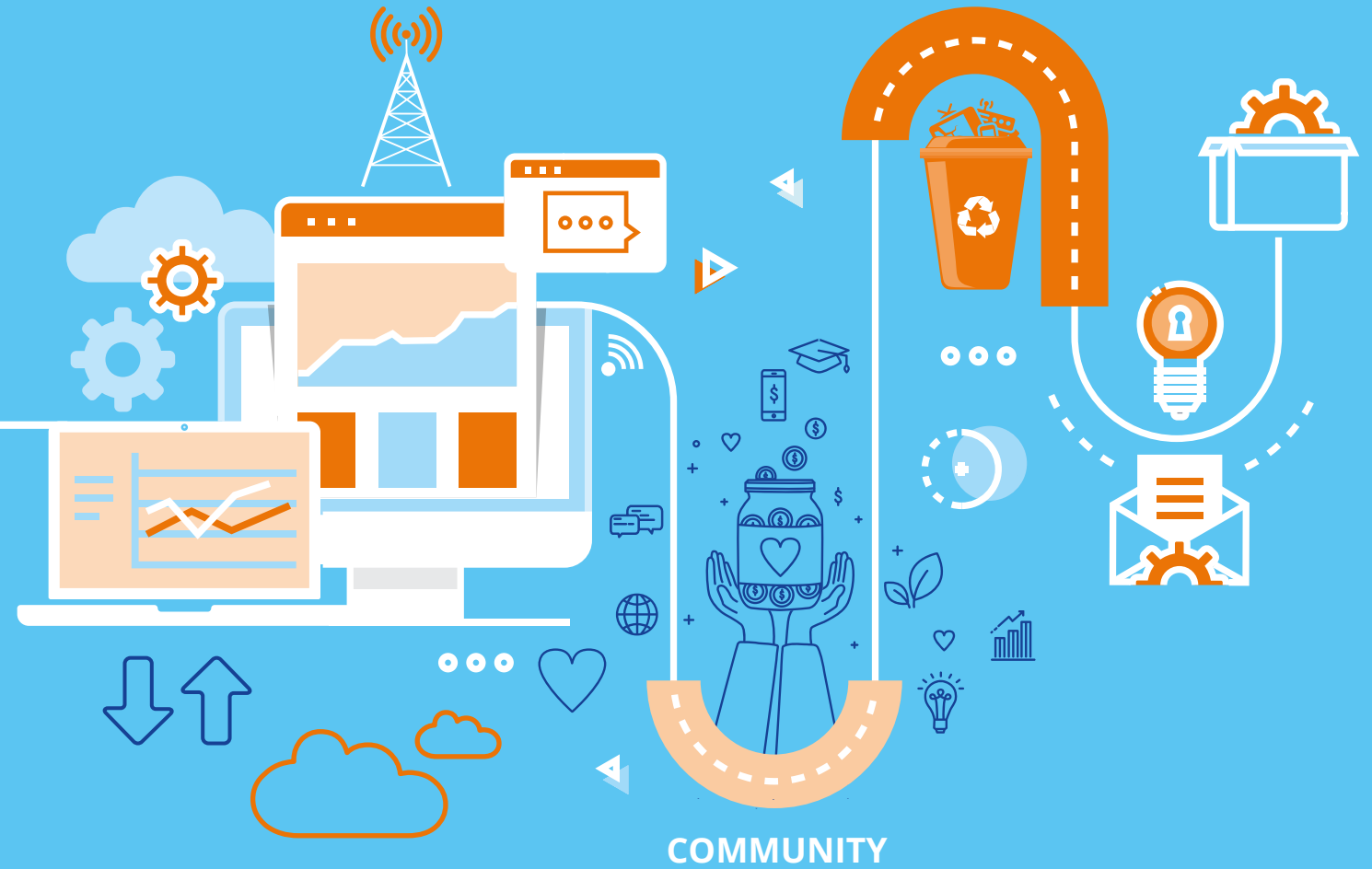
We strive to provide a safe, motivating and inclusive workplace that develops and rewards talent



30%
increase in number of training courses for our employees

ING

ENVIRONMENT



CARING

OUR COMMUNITY

Through our sustained corporate social responsibility programmes in three focus areas – the arts, sports and youth causes – we aim to deliver a lasting and positive impact on our community

>15
community programmes and events funded in 2017



RECYCLING

OUR ENVIRONMENT

We conduct our business operations responsibly and efficiently, and constantly seek to minimise our environmental footprint and make effective use of limited resources

3.3
tonnes of recyclable e-waste collected



SUSTAINABILITY REPORT

BOARD STATEMENT (GRI 102-14)

We recognise the vital role we play in creating a sustainable society for future generations, and have integrated sustainability into every aspect of our business. We will continue to advance our sustainability practices to maximise long-term social, environmental and financial value for all stakeholders

Recognising the vital role that today's businesses have in creating a sustainable society for tomorrow's generations, sustainability has always been integral to M1's operations. We integrate sustainability within our business strategy through efficient allocation and deployment of our financial, built, human and social capital, as well as put in place robust ethics and risk management processes. By recognising and adapting to risks and opportunities that arise from changes in economic, regulatory and technological trends, we have been growing a sustainable business that delivers value for shareholders, employees, business partners and communities, since we commenced commercial operations in 1997. M1 now employs over 1,500 people to serve more than two million customers and we are fully committed to building a sustainable future for all stakeholders.

We also recognise the challenges that come hand in hand with the commitment to sustainable growth. Security and data protection issues will continue to be of paramount importance to us, as will the need to reduce our carbon footprint while still delivering a superior customer experience. We are continuously investing in more resilient security measures and energy efficient systems to meet these requirements.

Sustainability issues are managed and communicated across all levels of our organisations. The Board of Directors oversees the material environment, social and governance (ESG) factors of the Company and had considered sustainability issues as part of the strategic formulation. M1's Chief Operating Officer, supported by the heads of key departments, has responsibility for the Company's sustainability policies, practices and performance.

The Board is informed of progress regarding sustainability issues and has approved the sustainability framework and the scope of the sustainability report, which cover four key areas of

focus: our business, our people, our community and our environment. More information about the Company's approach, targets and performance in each of these areas is set out in the Introduction to this report. Some of the achievements of 2017 include:

- Narrowing the digital divide and enabling families in the underprivileged and underserved segments to enjoy the benefits of communications technology through various community programmes with the Info-communications Media Development Authority (IMDA). As the appointed vendor, M1 dedicates resources to carry out these initiatives on a multi-year basis.
- Dedicating more than S\$1.9 million to CSR sponsorships in 2017. Throughout the years, we have maintained our commitment to CSR sponsorships, as we believe that sustained support is critical and this is our way of giving back to society.

We have been producing sustainability reports since 2011. We will continue to advance our sustainability practices and reporting process to help us maximise long-term value socially, environmentally and financially.

SUSTAINABILITY REPORT

INTRODUCTION (GRI 102-53)

M1's sustainability goals are to create value for our stakeholders, make a positive impact on our community and minimise our environmental footprint

8

key stakeholders engaged

14

material topics identified

We are committed to behaving responsibly and ethically in all our endeavours; tackling the challenges of sustainability to create enduring value and meet the expectations of all our stakeholders, both now and into the future.

In this sustainability report, the Company's seventh, we present the

economic, environmental, social and corporate governance performance of our operations in Singapore during 2017. Our achievements, progress and targets for the reporting year are detailed in four sections, each representing a key area of focus for our operations, namely: Our Business, Our People, Our Community and Our Environment.

OUR BUSINESS



We pursue sustainable growth and performance for our business, based on a high standard of corporate governance and risk management policies and processes.

OUR PEOPLE



We strive to provide a safe, motivating and inclusive workplace that develops and rewards talent.

OUR COMMUNITY



Through our sustained corporate social responsibilities programmes in three focus areas – the arts, sports and youth causes – we aim to deliver a lasting and positive impact on our community.

OUR ENVIRONMENT



We conduct our business operations responsibly and efficiently, and constantly seek to minimise our environmental footprint and make effective use of limited resources.

We welcome feedback on this report, any aspect of our sustainability performance and possible areas of improvement at corpcomms@m1.com.sg

SUSTAINABILITY REPORT

INTRODUCTION

REPORTING SCOPE AND BOUNDARIES (GRI 102-54, 102-12, 102-56)

This M1 sustainability report has been prepared in accordance with the Global Reporting Initiative's (GRI) Standards¹: Core option, and is limited to operations under our direct control for the period 1 January to 31 December 2017. The GRI content index and the relevant references are provided on pages 109 to 112 of the report. To ensure comparability, we have used internationally-accepted measurement units and conversion factors for the reporting of performance data and indicators.

We regularly review our sustainability performance, monitoring and reporting processes, as well as new developments in sustainability reporting, to ensure ongoing improvement. This report has been updated to incorporate changes to Singapore Exchange's sustainability

reporting guidelines and the latest GRI Standards. We have sought assistance from a sustainability consultancy to ensure that alignment between the report content and the requirements of these two frameworks has been respected.

The content of this report has not been externally assured by any independent party.

SUSTAINABILITY MANAGEMENT WITHIN M1 (GRI 102-18)

The evaluation of M1's economic, environmental and social performance is carried out at top management level by our Chief Operating Officer, supported by the heads of our key departments. Engagement approaches with our stakeholders, material topics and relevant mitigation measures are discussed and prioritised based on expectations and best practices within the current local and global sustainability contexts, but also on

the risks and opportunities relevant to M1's business operations. M1's management approaches and performance data are regularly re-assessed according to defined targets and adapted if necessary.

Key outcomes, performance updates and proposed changes in our sustainability framework are presented to the Board of Directors for their approval and input. The Board also has oversight of M1's sustainability reporting agenda.

STAKEHOLDER ENGAGEMENT AND MATERIALITY (GRI 102-42)

We have identified eight stakeholder groups whose engagement with M1 is key to our sustainability efforts. We have strengthened existing engagement channels and created new ones to understand the expectations of each stakeholder group and identify the topics that are material to them.



¹ We have chosen GRI Standards (2016) as this is the latest version of the most widely used global and independent sustainability reporting framework.

M1 STAKEHOLDER GROUPS (GRI 102-40, 102-43, 102-44, 102-46)

Stakeholders	Main engagement channels	Stakeholder's expectations
Consumers and corporate customers	<ul style="list-style-type: none"> • 24-hour contact centre • M1 Shop outlets • Mobile and fixed sales team • Corporate sales team • Technical support team • M1 website and Facebook page feedback forms • My M1 App 	<ul style="list-style-type: none"> • Reliable, quality network access • Relevant and affordable products and services • Effective customer service • Data protection
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"> – Emails – Teleconferences – Meetings – Investor conferences – Investor roadshows – Annual general meetings (AGM) – Annual reports 	<ul style="list-style-type: none"> • Sustainable business growth • Long-term shareholder value • Good corporate governance • Transparency in business strategy and operations • Consideration for minority shareholders' interest • Relevant corporate social responsibility (CSR) initiatives
Business partners and suppliers	<ul style="list-style-type: none"> • Meetings • Emails • Teleconferences 	<ul style="list-style-type: none"> • Transparent and fair procurement and other business practices • Compliance with terms and conditions of business contracts
Employees	<ul style="list-style-type: none"> • Employee feedback • Team-building sessions • Annual employee appraisals • Quarterly townhall events • Open-door policy • Quarterly CEO messages • Grievance-handling channels through line management and/or 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

SUSTAINABILITY REPORT

INTRODUCTION

Stakeholders	Main engagement channels	Stakeholder's expectations
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
Analysts and the media	<ul style="list-style-type: none"> • Access to our Corporate Communications and Investor Relations team through: <ul style="list-style-type: none"> – Emails – Teleconferences – Meetings – Organised visits and industry events – Quarterly results teleconferences 	<ul style="list-style-type: none"> • Timely and transparent disclosure of corporate information • Prompt response to queries • Access to senior management
Trade associations	<ul style="list-style-type: none"> • Membership of and engagement with relevant trade associations² 	<ul style="list-style-type: none"> • Make available industry approved products and services • Adoption of industry best practices
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

The following table summarises the key material sustainability topics for M1, as determined through our stakeholder engagement channels and management discussion. The table identifies which stakeholder group is impacted by each topic, explains why it is important and

outlines our management approach for each topic, as well as summarises our progress during the reporting period and identifies our targets for 2018.

In addition to the material topics highlighted in the table, there may be

other important sustainability related topics, such as impact on biodiversity. This report does not include information and performance data on these topics, as they are not material to our business, due to our operating environment or the nature of our business.

² Contact Centre Association of Singapore, National Trade Union Congress, Singapore Internet Exchange, and Singapore National Employer Federation.

M1 KEY MATERIAL TOPICS (GRI 102-47)

Why the Topic is Material	M1's Management Approach	2017 Achievements	2018 Targets
OUR BUSINESS			
Governance, ethics and integrity			
	Impacted stakeholders: All		
Maintaining a high standard of corporate governance, in the economic, social and environmental aspects of our business, is key to protecting the interests of all our stakeholder groups. This includes seeking feedback from and communicating transparently with all parties	<ul style="list-style-type: none"> We communicate our business policies to staff and ensure that management, staff and suppliers abide by strict guidelines, codes of conduct and regulatory compliance We obtain annual Business Continuity Management (BCM) certification We conduct appropriate risk and awareness training sessions for staff We respond to media and analysts' queries in a timely manner and provide relevant and prompt updates on company developments We work closely with media and analysts to advance the Company's interests We continually review and improve sustainability performance and reporting 	<ul style="list-style-type: none"> No cases of regulatory non-compliance during the year Increased number of performance indicators in the sustainability report 	<ul style="list-style-type: none"> Maintain our current record of zero cases of regulatory non-compliance
Responsible procurement			
	Impacted stakeholders: Business partners and suppliers		
Adopting a responsible procurement policy helps M1 to indoctrinate among its suppliers the same stringent sustainability principles and corporate values that it adheres to itself	<ul style="list-style-type: none"> We review our Supplier Code of Conduct annually to ensure best procurement practices We ensure transparency throughout the tendering process Through our whistle-blower policy, we create avenues for reporting incidences of abuse and corruption 	<ul style="list-style-type: none"> Reviewed our Supplier Code of Conduct and found it to be valid 	<ul style="list-style-type: none"> Annual review of Supplier Code of Conduct
Data privacy			
	Impacted stakeholders: Consumers and corporate customers		
Given our role as a provider of mobile and fixed communications services, and being fully aware of the sensitivities that customers rightly have concerning data privacy, protecting that privacy is M1's prime material topic	<ul style="list-style-type: none"> We subscribe to the principles and requirements of the Personal Data Protection Act 2012 (PDPA) to ensure the privacy of customers' personal data 	<ul style="list-style-type: none"> No regulatory breaches 	<ul style="list-style-type: none"> Maintain positive record of zero regulatory breaches

SUSTAINABILITY REPORT

INTRODUCTION

Why the Topic is Material	M1's Management Approach	2017 Achievements	2018 Targets
OUR BUSINESS			
Transparency in customer communications		Impacted stakeholders: Consumers and corporate customers, regulators	
Being fully transparent in all forms of customer communications, builds trust and strengthens our engagement with our customers and other stakeholder groups	<ul style="list-style-type: none"> We have a training roadmap for our frontline staff which enables them to provide customers with comprehensive and transparent information with which to make informed decisions regarding our products and services. The process covers both content knowledge and soft skills, and includes: <ul style="list-style-type: none"> New staff academy training Skills enhancement training Refreshers on important topics e-Learning platform 	<ul style="list-style-type: none"> All frontline staff were trained in key modules including compulsory on-the-job training 	<ul style="list-style-type: none"> Maintain 100% of frontline staff trained in key modules including on-the-job training
Customer satisfaction		Impacted stakeholders: Consumers and corporate customers	
Customer satisfaction impacts all stakeholder groups either directly or indirectly. Satisfied customers are more likely to be loyal customers who become ambassadors for the brand and build economic growth, which, in turn, leads to a better stakeholder experience for employees, investors and suppliers	<ul style="list-style-type: none"> We continually invest in and review our products and services to ensure they are relevant, competitive and meet customer needs We conduct regular and appropriate staff training to enhance the customer experience 	<ul style="list-style-type: none"> Achieved 85% customer satisfaction rating³ 	<ul style="list-style-type: none"> Achieve at least 85% customer satisfaction rating
Public safety		Impacted stakeholders: Consumers and corporate customers, regulators	
Having a strong public safety record, particularly in the sensitive area of radio frequency (RF) radiation levels, builds confidence and support for M1 among our customer base and industry regulators	<ul style="list-style-type: none"> We comply with the Info-communications Media Development Authority's (IMDA) strict controls over the installation and transmitter power limits of our base station equipment We are open and transparent in the area of public health and safety, and work closely with the National Environment Agency and IMDA to ensure the levels of exposure of RF radiation from our networks are well within guideline limits We have mechanisms in place to respond promptly to any public safety incidents 	<ul style="list-style-type: none"> No public safety incident 	<ul style="list-style-type: none"> Maintain record of no public safety incident

³ Customer Satisfaction Survey across our customer touch points (Hotline, Customer Service Centres and Retail Shops).

Why the Topic is Material	M1's Management Approach	2017 Achievements	2018 Targets
OUR PEOPLE			
Attracting and retaining talent	Impacted stakeholders: Employees		
Our people form an important stakeholder segment and are a critical component to our long-term success	<ul style="list-style-type: none"> We offer competitive remuneration packages commensurate with qualifications, experience and job responsibilities We value diversity within our workforce We promote employees based on performance and merit 	<ul style="list-style-type: none"> Employee attrition rate of 14.8% in 2017, from 13.1% in 2016. 	<ul style="list-style-type: none"> Achieve annual attrition rate equal or lower than industry norms
Training and education	Impacted stakeholders: Employees		
Investment in the training and education of our people gives M1 an edge in our ever-changing and highly competitive industry. By supporting their personal development, we are enabling our people to reach their full potential	<ul style="list-style-type: none"> We provide continuous training programmes to build on our employees' knowledge and skills 	<ul style="list-style-type: none"> 3.66 days of training per employee 	<ul style="list-style-type: none"> An average of 4 days of training per employee per year
Workplace health & safety	Impacted stakeholders: Employees, business partners and suppliers		
Providing a safe and healthy workplace protects all stakeholders who carry out their professional responsibilities on M1 sites and strengthens our engagement with those same stakeholders	<ul style="list-style-type: none"> We maintain a safe and inclusive working environment We conduct regular workshops to keep employees up to date with M1's workplace safety and health procedures and regulations We are a signatory to the Tripartite Alliance for Fair Employment Practices' Employers' Pledge of Fair Employment Practices 	<ul style="list-style-type: none"> No fatality 	<ul style="list-style-type: none"> Maintain zero fatality rate

SUSTAINABILITY REPORT

INTRODUCTION

Why the Topic is Material	M1's Management Approach	2017 Achievements	2018 Targets
OUR COMMUNITY			
Supporting the community	Impacted stakeholders: Non-governmental organisations and community partners, employees		
<p>We believe that for a company to be successful in the long term, it should help create value for the community within which it operates. Participation in CSR programmes is a significant motivation factor for our employees</p>	<ul style="list-style-type: none"> Through our strong CSR programmes, we continuously provide financial assistance and support to adopted community causes and conservation efforts We focus our efforts on the arts and sports causes in their start-up stage, where our contributions can make a meaningful impact We ensure products and services are available to and address the needs of underserved communities We involve our employees through M1 SunCare Club volunteers 	<ul style="list-style-type: none"> We invested more than S\$1.9 million toward arts, sports and charity 	<ul style="list-style-type: none"> Make a combined community investment of more than S\$1.5 million toward arts, sports and charity
Digital inclusion	Impacted stakeholders: Non-governmental organisations and community partners, regulators		
<p>As connectivity becomes an ever greater part of our lives, it is important to ensure that digital services are made accessible to all members of our society</p>	<ul style="list-style-type: none"> Participation in industry events and dialogue sessions Harmonise our policies and networks with globally accepted technologies and standards 	<ul style="list-style-type: none"> M1 partnered with IMDA on the NEU PC Plus Programme, and the Home Access Programme and Digital TV Assistance Scheme 	<ul style="list-style-type: none"> Continue to partner government agencies to enable low-income households to benefit from digital/ connectivity services

Why the Topic is Material	M1's Management Approach	2017 Achievements	2018 Targets
OUR ENVIRONMENT			
Energy usage	Impacted stakeholders: All		
In line with the Singapore Government's 2015 pledge that the country will become more efficient in its economic activity by the year 2030, a reduction in the use of non-renewable energy sources is a priority for M1	<ul style="list-style-type: none"> We continually measure and review our environmental footprint to identify feasible initiatives to make the most efficient use of limited resources in a sustainable way We implement more energy-efficient technologies 	<ul style="list-style-type: none"> Total power consumption of our operations increased 0.1% despite an 11% increase in new base stations deployed 	<ul style="list-style-type: none"> Minimise increase in total power consumption, despite expansion of mobile networks and ICT systems
Carbon footprint	Impacted stakeholders: All		
It is essential to prevent our current actions on the climate from compromising the life of future generations. The Singapore Government's 2030 targets towards the global fight against climate change also highlight the need for companies to reduce their carbon footprint and look towards renewable energy sources	<ul style="list-style-type: none"> We have implemented new approaches, such as use of solar panels, to reduce our consumption of non-renewable energy We adopt new measures to reduce indirect carbon emissions (electronic equipment recycling and reduction in paper consumption) 	<ul style="list-style-type: none"> Launched e-waste recycling trial at selected M1 Shops and M1 buildings eBill penetration at 15% (May 2017) 	<ul style="list-style-type: none"> Roll out e-waste recycling to more collection sites Raise eBill penetration to 20% of customer base
Water usage	Impacted stakeholders: All		
The supply of fresh water in Singapore is limited. Maximising opportunity to replace fresh water with reclaimed water is an important step towards environmental sustainability	<ul style="list-style-type: none"> We continually seek out opportunities to reduce our consumption of potable water and increase consumption of reclaimed NEWater, e.g. for cooling 	<ul style="list-style-type: none"> NEWater/potable water consumption ratio: 23/77 	<ul style="list-style-type: none"> Increase NEWater/potable water ratio to 30/70

SUSTAINABILITY REPORT

OUR BUSINESS

Fairness, transparency and integrity are core to every aspect of M1's operations. We aim to meet or surpass the expectations of every stakeholder, and add value to the nation's economy, through sound, innovative and sustainable business practices

>S\$2 billion

invested in mobile and fixed network infrastructure in the last 20 years

IMDA's

appointed vendor for their various programmes to narrow the digital divide

Code of Conduct

for suppliers imposed within M1's entire supply chain

ADDING VALUE TO THE ECONOMY (GRI 203-1, 203-2, PA1, PA2, PA3, PA4)

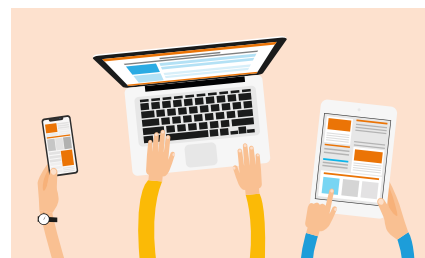
Technology and connectivity are integral to everyone's lives today, be it at work or play. We constantly review and update our products and services to ensure they are relevant and offer meaningful value to all our customers, including the underprivileged and underserved communities.

M1 worked with the Info-communications Media Development Authority (IMDA) as the appointed vendor to provide broadband access to students and persons with disabilities from low-income households throughout 2017 under the NEU PC Plus Programme. Through this programme, eligible applicants receive a complimentary 4G or fixed fibre broadband connection for three years. To date, more than 7,000 households have benefitted from this programme.

In addition, as IMDA's appointed vendor for the Home Access Programme and Digital TV Assistance Scheme, we continued to help low-income households with subsidised

fibre broadband connectivity and to make the switch from analogue to Digital TV through free digital set-top boxes and indoor antennas. Analogue TV broadcast will cease in Singapore by end 2018, and households are required to migrate to Digital TV in order to continue to enjoy free-to-air TV programmes. To date, more than 8,000 households have benefitted from the Home Access Programme and 67,000 households have benefitted from the Digital TV Assistance Scheme.

These efforts have made a positive impact in narrowing the digital divide and enabling families in the underprivileged and underserved segments to enjoy the benefits of communications technology.



ECONOMIC PERFORMANCE (GRI 102-7, 201-1)

OUR KEY ECONOMIC INDICATORS ARE AS FOLLOWS:

	Group	
	2017 S\$m	2016 S\$m
Operating revenue	1,071.1	1,060.9
Net profit after tax	132.5	149.7
Operating expenses (including staff cost)	899.9	880.9
Staff costs	122.5	115.0
Dividends paid to shareholders	103.2	142.3
Tax paid	24.4	33.2
Community investments	1.94	1.87

For more details of our financial performance, please refer to the Financial Statements section of this Annual Report.

NETWORK AND SYSTEMS INVESTMENT (GRI IO1)

M1 commits to ongoing investment in new technologies, as well as coverage and capacity expansion, to enhance the performance and resiliency of our networks and deliver a better experience for our customers.

Since our inception in 1997, we have invested more than S\$2.0 billion in expanding and upgrading our mobile and fixed network infrastructure. In 2017, we continued to optimise our 4.5G Heterogeneous Network (HetNet)

and deployed 300 Small Cell/WiFi sites at targeted high-traffic hotspots to augment the customer experience. To catalyse smart solutions innovation and support Singapore's transformation into a Smart Nation, we launched Southeast Asia's first commercial nationwide NB-IoT (Narrowband Internet of Things) network in August 2017.

In enabling hyper-connectivity to millions of devices, sensors and services, the Internet of Things (IoT) is a key Smart Nation building block. With our NB-IoT network, solution

providers and businesses can develop and deploy new IoT-enabled solutions such as smart energy management for buildings and homes, environmental monitoring, asset tracking and fleet management. We will continue to work closely with government agencies, technology partners, and customers to spur the development of more smart solutions in the future.

More details of our network investments can be found in the Operating Review section of this Annual Report.

Intelligent waste management system with M1's NB-IoT network

M1, OTTO Waste Systems and SmartCity Solutions signed a Memorandum of Understanding (MOU) in November 2017 to implement the first intelligent waste management system in Singapore, utilising NB-IoT technology. This initiative is a key milestone in support of Singapore's transformation towards a Smart Nation.

With M1's NB-IoT enabled solutions and IoT platform, sensors attached to OTTO's trash containers will send out real-time alerts to SmartCity's centralised management system when the appropriate level of waste is reached. This allows waste management companies to improve the operational efficiency of resources such as manpower and fuel by only clearing full containers. The waste data collected can be aggregated and analysed through M1's data analytics platform to help companies further streamline their operations, such as bin distribution and waste collection frequency, enabling a greener environment.



SUSTAINABILITY REPORT

OUR BUSINESS

M1 and NTU conduct Singapore's first comprehensive research on the use of 4.5G HetNet for secure drone operation



In the second half of 2017, M1 and Nanyang Technological University, Singapore (NTU) conducted

successful trials using M1's 4.5G HetNet to provide command, control and communication capabilities required for safe and efficient drone operations.

Conventional drones use an unlicensed spectrum such as 2.4 GHz band to provide short-range line-of-sight wireless connectivity but are susceptible to radio signal interference. In contrast, a well-optimised 4.5G HetNet provides secured mobile connectivity, enabling drones to fly beyond visual range in an urban environment.

In addition, drones could send real-time data and telemetry feeds during flight, with their precise

aerial locations monitored over M1's 4.5G HetNet. This paves the way for a dynamic and robust fleet traffic management solution required for the smart utilisation of Singapore's urban airspace and its surrounding sea-to-shore coverage.

To further the collaboration, M1 and NTU's Air Traffic Management Research Institute signed a MOU, to research and develop M1's 4.5G HetNet for the traffic management of unmanned aircraft systems in Singapore's urban environment. The findings from this research could provide valuable insight for unmanned operations using future 5G network.

OUR PRODUCTS AND SERVICES

Expanding our corporate customer reach

The corporate and ICT business is a growth segment for M1. We have accelerated our investments in technology, infrastructure and expertise, as well as strengthened our product offerings to capture this growth and new opportunities in the digital economy. In 2017, we launched new initiatives to enable corporate customers of all sizes to leverage technology to improve their competitiveness and operational efficiency. These corporate initiatives include new enterprise mobile plans featuring the use of local data bundles across 56 popular business destinations, the world's first 10Gbps symmetrical PON (passive optical network) connectivity service, as well as expansion of our fibre

network to more commercial buildings to provide high-speed connectivity and value-added services.

Data protection

We respect our customers' privacy and do not collect, use or disclose customers' personal data other than as permitted under applicable laws, including the Personal Data Protection Act 2012 (the Act).

All M1 employees are trained regarding their obligations under the Act, with e-learning refreshers made available annually to ensure employees are kept up-to-date with the Act.

Additionally, two senior executives of the Company have been appointed Data Protection Officers to oversee

compliance with the Act in relation to both customer and employee personal data.

Transparency in customer communications

M1 clearly labels all products and services in advertisements, marketing collateral and website, and provides all relevant details in customer contracts. Prior to processing any customer transaction, the following are explained clearly and concisely by our employees:

- Prices
- Product specifications
- Excess charges
- Value-added services offered on a promotional or trial basis
- Early termination charges

Public safety (GRI 416-1, 102-12)

We recognise the public’s concern about potential radio frequency (RF) radiation from telecommunications equipment, including mobile devices and base stations.

To date, the World Health Organisation⁴ has found no substantiated link between exposure to RF radiation and adverse impact on human health. Additionally, the IMDA exercises strict control over the installation and transmitter power limits of M1’s base station equipment, and conducts site visits to ensure compliance with the International Commission on Non-Ionising Radiation Protection’s standards. In 2017, such tests were carried out at more than 200 of our sites and no corrections were required.

We are committed to public health and safety, and during installation of our base stations, we ensure that the radio frequency radiation remains within regulatory levels. We will continue to monitor radiation levels at our stations, and any further scientific developments, to ensure our networks meet all relevant guidelines. We will also continue to be open and transparent in our approach to public health and safety, and work closely with the National Environment

Agency and IMDA to ensure the levels of exposure of RF radiation from our networks are well within the guideline limits.

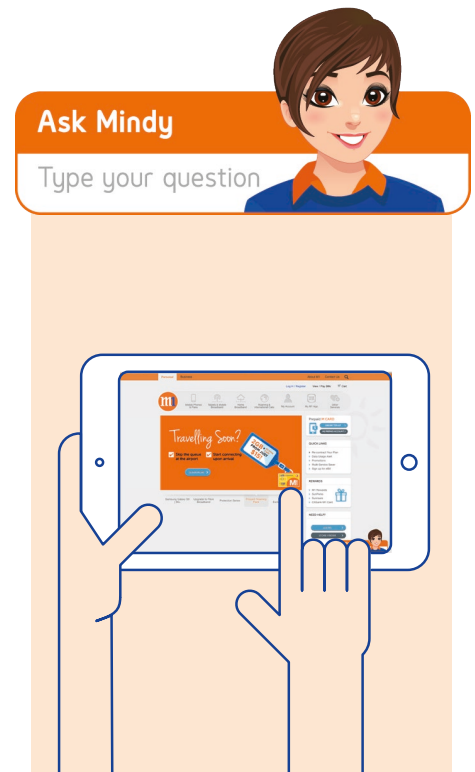
Customer satisfaction

Delivering excellent customer service is one of M1’s core operating tenets. We continually invest in customer service training and review our business processes to ensure consistent and high-quality service across all customer touch points.

In November 2017, we launched Mindy, our online chatbot self-service tool that empowers customers to search for answers via a chat interface. This enables customers to have real-time, always available and accurate answers to their queries on products and services, as well as frees up more time for our customer service officers to handle more complex requests, thus improving overall efficiency and service experience.

To help our workforce better appreciate customers’ needs and achieve service excellence, all new employees undergo an attachment programme at our customer contact centre and retail outlets during their orientation.

We value customer feedback in helping us to improve our service, and gather such information through a multitude of channels including our 24-hour contact centre, retail outlets, letters to the media, mystery shopping surveys, and from social media networks such as Facebook.



⁴ The World Health Organisation is currently conducting a formal assessment of all studied health outcomes (<http://www.who.int/mediacentre/factsheets/fs193/en/>).

SUSTAINABILITY REPORT

OUR BUSINESS

ETHICAL STANDARDS AND RESPONSIBILITIES

We are committed to conducting our business in a responsible and ethical manner, in compliance with all applicable laws and regulations. We also support voluntary codes and best practice guidelines that benefit our stakeholders and society at large.

M1 protects vulnerable customer segments such as children and youths from undesirable content, and has worked with 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. We have made a variety of tools available at both network and device levels, to enable parents to monitor their children's online activity.

Anti-corruption (GRI 205)

M1 subscribes to a 'zero tolerance' policy on fraud, corruption and other forms of unethical behaviour or conduct. Awareness training programmes are conducted to initiate and update employees on the Company's anti-corruption policies and all new employees are required to acknowledge our Code of Conduct. In addition, existing staff are required to make an annual declaration on any conflict of interest.

Under the M1 whistle-blower policy, employees and suppliers are encouraged to report any suspicious or irregular behaviour they may encounter in the course of their work, with the assurance that allegations will be investigated and their identities protected.

Our suppliers play a key role in our value chain and we regularly engage with them to identify any new issues

Regulatory compliance (GRI 418-1, 307-1, 416-2, 417-3, 419-1, 205-3)

Key laws and regulations which govern our core telecommunications business and quality of service (QoS) delivery standards to our customers include the Telecommunications Act and Telecoms Competition Code (2012).

Additionally, we abide by all applicable business, social, environmental, health, manpower, consumer protection, data protection and marketing-related laws and regulations.

M1 was not fined by any authority in 2017 for non-compliance with any laws and regulations and had no incident of corruption during the year.

Sustainable Procurement (GRI 102-9, 204-1)

In FY2017, M1 engaged 480 suppliers to support us in the supply of telecom equipment and services, terminals and devices, ICT solutions, software and computer hardware products, as well as cable installation.

95% of these suppliers were Singapore-based and represented 96% of our total procurement spending for the year.



and ensure that the quality of our product and services is maintained and aligned with our business values and principles.

All our suppliers are required to comply with M1's Supplier Code of Conduct, which was introduced in 2015 to set out the standards of business behaviour that the Company's suppliers are expected to meet or exceed. The M1 Supplier Code of Conduct covers topics such as ethics, human rights, non-discrimination, fair compensation, collective association, health and safety, and protection of the environment. Suppliers are required to comply with all applicable laws, regulations

and conventions. The Code also outlines procedures for suppliers to report any M1 director, officer, employee or representative who breaches ethical standards.

In 2017, M1 developed a new self-assessment questionnaire on business continuity plan (BCP) readiness with our key suppliers. The BCP assessment programme will be implemented throughout 2018.

For additional information on M1's ethical behaviour, employee code of conduct and responsible procurement, please refer to the Corporate Governance section of this Annual Report.

SUSTAINABILITY REPORT

OUR PEOPLE

Investment in our people is an investment in our future. Our people are key to us in delivering excellent customer experience and creating long-term value for all stakeholders

50.4% : 49.6%

overall women to men ratio

31.1

hours of training on average per employee

30%

increase in number of training courses attended by employees since 2016

Zero

workplace accidents or injuries

We are living in an increasingly digital world; one where the ability of M1 to attract, develop and retain exceptional people is more important than ever if we are to maintain our position as Singapore's most vibrant and dynamic communications company, and service provider of choice.

Knowing how critical our people are to M1's success, we offer every opportunity for them to realise their full potential within a safe and welcoming environment. We encourage them to take ownership of their work and foster a work ethic that embraces inclusiveness, diversity and teamwork.

EMPLOYEE PROFILE (GRI 102-8, 401-1)

As at end 2017, M1 employed 1,541 people. The majority of our employees are in technology, marketing, customer service and retail functions on a full-time basis. About 2% of the workforce are part-timers or temporary contract hires.

During 2017, we hired 238 employees, while 249 left the company. This corresponds to a turnover rate of 14.8% for the year, which is in line with industry norms.

TYPE OF EMPLOYMENT (GRI 405-1)

	Male	%	Female	%	Total	%
2017						
Full-time	750	98.2%	759	97.7%	1,509	97.9%
Part-time	1	0.1%	2	0.3%	3	0.2%
Contract	13	1.7%	16	2.1%	29	1.9%
Total	764	100.0%	777	100.0%	1,541	100.0%
2016						
Full-time	740	98.1%	771	96.7%	1,511	97.4%
Part-time	2	0.3%	6	0.8%	8	0.5%
Contract	12	1.6%	20	2.5%	32	2.1%
Total	754	100.0%	797	100.0%	1,551	100.0%

LENGTH OF SERVICE

	2017	%	2016	%
<5 years	728	47.2	746	48.1
5-10 years	288	18.7	314	20.2
>10 years	525	34.1	491	31.7
Total	1,541	100.0	1,551	100.0



SUSTAINABILITY REPORT

OUR PEOPLE

EQUALITY AND DIVERSITY (GRI 404-3, 102-13, 406-1)

We value and celebrate the diversity of our people, which in turn helps foster innovation and enable us to better understand and serve our customers.

Prospective employees are evaluated based on their qualifications, capabilities and experience, regardless of gender, age or ethnicity. Twice a year, employee evaluations are conducted through a transparent appraisal process, and performance targets are set with the employee's input.

As a believer in fair, responsible and merit-based employment practices, M1 is a signatory to the Employers' Pledge of Fair Employment Practices set up by the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP).

The Company did not have any internal incidents of discrimination or receive any complaint with regard to discriminatory practices in 2017.

EMPLOYEE CATEGORIES (GRI 405-1)

	Male %	Female %
2017		
Senior Management	69.8	30.2
Mid-Management	57.9	42.1
Executive	55.3	44.7
Non-Executive	41.9	58.1
Total	49.6	50.4
2016		
Senior Management	76.8	23.2
Mid-Management	55.0	45.0
Executive	53.8	46.2
Non-Executive	42.2	57.8
Total	48.6	51.4

AGE AND ETHNIC GROUPS (GRI 405-1)

FEMALE WORKFORCE

Age	Chinese	Indian	Malay	Others	Total
2017					
Under 30	142	9	4	33	188
30 - 50	387	23	31	85	526
Over 50	51	4	5	3	63
Total	580	36	40	121	777
Percentage mix	74.6%	4.6%	5.2%	15.6%	100.0%
2016					
Under 30	163	7	6	34	210
30 - 50	387	21	33	90	531
Over 50	46	1	5	4	56
Total	596	29	44	128	797
Percentage mix	74.8%	3.6%	5.5%	16.1%	100.0%

MALE WORKFORCE

Age	Chinese	Indian	Malay	Others	Total
2017					
Under 30	148	5	4	15	172
30 - 50	388	15	27	67	497
Over 50	76	4	7	8	95
Total	612	24	38	90	764
Percentage mix	80.1%	3.1%	5.0%	11.8%	100.0%
2016					
Under 30	156	2	10	12	180
30 - 50	385	15	21	72	493
Over 50	63	3	8	7	81
Total	604	20	39	91	754
Percentage mix	80.1%	2.8%	5.2%	12.1%	100.0%



COMPENSATION AND BENEFITS

Remuneration

M1 offers employees competitive remuneration packages commensurate with their experience, performance and job responsibilities. Depending on the performance of the Company, eligible employees receive an annual variable performance bonus, as well as share awards under the M1 Share Plan. The M1 Share Plan, adopted in 2016, helps retain talent and align the interests of eligible employees with shareholders of the Company.

Medical cover

M1 is also committed to our employees' physical and mental health. We provide full-time employees with outpatient and inpatient medical coverage, regular health screenings, and group insurance coverage. After a comprehensive evaluation, Raffles Medical Group was appointed as M1's healthcare service provider in 2015 to better manage our medical benefits programme, and to provide a consistent quality of care and services to our employees and their dependants. In October 2017, we engaged Raffles Medical Group to provide employees with complimentary flu vaccinations, which were well received.

Well-being

M1's flexible benefits programme allows employees to tailor their benefits portfolio according to their needs, through a variety of products and services including dental treatment, personal insurance and childcare fees. We also offer subsidised meals to all employees at our in-house canteen.

Our Fun!@M1 initiative makes available a wide variety of social, educational and sporting programmes including lunch-time talks on topics such as stress management and parenting, as well as our company-wide annual road relay, futsal, netball and bowling competitions. We also support employees who are keen to participate

in meaningful events, such as the RUNNINGHOUR, YOLO Run and POSB Passion Run for Kids in 2017.

A fully equipped gymnasium is available for use round the clock by employees who wish to work on their fitness levels. To support employees who choose to walk, run or cycle to work, facilities such as bicycle racks and shower rooms are also provided. Complimentary passes to popular attractions such as the Singapore Zoological Gardens, River Safari, Night Safari and Jurong Bird Park, as well as holiday chalets at subsidised rental rates are available for employees to enjoy with their families throughout the year.

To foster team bonding and camaraderie, every department organises annual team building and de-stress activities such as games, crafts, and meal outings. In 2017, instead of an annual dinner and dance, M1's employees and their loved ones were treated to an exhilarating Cirque du Soleil KOOZA performance.

Retirement (GRI 201-3)

M1 contributes to Singapore's Central Provident Fund (CPF), which is a comprehensive social security savings plan for working Singaporeans. CPF contributions are allocated for retirement, housing, investment, insurance, education and medical expenses. In 2017, the contribution of employers was set at 17% of an employee's monthly wage, with the employee contributing 20%. Contributions are lower for employees above 55 years of age and only applicable to monthly wages between S\$750 and \$6,000.

SUPPORTING FAMILIES (GRI 401-3)

M1 supports pro-family initiatives, and our employees enjoy benefits such as paternity leave and shared parental leave schemes, as well as extended medical coverage for their dependants.

Our offices feature dedicated on-site nursing facilities and a childcare centre.

In 2017, 53 employees were entitled to parental leave, and 30 female employees and 23 male employees took such leave. All of these employees returned to work during the year after their parental leave ended. This represents a return to work rate of 100% for both genders. Among the men and women who returned from parental leave in 2016, 21 women and 20 men were still employed 12 months after their return to work. This represents a retention rate of 88% for women and a retention rate of 87% for men.

As a strong advocate of family values, we support the annual national 'Eat With Your Family Day' initiative, whereby employees are encouraged to leave work earlier to dine with their family.

Our annual 'Bring your Kids to Work Day' invites employees' children to spend the day at M1 to gain a better appreciation of their parents' job responsibilities.

WORKPLACE HEALTH & SAFETY (GRI 403-2)

As part of our continual efforts to promote a safe and healthy work environment, we have in place safety procedures that all employees, contractors and visitors are required to comply with. Workshops are also conducted regularly to familiarise and keep employees up to date with our workplace safety and health procedures and regulations.

First aid kits and automated external defibrillators (AEDs) are available in our offices and selected retail outlets. In addition, 23 employees are certified first aiders and have been trained in the use of the AEDs and cardio-pulmonary resuscitation techniques, in case of a medical emergency.

No workplace accidents or injuries⁵ were sustained by M1 employees during 2017.

⁵ Incidents are recorded and reported to authorities according to the Ministry of Manpower guidelines. Because no incidents occurred in 2017, relevant indicators, such as injury rate, lost day rate and absentee rate, were not applicable.

SUSTAINABILITY REPORT

OUR PEOPLE

TRAINING (GRI 404-2, 404-1)

To compete successfully in our ever-changing industry, it is imperative to invest in employee training and development. We provide continuous training programmes to broaden and deepen our employees' professional knowledge and skills, as well as to support their personal development to reach their fullest potential.

In addition to regular in-house programmes in the areas of effective negotiations, managing conflict and interpersonal communications, we also support employees who attend external courses and conferences relevant to their work. We also encourage longer-term learning options such as post-graduate studies and certification courses, through subsidies and measures such as examination leave. In 2017, employees participated in an average of 31.1 hours of training, compared to 33.5 hours in 2016. This slight drop in training hours was counterbalanced by an increase in the number of courses attended by employees, which rose 30% year-on-year.

In 2017, we continued with our talent acquisition programme. A total of

Average number of training hours (2017)	
Employee categories	
Senior Management	53.6
Mid-Management	28.2
Executive	28.3
Non-Executive	32.4
Gender	
Female	28.5
Male	32.9
Overall	31.1

14 degree and diploma scholarships were awarded to outstanding students pursuing their studies in fields such as business, engineering and IT.

OPEN AND REGULAR COMMUNICATIONS

We attach great importance to open and regular communications as a means of enhancing employee engagement.

All members of M1 management maintain an open-door policy, thus fostering an environment of openness, collaboration, trust and respect with staff, regardless of hierarchy.

Through our monthly newsletter VOICE and regular company-wide email updates, employees are kept

abreast of the Company's latest developments. Additionally, the CEO sends out a quarterly message to all employees on the Company's financial performance and other key developments in the quarter, as well as on ad-hoc occasions as necessary.

Townhall-style presentation and discussion sessions are conducted every quarter by the Company's senior management to enable employees to interact and share their views on company-related matters and other relevant issues.

LABOUR RIGHTS (GRI 102-41)

M1 adheres to all regulations governing employment in Singapore such as the Employment Act that prohibits the employment of children and youth under the age of 16.

Employees who resign can leave the Company after they serve or pay out their contracted notice period. In the event of an organisational change, affected employees will be considered for redeployment elsewhere within the organisation.

We have a Collective Agreement with the Singapore Industrial & Services Employees Union, covering matters such as working hours, overtime pay, and notice periods, and support the union's efforts to further worker welfare and labour-management harmony. In 2017, a step-up in recruitment activities drove union membership to 70% of eligible M1 staff, nine percentage points higher than a year ago.



SUSTAINABILITY REPORT

OUR COMMUNITY

M1 has continued to demonstrate its commitment to being a responsible corporate citizen. Ongoing support of the arts, sponsorship of sports events and fundraising for our adopted charities are at the heart of our efforts to give back to the Singapore community

>S\$1.9m

contributed to community programmes in 2017 (GRI 201-1)

>15

community programmes and events funded during 2017

>S\$500,000

raised to support underprivileged children and youths-at-risk

Cirque du Soleil

exclusive performance for 500 underprivileged children and youths-at-risk

CELEBRATING 20 YEARS OF SUPPORT FOR THE ARTS

M1 has been supporting the arts since 1997 – the year the company launched commercial operations – believing that a thriving arts scene enriches the quality of life and strengthens social bonds in multi-cultural Singapore. We work with various arts groups and support numerous arts-related projects to help grow the quality, diversity and depth of the Singapore arts scene.

In recognition of our sustained contribution to the arts, M1 was accorded a Patron of the Arts Award in 2017 by the National Arts Council. This was the 18th consecutive year that we have received this award.



In January 2017, we partnered with The Necessary Stage to present the 13th M1 Singapore Fringe Festival. Themed 'Art & Skin', the 2017 festival featured 11 performances and exhibitions by international and local artists. Impressively, six out of eight of the theatrical productions performed to a full house, with an average attendance of 94% across all productions, demonstrating the huge and continuing popularity of the M1 Singapore Fringe Festival.

The month-long M1 Chinese Theatre Festival staged in August, presented six exciting and high-calibre

productions from Singapore, China and Taiwan. Curated by The Theatre Practice, the festival aims to bring professional theatrical performances, ranging from family-oriented to cutting-edge experimental flair, to smaller stages for a more intimate experience.

The second installation of the M1 Peer Pleasure Youth Theatre Festival ran from 22 July to 5 August 2017. The festival featured productions staged at the Esplanade – Theatres on the Bay by young Singaporeans under the guidance of professional theatre practitioners. Showcasing a diverse range of social themes, one of the productions supported at this year's festival was an original play touching on the plight of refugees, devised and performed by young people from Down Syndrome Association (Singapore).

2017 also saw the launch of the M1 Theatre Ninja Programme, a mentorship initiative housed under the M1 Peer Pleasure Youth Theatre Festival umbrella, that teaches students the principles, skills and methods of production and stage management, under expert advice.

Honouring outstanding achievements in local theatre, and recognising the contributions of theatre productions in Singapore, we continued our support of the M1-The Straits Times Life! Theatre Awards in 2017.

M1 remains a keen supporter of leading dance companies, T.H.E Dance Company and Frontier Danceland, in our efforts to grow Singapore's contemporary arts scene and nurture young dance talents.

361 patients

benefitted from two blood donation drives

SUSTAINABILITY REPORT

OUR COMMUNITY

The 8th M1 CONTACT Contemporary Dance Festival, a highlight in Singapore's dance calendar, was held from 2 June to 7 July 2017. Curated by T.H.E Dance Company, this year's works featured exhilarating dance performances, choreographic workshops and technique classes presented by a range of local and international contemporary dance artists. The M1 Open Stage + DiverCity – a platform for young, talented and aspiring dancers to showcase their works, was again staged as part of the festival.

Our partnership with Frontier Danceland continues with the M1 Dancing on the Frontier Appreciation Series, which introduces contemporary dance to students from secondary schools and tertiary institutions. Our support for this inspirational dance company extends to the M1-Frontier Danceland PULSE scholarship programme for aspiring and talented dancers.

CREATING OPPORTUNITY FOR SPORTING TALENTS (GRI 201-1)

M1 places great importance on the values that can be instilled by

participation in sports, such as team spirit, fair play and perseverance. We are also keen to encourage sport as a gateway to healthy living. This drives our continued support for Netball Singapore's initiatives, which promote netball in schools and within the community. M1's association with netball began in 2009, and over the years we have sponsored a variety of netball programmes and initiatives from the grassroots to the national level.

Our key initiatives include the M1 Schools Challenge League, the M1 Talent Identification Programme and the M1 Age Groups KL Tour, which help create fresh opportunities for young sporting talent to excel. In 2017, we provided our continued support as title sponsor of the M1 Netball Super League, a local competitive event that features Singapore's best netball players.

We also extended our sponsorship of the M1 Zone Age Groups (ZAG) programme. Supported by the Ministry of Education's Physical, Sports and Outdoor Education Branch, the M1 ZAG programme aims to enhance the development of talent for the National

Age Group Squads, and onwards to the National 21&U and National Open teams.

In promoting netball as a sporting habit for life within the corporate community, we presented the fifth edition of the M1 Corporate Netball Challenge (M1CNC), Singapore's biggest mixed corporate annual netball competition. Staged in November 2017 at the Kallang Netball Centre, the M1CNC saw the participation of 39 teams across a wide spectrum of companies. New Zealand international netball players, Kayla Cullen and Phoenix Karaka, were special guests at the event, as well as meeting with participants and fans, they also conducted netball clinics to share their experience and skills with young, aspiring netball players as part of the M1 Schools Programme.

Another highlight of the M1CNC was the charity exhibition match between M1 management and Singapore Members of Parliament (MPs), comprising Ms Low Yen Ling, Senior Parliamentary Secretary of Ministry of Trade and Industry and Ministry of Education and Mayor of South-West CDC, as well as Members of Parliament Mr Teo Ser Luck and Mr Lee Yi Shyan.



In appreciation of the MPs' participation, M1 pledged S\$50,000 to underprivileged children and youths-at-risk beneficiaries of our adopted charities.

HELPING UNDERPRIVILEGED CHILDREN AND YOUTHS-AT-RISK (GRI 201-1)

The primary beneficiaries of M1's fundraising efforts in 2017 remained underprivileged children and youths-at-risk.

The 2017 M1 Charity Golf tournament and M1 Bring your Kids to Work Day were two key fundraising events

successfully staged during the year. Thanks to the dedicated support of our staff and families, business partners and associates, these events raised more than S\$500,000 for the beneficiaries of our adopted charities – Beyond Social Services, Brahm Centre, Children-at-Risk Empowerment Association, and the M1 Students Support Fund.

The M1 Students Support Fund, in partnership with the Ministry of Education, provides supplementary financial aid to underprivileged school children from low-income families. We increased our commitment to this fund by 50% and contributed to a total of 15

primary schools in 2017 to assist needy students with the payment of school-related expenses.

During the year, our staff volunteers from the M1 SunCare Club continued to organise regular outings for the beneficiaries of our adopted charities, including visits to the movies and Kallang Ice World. In July 2017, M1 presented KOOZA by Cirque du Soleil and invited 500 children and youths-at-risk from M1's adopted charities to an exclusive performance.

SERVING THE COMMUNITY

In celebration of Singapore's 52nd birthday, M1 provided communications services to the National Day Parade's organising and show committees at the Floating Platform. We also sponsored a stunning show-float, reflecting M1's distinctive personalities and achievements in the parade's Act Three segment titled 'Successful Local Enterprises'.

In partnership with the Singapore Red Cross Society, we organised two on-site blood donation drives in 2017 at our main office building. During these donation drives, 150 M1 staff and visitors donated 120 units of blood, which in turn will benefit about 361 patients.



SUSTAINABILITY REPORT

OUR ENVIRONMENT

By maximising operational efficiency and minimising the use of limited resources, M1 constantly works towards reducing its environmental footprint

23%

of the water we consumed in 2017 was reclaimed water

7.9%

reduction in average electricity consumption per base station vs. 2016

3.3

tonnes of recyclable e-waste collected

ENVIRONMENTAL FOOTPRINT (GRI 102-11, 302-4)

M1 recognises that sustainability is about ensuring that our actions today do not compromise the quality of life for future generations. All of our business operations abide by internationally recognised standards to help reduce or eliminate negative impact on the environment.

Power generated from non-renewable sources, such as grid electricity and fuel, as well as renewable sources, such as solar panels and NEWater, continues to be the main resource consumed in the provision of our services.

Electricity consumption

In 2017, our mobile networks, offices and data centre operations used 63,886,031 kWh of electrical power from Singapore's power grid. Compared to 2016, this was only 0.1% higher, despite an 11% increase in new base stations deployed in 2017 to enhance coverage and support customers' growing data needs. Our fibre networks' electricity consumption for the year was 1,780,518 kWh, 4.1% higher than in 2016. This was due to an increase in customers and more subscriptions to a higher bandwidth plan.

M1's retail operations used an estimated 349,537 kWh of electrical power in 2017, 0.4% lower compared to 2016, as the usage reduction from the closure of one M1 Shop retail outlet

was offset by higher usage from an increased number of product display zones within some of the outlets. We are looking into using more energy-efficient lights to reduce our energy consumption.

Fuel consumption

We also operate three offshore base stations, at Pulau Satumu, Pulau Tekong and St John's Island. These islands are not connected to the power grid, and therefore on-site diesel generators are required to provide power for the base station equipment. The three sites used 40,073 litres of diesel fuel in 2017, 18% lower than 2016. This reduction in fuel consumption was primarily driven by the replacement of three generators at Pulau Tekong with more efficient generators in December 2016. This project was completed in March 2017.

Our fleet of vehicles support our field engineers who are responsible for installing new mobile equipment, performing drive tests, and conducting site maintenance and repairs. In 2017, fuel consumption for our diesel vehicle fleet was 25,362 litres, 4.8% lower than the year before. This was achieved by encouraging more efficient driving habits, and adding four new and more fuel-efficient vans to the fleet in 2015. However, our petrol-powered vehicles consumed 11,678 litres of fuel in 2017, 3.6% more than the year before.



Water consumption (GRI 303-1, 306-1)

M1 uses potable water for daily activities at our offices and NEWater for equipment cooling purposes at our various sites, including our data centre (since 2015). NEWater is reclaimed water available in Singapore for industrial use and has a lower environmental impact.

In 2017, we switched more sites from the potable water network to the NEWater network, thereby reducing our consumption of potable water. Our total water consumption for the year was 63,196 m³, 3.6% more than in 2016. Potable water represented 77% or 48,633 m³ of the total, while NEWater represented 23% or 14,563 m³. In 2016, these figures were 80% or 48,735 m³ and 20% or 12,231 m³ respectively.

All of our used water is disposed through the city's sewerage system. It is collected by the national water agency (PUB) and subsequently treated at water reclamation plants for purification and return to nature or reuse as NEWater (see www.pub.gov.sg for more details).

CONSERVATION MEASURES

We continually review our business operations to identify ways to reduce our impact on the environment while still increasing productivity and delivering consistent quality service to our customers. Our key efforts in recent years have focused on our networks, facilities and general operations.

Networks (GRI 302-4)

Our base station network, which enables us to deliver mobile voice and data services to our customers, accounts for approximately half of our energy consumption. We continually review our base station operations to identify ways to reduce energy consumption, including upgrading them with multi-radio units that do not require air conditioning. This has yielded annual power savings of 6,876,600 kWh.

We deployed solar photovoltaic (PV) power systems to supplement the use



of diesel power generators for our offshore base station sites on Pulau Satumu and St John's Island, and this initiative has enabled us to reduce the use of diesel over the years. Although the terrain on Pulau Tekong does not permit the installation of solar PV power systems, the replacement of more efficient base station generators in March 2017 has reduced the site's annual diesel usage.

Following a successful trial, small cells were deployed in 2016 at selected high traffic sites such as malls, libraries and MRT stations. Small cells enable us to enhance the mobile data throughput in a more targeted and energy-efficient manner, especially for indoor coverage. The roll out of small cells continued at other sites in 2017, resulting in a better data experience for customers with an increase in data traffic ranging from 17% to 150%. It also reduced battery drain on customers' devices.

Facilities

M1's 4,214 m² five-storey annex building, sited next to our MiWorld building in Jurong, is fitted with environmentally-friendly features such as LED lights and rainwater harvesting tanks. The building, which has successfully achieved the Building and Construction Authority's Green Mark Gold certification, also utilises reclaimed NEWater and condensate water, instead of potable water for cooling purposes.



In December 2017, we installed a 173 kW (Peak) solar PV power system on the roof of our Regional Operations Centre (ROC) that is capable of supplementing its energy consumption.

General operations

Our M1 Shop retail outlets are designed to enhance productivity and customer experience, as well as minimise our carbon footprint. In-store light fittings are LED where possible, and our streamlined transaction process using wireless tablets enables us to reduce the use of printed brochures, receipts, forms and other non-recyclable materials by an estimated 20% annually.

We use sustainably-sourced, environmentally-friendly Forest Stewardship Council (FSC) certified paper for all our printing needs. Through an e-billing programme, we have migrated all employees from paper to electronic bills and payment, and are progressively migrating our customers as well.



SUSTAINABILITY REPORT

OUR ENVIRONMENT

CARBON FOOTPRINT (GRI 305-1, 305-2, 305-5)

Based on our energy consumption, our carbon footprint in 2017 was 28,219 tonnes of CO₂ equivalent (t-CO₂e)⁶. This consisted of 0.7% (202 tonnes) of direct emissions (scope 1)⁷ and 99.3% (28,017 tonnes) of indirect emissions (scope 2).

The solar PV power system at ROC is expected to generate about 16,000 kWh of renewable energy each month, to help reduce our carbon emissions going forward. The grid electricity saved by using this clean source represents a reduction in emissions of 81.5 t-CO₂e per year.



E-WASTE BINS

From April 2017, M1 has been a supporter of the National Environment Agency's electronic waste (e-waste) recycling initiative. E-waste bins are available in our offices and M1 Shop retail outlets, to enable staff and customers to conveniently and responsibly dispose of their e-waste.

To better acquaint our staff with the importance of e-waste recycling and management, we held multiple e-waste recycling activities in 2017, such as an E-Waste Recycling talk and an E-Waste Recycling contest.

From April to end December 2017, we collected 3.3 tonnes of recyclable e-waste.

Environmental performance ⁸	2017	2016
DIRECT ENERGY		
Fuel consumption		
Diesel (offshore base stations)	40,073 litres	48,774 litres
• Diesel (fleet)	25,362 litres	26,635 litres
• Petrol (fleet)	11,678 litres	11,273 litres
TOTAL DIRECT ENERGY (d)	2,905 GJ	3,273 GJ
SCOPE 1 EMISSIONS	202 t-CO₂e	227 t-CO₂e
INDIRECT ENERGY		
Electricity consumption		
• M1 buildings and data centre operations	30,816,881 kWh	30,835,554 kWh
• Mobile networks	33,069,150 kWh	33,019,706 kWh
– Monthly average per base station	(1,159 kWh)	(1,259 kWh)
• Fibre Networks	1,780,518 kWh	1,710,483 kWh
• Retail outlets	349,537 kWh	350,847 kWh
	66,016,086 kWh	65,916,590 kWh
	237,658 GJ	237,300 GJ
TOTAL INDIRECT ENERGY (i)		
SCOPE 2 EMISSIONS	28,017 t-CO₂e	27,975 t-CO₂e
TOTAL EMISSIONS (SCOPE 1 + 2)	28,219 t-CO₂e	28,202 t-CO₂e
TOTAL ENERGY (d + i)	240,563 GJ	240,573 GJ
WATER		
Water consumption		
• Potable water	48,633 m ³	48,735 m ³
• NEWater	14,563 m ³	12,231 m ³
TOTAL WATER	63,196 m³	60,996 m³

⁶ Carbon dioxide equivalent (CO₂e) is the unit to express the carbon footprint of different greenhouse gases.

⁷ Under the GHG protocol, scope 1 emissions are from sources owned or controlled by the organisation; scope 2 emissions are from sources not controlled or owned by the organisation but are a consequence of the activities of the organisation.

⁸ Energy and emissions calculations are based on DEFRA Greenhouse gas reporting – Conversion factors 2016. Grid emission factors are sourced from Singapore Energy Market Authority (EMA).

SUSTAINABILITY REPORT

GRI CONTENT INDEX (GRI 102-55)

GENERAL STANDARD DISCLOSURES		
GRI Standards ⁹	Category / Description	Page or direct reference
Organisational Profile		
102-1	Name of the organisation	M1 Limited
102-2	Activities, brands, products, and services	8-9, 18-26
102-3	Location of organisation's headquarters	10 International Business Park, Singapore 609928
102-4	Location of operations	Singapore
102-5	Ownership and legal form	130, 178-179
102-6	Markets served	Singapore, 8-9
102-7	Scale of the organisation	18-24, 99, 125-126, 178-179
102-8	Information on employees and other workers	99-100
102-9	Supply chain	78, 98
102-10	Significant changes to the organisation and its supply chain	No significant changes
102-11	Precautionary Principle or approach	106
102-12	External initiatives	86, 97
102-13	Membership of associations	Five memberships ¹⁰
102-14	Statement from senior decision-maker	16-17, 84
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Inside cover, 12-13, 69-78
Governance		
102-18	Governance structure	86
Stakeholder Engagement		
102-40	List of stakeholder groups	32-49, 86-88
102-41	Collective bargaining agreements	70% of eligible employees, 102
102-42	Identifying and selecting stakeholders	86
102-43	Approach to stakeholder engagement	87-88
102-44	Key topics and concerns raised	87-93

⁹ All disclosures in this content index follow the reporting requirements found in the 2016 publication of the GRI Standards.

¹⁰ • Mr Patrick Michael Scodeller, Chief Operating Officer, is the Chairman of the Singapore Internet Exchange
 • Mr P. Subramaniam, Chief Marketing Officer, is a Council Member of the Advertising Standards Association of Singapore and a member of the Marketing Institute of Singapore
 • Mr Alan Goh, Chief Information Officer, is a Council Member of the Information Technology Management Association, and a Committee Member of the Singapore International Chamber of Commerce's Information & Communications Technology Committee
 • Mr Denis Seek, Chief Technical Officer, is a member of the IMDA's Telecommunications Standards Committee
 • Mr Stamford Low, Director, Customer Service, is the Honorary Treasurer of the Contact Centre Association of Singapore

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURES		
GRI Standards ⁹	Category / Description	Page or direct reference
	Reporting Practice	
102-45	Entities included in the consolidated financial statements	120, 155
102-46	Defining report content and topic Boundaries	86
102-47	List of material topics	89-93
102-48	Restatements of information	There are no restatements
102-49	Changes in reporting	None
102-50	Reporting period	January to December 2017
102-51	Date of most recent report	March 2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	corpcomms@m1.com.sg, 85
102-54	Claims of reporting in accordance with the GRI Standards	86
102-55	GRI content index	109-112
102-56	External assurance	86
SPECIFIC STANDARD DISCLOSURES		
GRI Standards ⁹	Category – Topic / Description	Page or direct reference
201	Economic – Economic Performance	
	Management approach	27-31, 94-97, 103-105
201-1	Direct economic value generated and distributed	94, 104-105
201-3	Defined benefit plan obligations and other retirement plans	101
203	Economic – Indirect Economic Impacts	
	Management approach	94-97
203-1	Infrastructure investments and services supported	25-26, 30, 94-97
203-2	Significant indirect economic impacts	94-98
204	Economic – Procurement Practices	
	Management approach	78, 98
204-1	Proportion of spending on local suppliers	98
205	Economic – Anti-Corruption	
	Management approach	78, 98
205-3	Confirmed incidents of corruption and actions taken	None, 98
302	Environmental – Energy	
	Management approach	106-108
302-1	Energy consumption within the organisation	106, 108
302-4	Reduction of energy consumption	106-107
303	Environmental – Water	
	Management approach	107
303-1	Water withdrawal by source	107-108
305	Environmental – Emissions	
	Management approach	106, 108
305-1	Direct (Scope 1) GHG emissions	108
305-2	Energy indirect (Scope 2) GHG emissions	108
305-5	Reduction of GHG emissions	108

SPECIFIC STANDARD DISCLOSURES		
GRI Standards ⁹	Category - Topic / Description	Page or direct reference
306	Environmental – Effluents and Waste Management approach	107
306-1	Water discharge by quality and destination	107
307	Environmental – Environmental Compliance Management approach	98
307-1	Non-compliance with environmental laws and regulations	None, 98
401	Social – Employment Management approach	99-101
401-1	New employee hires and employee turnover	99
401-3	Parental leave	101
403	Social – Occupational Health and Safety Management approach	101
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	101
404	Social – Training and Education Management approach	99-100, 102
404-1	Average hours of training per year per employee	102
404-2	Programs for upgrading employee skills and transition assistance programs	102
404-3	Percentage of employees receiving regular performance and career development reviews	100%,100
405	Social – Diversity and Equal Opportunity Management approach	99-100
405-1	Diversity of governance bodies and employees	99-100
406	Social – Non-Discrimination Management approach	99-100
406-1	Incidents of discrimination and corrective actions taken	None, 100
416	Social – Customer Health and Safety Management approach	97-98
416-1	Assessment of the health and safety impacts of product and service categories	97
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None, 97

SUSTAINABILITY REPORT

GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES		
GRI Standards ⁹	Category – Topic / Description	Page or direct reference
417	Social – Marketing and Labelling Management approach	96
417-1	Requirements for product and service information and labelling	96
417-3	Incidents of non-compliance concerning marketing communications	None, 98
418	Social – Customer Privacy Management approach	96
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None, 98
419	Social – Socioeconomic Compliance Management approach	98
419-1	Non-compliance with laws and regulations in the social and economic area	None, 98
SECTOR SPECIFIC DISCLOSURES – TELECOMMUNICATIONS		
GRI Standards ⁹	Category / Description	Page or direct reference
	Internal Operations	
IO1	Capital investment in telecommunication network infrastructure broken down by country/region.	25-26, 30, 95
	Providing Access	
PA 1	Policies and practices to enable the deployment of telecommunications infrastructure and access to Telecommunications products and services in remote and low population density areas.	25-26, 94-97
PA 2	Policies and practices to overcome barriers for access and use of telecommunication products and services including: language, culture, illiteracy, and lack of education, income, disabilities, and age.	25-26, 94-97
PA 3	Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time. ¹¹	25-26, 94-97
PA 4	Quantify the level of availability of telecommunications products and services in areas where the organisation operates. ¹²	25-26, 94-97
PA 10	Initiatives to ensure clarity of charges and tariffs.	96

¹¹ Our networks have in-built resiliency and redundancy, and we did not have any significant network downtime in 2017.

¹² M1 consistently meets IMDA's stringent outdoor and indoor coverage requirements and quarterly survey. Results are published on IMDA's website.