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SINGAPORE TELECOMMUNICATIONS LIMITED

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Annual Reports and Related Documents

ANNUAL REPORTS AND RELATED DOCUMENTS::

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Designation
Assistant Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)
Please see the attached Annual Report 2021, Letter to Shareholders and related documents.

Additional Details

Period Ended
31/03/2021

Attachments

2021 Annual Report.pdf

Letter to Shareholders.pdf

Proxy Form.pdf

SDS Voting Form.pdf

Total size =6031K MB

The Singtel Reset

Annual Report 2021

The Singtel Reset

COVID-19 has profoundly transformed lives and businesses the world over and cast the spotlight on the essential role we play for our customers. In a time of unprecedented disruption, digital technology and platforms have become even more critical to daily life. Our strategic reset represents a deep-set change across the Group to reposition and emerge stronger post-COVID. We are investing in 5G and emerging technologies to forge ahead as we write our next chapter. With technology evolving ever more rapidly, our sharpened focus will give us the agility to navigate the waves of digital growth. But that's not all. As we recalibrate for growth, we are committed to harnessing the power of technology to create a sustainable and inclusive future for everyone.

View Online
Scan QR code to view the Singtel Annual Report 2021 online.


12
Unleashing the Power of 5G

Contents


5G ULTRA-FAST
on SG's Widest Network
20
Business Reviews


85
Sustainability

Financial Highlights

	FY2021	FY2020
Operating revenue (S$m)	15,644	16,542
Share of associates' pre-tax profits (S$m)	1,798	1,743
EBIT (S$m)	2,945	3,704
Underlying net profit (S$m)	1,733	2,457
Net profit after tax (S$m)	554	1,075
Dividend per share (S cents)	7.50	12.25
Return on invested capital[1] (%)	5.0	6.4
Return on equity (%)	2.1	3.8

[1] Return on invested capital is defined as EBIT (post-tax) divided by average capital.

Sustainability Highlights

Creating value for customers

>740m
mobile customers connected across the Group

141m
customers manage their telco and digital services through the Group's mobile apps

>84m
customers empowered through the Group's e-payment and financial services

Minimising environmental impact

>25,000kg
of electronic waste recycled

2,458MWh
of energy generated by our solar panels

1,053 tonnes
of carbon emissions reduced through adoption of renewable energy

Building a future-ready workforce

>2,450 staff
to be trained in 5G-related technologies

>500,000 training hours
completed

>30%
of staff and management are women

Driving positive change in the community

S$1m
worth of assistance towards helping Singapore seniors pick up digital skills

90,000 people and 5,000 SMEs
empowered through digital enablement programmes

>10,650 hours
of volunteer work clocked by staff

Chairman and GCEO Message

Yuen Kuan Moon
Group Chief Executive Officer

Dear Shareholders,

This has been one of the most challenging years Singtel has seen. The distresses of the pandemic exacerbated competitive pressures inherent in our industry, making this one of the toughest operating environments in recent times. Against this backdrop, our net profit for FY2021 declined 49% to S$554 million. Excluding exceptionals, key items being impairment charges for our Amobee and Trustwave digital businesses as well as Optus' network assets, underlying net profit dropped 30% to S$1.73 billion.

COVID headwinds and industry challenges

The past year has seen profound disruption to our business. The pandemic and resultant travel restrictions crimped roaming revenue while heightened competition continued to exert pressure on our traditional value pools. Our digital businesses were also impacted. Economic tremors from the pandemic and rapid shifts in the digital marketing and cyber security industries dampened growth for Amobee and Trustwave. As a result, we've taken non-cash impairment charges for both companies and commenced a strategic review to put them back on track to growth.

If there's a silver lining, Airtel continues to make a stronger recovery in India while Optus saw mobile service revenues improve in the second half of the year. NCS and our data centre services also put in strong performances as enterprises ramped up investments in business transformation and digitalisation. While COVID-19 has brought headwinds and challenges, it has also provided tailwinds of digitalisation that we intend to exploit to propel us forward.

Resetting for recovery and growth

With technology proliferation in the pre-pandemic days, digital economies were already experiencing a global growth spurt, creating a new dependency on telecommunications as a platform. Over the last 18 months, with virtually every aspect of human interaction moving online amid lockdowns and physical distancing, the pandemic has pushed things over the technology tipping point, amplifying trends that are redefining the basis for success for our industry. Customers have embraced self-service customer care, digital-enabled sales interactions have surged and business processes have moved irrevocably online. We believe that this is a unique opportunity to restructure for recovery and growth, and have embarked on a strategic reset to sharpen the Group's focus and improve shareholder value. This is centred around three key pillars – reinvigorating our core business to capture 5G market share; developing new growth engines in ICT and digital services; and unlocking the value of our quality infrastructure assets.

Capturing 5G market share

Having invested ahead in leading 5G networks, with telecoms as a strategic cornerstone, we will realign our core business to drive our quest for 5G market share in Singapore and Australia. On the consumer front, this means innovating products and services to deliver the best possible customer experience and growing digital businesses in adjacent lifestyle sectors. On the enterprise side, the focus will be on growing 5G enterprise, cloud and more holistic technology solutions in Singapore, Australia and the Group's regional associates. We are also doubling down on the digitalisation of our operations to drive productivity and make cost improvements.

Recasting NCS as a new growth engine

We have identified NCS as a key growth engine for the Group. After seven straight years of positive revenue growth, mostly from servicing Singapore's public sector, we are recasting our ICT subsidiary as a pan-Asian B2B digital services provider. While e-government remains a key focus, NCS will seek out new business in telecoms, healthcare, transport, communications, technology, media and financial services, in Singapore, Australia and Greater China. This is a major turning point for NCS which has already begun building new capabilities to expand its scope of business.

Developing digital services in ASEAN

We will also leverage our brand and scale to build out our existing digital ecosystems with our regional associates to capitalise on ASEAN's fast-growing digital economies. This means adopting a multi-local strategy when working with associates to create and port, where viable, lifestyle products, services, business segments or

While COVID-19 has brought headwinds and challenges, it has also provided tailwinds of digitalisation that we intend to exploit to propel us forward.

Lee Theng Kiat
Chairman

even companies, across their regional footprint. A recent example of this is the propagation of the digital mobile brand Gomo. Conceived by Singtel in Singapore, Gomo has been successfully adopted by Optus, AIS, Globe as well as Telkomsel (rebranded as by.U) to cater to their millennial customers.

Unlocking value in infrastructure assets

Accelerated digitalisation has fuelled demand for connectivity and critical infrastructure, and we are looking to unlock the value of our infrastructure assets to drive growth. Through the years, we've built a large portfolio of quality infrastructure assets including towers, satellites, subsea cables and data centres across the region. With values of infrastructure assets increasing globally, we believe it is timely to strengthen how we manage those assets, to improve returns and maximise value for shareholders.

The quality of our infrastructure assets are due to years of sustained capital investment and innovation. Given the importance of the digital economy to Singapore and its economic recovery, it is also important that we unlock the value of these assets so that we can continue to reinvest in world-class infrastructure that will sustain an environment for investment and innovation, and support our businesses and society.

Sustaining our communities

As we reposition with a new playbook for growth, we are mindful that our value creation should be for the long haul. With one of the strongest franchises in Singapore, Australia and the region, it behoves us to make a positive impact on the diverse communities that we serve and operate in. While we restructure to improve the financial outcomes of our investments, we're also working to strike the right balance by strengthening our sustainability commitments. Besides supporting global climate action by minimising our carbon footprint with greener technologies, we're embedding more conscious climate deliverables such as green financing into our agenda. As a communications technology company, we are also big believers in digital inclusion. Besides enabling small businesses in their digital transformations, we've also armed the elderly and those in need with digital skills and tools to ensure they have not been left behind as communities migrated online due to safe distancing.

We are heartened by the deep sense of shared purpose among our people. They've taken the pandemic's resurgence in their stride by staying motivated while working from home. Our frontline retail staff and engineers are still interacting with our customers and seeing to their needs, and for this, we are grateful. We would also like to thank our Board and Management for their commitment in navigating the current crisis. How we emerge from this challenging period will determine our performance over the coming years and we are taking the necessary action now. We have every confidence that our collective resilience will underpin our efforts to recover and retool for a much altered post-pandemic era.

Yours sincerely,

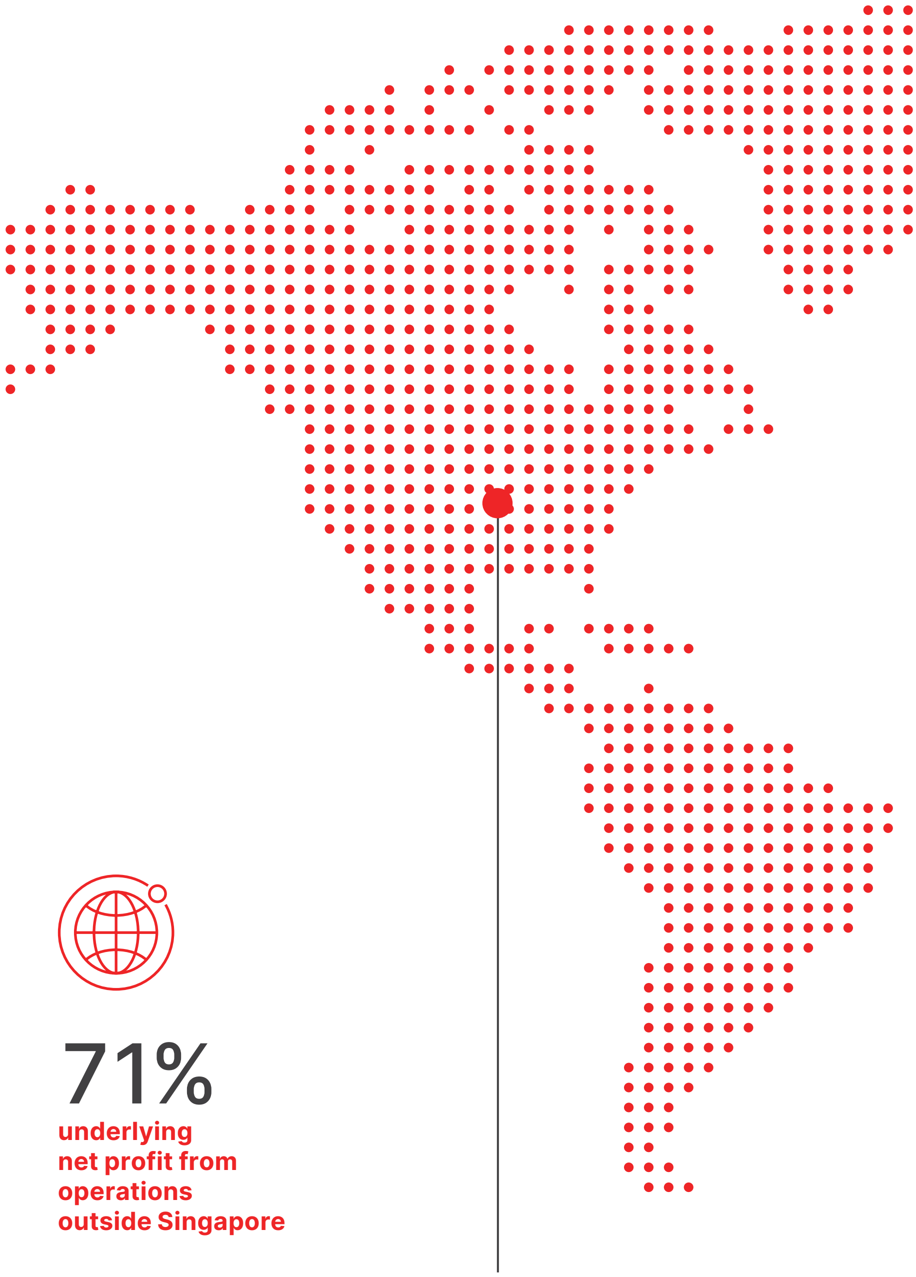
Lee Theng Kiat
Chairman

Yuen Kuan Moon
Group Chief Executive Officer

Our Business Footprint

Asia's leading communications technology group

Singtel is Asia's leading communications technology group, operating in a dynamic region that is undergoing rapid and unprecedented digital transformation. Together with Optus and our regional associates Airtel, AIS, Globe and Telkomsel, we provide an extensive range of telecommunication and digital services across 21 countries. With the advent of 5G and next-generation technologies, we are deepening our focus on innovation to empower enterprises and consumers with the requisite digital solutions to adapt and thrive in a post-COVID world.



United States

AMOBEE

Trustwave®

Deep customer relationships and insights, with

>740m

mobile customers in

21

countries

53

enterprise offices in

17

countries globally

71%

underlying net profit from operations outside Singapore

India · South Asia · Africa

airtel

Effective interest 31.7%

Mobile customers
India 321.4m
South Asia 2.9m
Africa 118.2m

Thailand

AIS

Ordinary shares 23.3%[1]

Mobile customers 42.8m

INTOUCH

Ordinary shares 21.1%

An investor in telcos, media and technology

Philippines

Globe

Ordinary shares 47.0%[2]

Mobile customers 79.8m

Singapore

Singtel

NCS

Mobile customers 4.1m

Broadband customers 0.7m

Indonesia

Telkomsel

Effective interest 35.0%

Mobile customers 164.7m

Australia

OPTUS

Mobile customers 10.0m

Broadband customers 1.1m

(1) Based on direct equity interest only.
(2) Singtel has 21.5% interest in Globe's voting shares.
All figures at 31 March 2021 unless otherwise stated.

Our Strategic Reset

Our purpose

Harnessing technology to empower people and businesses and create a more sustainable future

Our vision

To be a leading communications and digital services provider

Our differentiators

- 5G leadership
- Extensive scale and reach
- Our brand
- Our people
- Data insights
- Infrastructure

Our priorities

Reinvigorate the core

- Grow 5G market share
- Deepen digitalisation of operations

Develop new engines of growth

- Turn NCS into B2B digital services champion in Asia
- Build ASEAN digital ecosystem
- Leverage quality infrastructure assets to unlock value and drive growth

Macrotrends shaping our industry

- Rise of digital economy
- Technology and platform proliferation

Singtel has embarked on a strategic reset aimed at capturing untapped digital growth in the 5G era, sharpening the Group's focus and improving shareholder value. With COVID-19 accelerating macrotrends such as technology proliferation and large-scale digitalisation, our new strategy prioritises three areas to seize opportunities. We will leverage our 5G leadership to reinvigorate our core consumer and enterprise businesses and develop new growth engines in ICT and digital services. We also intend to unlock the value of our portfolio of quality infrastructure assets to invest in infrastructure crucial for the digital economy. While we pursue business growth, we remain committed to pushing ahead in our sustainability priorities and building an inclusive digital future.

Active capital management

- Disciplined capital allocation
- Active asset recycling
- Partner digital natives and strategic partners
- Diversify funding sources

Champion sustainability and people

- Minimise environmental impact
- Drive digital access, literacy and inclusion
- Build future-ready workforce
- Foster diverse and inclusive workplace

Increased dependence on critical infrastructure

Global ESG action

Our stakeholders

- Customers
- Investors
- Communities
- Employees
- Regulators and governments

Our Strategic Reset

Reinvigorate the core

Grow 5G market share

- **Consumer**
  - Innovate products and services
  - Grow digital businesses in adjacent lifestyle sectors
- **Enterprise**
  - Co-create and grow 5G services and business models with enterprise customers through multi-access edge computing platform in Singapore, Australia and regional associates
  - Drive leadership in next-generation digital platforms and products in 5G, cloud and IoT

Deepen digitalisation of operations for productivity and cost improvements

Consumer Singapore, Australia and Group Enterprise CEO reviews: Pages 24 to 29

Develop new engines of growth

Turn NCS into B2B digital services champion in APAC

- **Reinvent public sector and expedite enterprise business**
  - Client service units – Public Sector; Defence and Homeland Security; Healthcare and Transport; Financial, Industrial and Commercial; Communications, Media and Technology
  - Strategic business groups – Gov+ and Telco+
- **Expand footprint from local to regional**

Singapore Australia Greater China

- **Shift from systems integrator to digital services provider with NCS NEXT**

Build ASEAN digital ecosystem

- Adopt multi-local strategy with regional associates to create and port lifestyle products, services, business segments or companies across regional footprint

Leverage quality infrastructure assets to unlock value and drive growth

- Portfolio of infrastructure assets including towers, satellites, subsea cables and data centres across the region that support digital economy and smart cities

NCS CEO, Group CFO, and Strategic Portfolio CEO reviews: Pages 30 to 31, 22 to 23, 32 to 33

Active capital management

Disciplined capital allocation

Active asset recycling

- Unlock latent value of quality assets to drive growth and reinvest in key growth areas

Partner digital natives and strategic partners with complementary capabilities and capital

Diversify funding sources

- Alternative sources to improve financial flexibility and optimise capital structure

Group CFO review: Pages 22 to 23

Champion sustainability and people

Minimise environmental impact

- Firm commitment to decarbonisation

Drive digital access, literacy and inclusion

- Close digital gaps by empowering seniors and SMEs to go digital; support start-ups that use technology to address social issues

Build future-ready workforce

- Train employees in digital and 5G-related skills

Foster diverse and inclusive workplace

- Drive progress towards gender balance in workplace and increase females in STEM

Our Sustainability Approach: Pages 85 to 90

Unleashing the Power of 5G

5G has arrived, offering blazing fast speeds, hyperconnectivity and a myriad of possibilities. To unlock the benefits of a 5G-enabled reality and capture market share, the Singtel Group has been ramping up our 5G deployment across our main markets of Singapore and Australia. We are differentiating our 5G offering, going beyond connectivity to innovate consumer services and enterprise solutions.

As we evolve our 5G network, our advanced capabilities like network slicing will offer highly optimised and dedicated connectivity for customisable business needs. Coupled with the near instantaneous communications provided by our multi-access edge computing (MEC) platform, we would be able to bring next-generation applications closer to enterprise customers and support mission-critical use cases such as immersive training powered by augmented reality and intelligent automation in manufacturing. 5G also sets the stage for new consumer experiences, powering hyper-realistic applications like holographic calls and immersive entertainment.

With the world relying increasingly on digital connections, 5G will be a key driver of the digital economy post-COVID. Together with a thriving ecosystem of industry players and tech companies, we will continue investing to create a game-changing 5G era which will shape the future of work, learning, healthcare, mobility, smart cities and daily life as we know it.

Our 5G milestones

Singapore

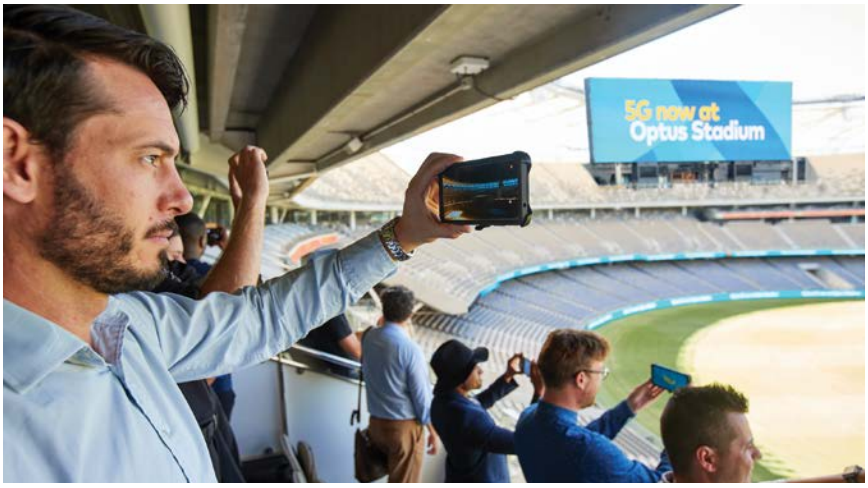
Launched Singapore's first standalone network and indoor 5G coverage with over a thousand 5G sites deployed across the country.

Introduced MEC as a comprehensive digital enablement platform integrating 5G network and edge cloud offerings, allowing enterprises to deploy low latency, advanced applications such as virtual and augmented reality, to cloud gaming and autonomous vehicles.

Drove enterprise 5G adoption with the launch of GENIE, the world's first portable 5G platform for on-premise use case trials to encourage app development and testing.

Outfitted UNBOXED, Singapore's first unmanned pop-up retail store with 5G connectivity, enabling seamless and more personalised engagement with customers.

Australia



Smashed commercial speed records, registering the fastest average 5G download speeds across both Sydney and Melbourne combined, at 362Mbps.

Increased 5G coverage for customers, bringing the number of 5G sites across the country to more than 1,200.

Rolled out 5G at Optus Stadium, the first sporting venue in Western Australia to be enabled with 5G connectivity.

Strengthened 5G leadership by making the world's first 2300 + 3500MHz 5G Non-Standalone Carrier Aggregation call.

Board of Directors

Lee Theng Kiat, 68

Chairman, Non-executive and Non-independent Director

Member
Chairman, Singtel Board
Chairman, Finance and Investment Committee
Member, Corporate Governance and Nominations Committee
Member, Executive Resource and Compensation Committee
Member, Optus Advisory Committee

Date of Appointment	**Last Re-elected**
Director on 15 January 2020 and Chairman on 30 July 2020	30 July 2020

Number of Directorships in Listed Companies (including Singtel)
1

Yuen Kuan Moon, 54

Executive and Non-independent Director

Member
Member, Optus Advisory Committee

Date of Appointment	**Last Re-elected**
Director and Group Chief Executive Officer (CEO), 1 January 2021	–

Number of Directorships in Listed Companies (including Singtel)
1

Gautam Banerjee, 66

Non-executive and Independent Director

Member
Chairman, Audit Committee
Member, Risk Committee

Date of Appointment	**Last Re-elected**
1 March 2018	24 July 2018

Number of Directorships in Listed Companies (including Singtel)
3

Diverse skills, backgrounds, extensive expertise like technology, finance and legal

Topped the inaugural Singapore Board Diversity Index 2020

Venky Ganesan, 48

Non-executive and Independent Director

Member
Chairman, Technology Advisory Panel
Member, Finance and Investment Committee

Date of Appointment
2 February 2015

Last Re-elected
24 July 2018

Number of Directorships in Listed Companies (including Singtel)
1

Bradley Horowitz, 56

Non-executive and Independent Director

Member
Member, Finance and Investment Committee
Member, Technology Advisory Panel

Date of Appointment
26 December 2018

Last Re-elected
23 July 2019

Number of Directorships in Listed Companies (including Singtel)
1

Gail Kelly, 65

Non-executive and Independent Director

Member
Chairman, Executive Resource and Compensation Committee
Chairman, Optus Advisory Committee
Member, Audit Committee
Member, Corporate Governance and Nominations Committee

Date of Appointment
26 December 2018

Last Re-elected
23 July 2019

Number of Directorships in Listed Companies (including Singtel)
1

Lim Swee Say, 66

Non-executive and Independent Director

Date of Appointment
1 June 2021

Last Re-elected
–

Number of Directorships in Listed Companies (including Singtel)
1

Low Check Kian, 62

Non-executive and Lead Independent Director

Member
Chairman, Corporate Governance and Nominations Committee
Member, Executive Resource and Compensation Committee
Member, Finance and Investment Committee

Date of Appointment
Director on 9 May 2011 and Lead Independent Director on 21 July 2015

Last Re-elected
30 July 2020

Number of Directorships in Listed Companies (including Singtel)
2

Board of Directors

Christina Ong, 69

Non-executive and Independent Director

Member
Member, Audit Committee
Member, Corporate Governance and Nominations Committee
Member, Risk Committee

Date of Appointment 7 April 2014
Last Re-elected 23 July 2019

Number of Directorships in Listed Companies (including Singtel)
4

Rajeev Suri, 53

Non-executive and Independent Director

Member
Member, Executive Resource and Compensation Committee

Date of Appointment 1 January 2021
Last Re-elected –

Number of Directorships in Listed Companies (including Singtel)
2

Teo Swee Lian, 61

Non-executive and Independent Director

Member
Chairman, Risk Committee
Member, Corporate Governance and Nominations Committee
Member, Executive Resource and Compensation Committee

Date of Appointment 13 April 2015
Last Re-elected 24 July 2018

Number of Directorships in Listed Companies (including Singtel)
3

Wee Siew Kim, 60

Non-executive and Independent Director

Member
Member, Finance and Investment Committee

Date of Appointment 1 October 2020
Last Re-elected –

Number of Directorships in Listed Companies (including Singtel)
3

Women make up 25% of the board

Refer to pages 239 to 241 for biographies.

Organisation Structure

As of 1 July 2021

Yuen Kuan Moon
Group Chief Executive Officer

Group businesses

Kelly Bayer Rosmarin
Chief Executive Officer, Consumer Australia/ Chief Executive Officer, Optus

Anna Yip
Chief Executive Officer, Consumer Singapore

Bill Chang
Chief Executive Officer, Group Enterprise/ Country Chief Officer Singapore

Ng Kuo Pin
Chief Executive Officer, NCS

Samba Natarajan
Chief Executive Officer, Strategic Portfolio

Corporate functions

Audit Committee

Craig Young
Group Chief Internal Auditor

Arthur Lang
Group Chief Financial Officer

Lim Cheng Cheng
Group Chief Corporate Officer

Aileen Tan
Group Chief People and Sustainability Officer

William Woo
Group Chief Information Officer/ Group Chief Digital Officer

Mark Chong
Group Chief Technology Officer

Management Committee

Yuen Kuan Moon, 54

Group Chief Executive Officer

Kelly Bayer Rosmarin, 44

Chief Executive Officer, Consumer Australia/Chief Executive Officer, Optus

Bill Chang, 54

Chief Executive Officer, Group Enterprise/Country Chief Officer, Singapore

Mark Chong, 57

Group Chief Technology Officer

Arthur Lang, 49

Group Chief Financial Officer

Lim Cheng Cheng, 49

Group Chief Corporate Officer

Samba Natarajan, 55

Chief Executive Officer,
Strategic Portfolio

Ng Kuo Pin, 51

Chief Executive Officer, NCS

Aileen Tan, 54

Group Chief People and
Sustainability Officer

William Woo, 57

Group Chief Information Officer/
Group Chief Digital Officer

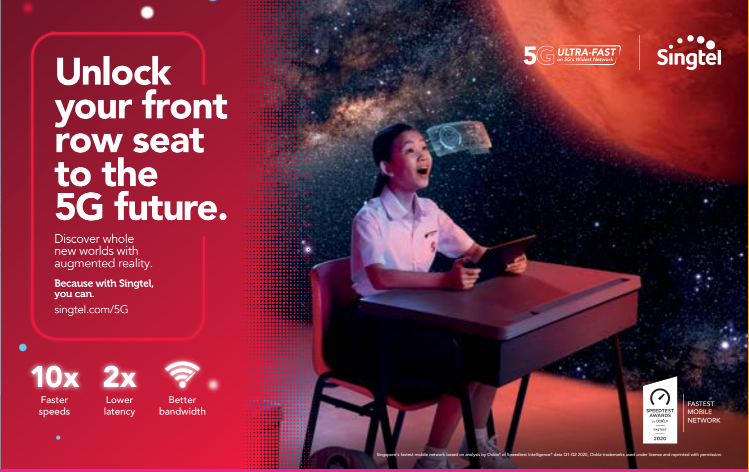
Anna Yip, 51

Chief Executive Officer,
Consumer Singapore

Refer to pages 262 to 264 for biographies.

Business Reviews

With a new strategic focus in place, we are honing the way we do things to deliver on the promise of digitalisation. This includes strengthening our digital capabilities, innovating best-in-class experiences for consumers, and empowering businesses with the tools and solutions that they need to accelerate their digital transformation. In our drive to add value to our customers' lives by helping them reap the benefits of technology, we are pushing the boundaries of what's possible, making mainstream the adoption of game-changing emerging technologies like 5G and IoT.


Unlock your front row seat to the 5G future.
Discover whole new worlds with augmented reality.
Because with Singtel, you can.
singtel.com/5G
10x Faster speeds
2x Lower latency
Better bandwidth
5G ULTRA-FAST
Singtel
FASTEST MOBILE NETWORK


ready to expand your network?
ncs//


gomo
by SINGTEL
LESS FUSS.
MORE FUN.


PET
Save from just $50
Dash PET
By Etiqa Insurance
Protect • Earn • Transact


Singtel
EASY
NETWORK
CONTROL
THAT MEANS
BUSINESS


ncs//
make extraordinary happen
smarter healthcare for a healthier future
Discover how we're creating a new standard of care with AI and robots complementing patient care.
make extraordinary happen
ncs.co/extraordinary
Florence
AI-assisted robotic nursing assistant


Powered by
OPTUS
GOOD
TO
GO
MOBILE
gomo

Group CFO Review

Arthur Lang
Group Chief Financial Officer

Establishing a strong foundation for growth

COVID-19 has created significant challenges for companies worldwide, including ourselves and our regional associates, underscoring how important it is for astute capital management and value creation to go hand in hand with operational productivity. This unprecedented situation has added to sustained headwinds faced by the global telco industry in recent years, where increased capital expenditure on network upgrades and next-generation 5G technology has put a strain on returns. 5G capital expenditure is a necessary investment although there is a long gestation period. It is against this backdrop that Singtel's strategy is evolving to ensure we continue to grow sustainably.

My priority as Group CFO is to execute an effective capital management policy to support long-term growth. This means improving our returns targets in three ways. Firstly, transforming our businesses and cost base by leveraging digital technologies and Group scale as well as establishing new engines of growth. Secondly, enhancing returns by unlocking the value of latent assets and pursuing an asset right model. And thirdly, active capital management and more active recycling of assets to allocate capital to businesses that increase value for all stakeholders.

Building a strong base

With the accelerated pace of digital adoption among consumers and enterprises, we are positioning the Group to capture digital growth through our ICT arm, NCS, our regional associates, infrastructure assets and the digital bank.

NCS has seen good momentum in both the public and private sectors, and is rapidly expanding into Asia Pacific with an eye on becoming a leading player in the high-growth B2B digital services space. In the regional markets, our associates which are some of the strongest operators, are evolving into digital companies and growing their digital ecosystems to deepen engagement with their extensive customer base to capture value. An example is Airtel which in April announced a new corporate structure to sharpen its focus on digital opportunities while enabling it to unlock value. We intend to pursue a multi-local strategy with our associates by extending the requisite skills, talent and capital to create and facilitate the propagation of products services, and even companies among the Group, to capture growth. We have also stepped up on our ongoing collaboration with the associates in enterprise 5G, cloud solutions, ICT and digital business – areas which we view as growth engines of the future.

Another way we intend to realise the digital opportunity is through the Group's unique portfolio of quality infrastructure assets including towers, data centres, subsea cables and satellites across the region. These assets are key digital enablers. Hence, we are exploring options to unlock value given the growing connectivity and digital needs of large corporates and hyperscalers.

In addition, we are developing new digital businesses that leverage our capabilities. One of these businesses is our digital bank joint venture with Grab in Singapore which is set to launch in 2022. What is most exciting about this is its differentiated offering that will address the unmet and underserved needs of consumers and enterprises by drawing on our combined digital expertise, deep customer knowledge and trust in our brands.

My aim is to establish a proactive capital management approach to achieve an optimal capital structure, that positions us to deliver value for our stakeholders.

Unlocking value of existing assets

We have adopted an asset right approach across the Group to unlock value through capital recycling. This will strengthen our balance sheet and enable us to reallocate capital to meet our funding requirements and reinvest the proceeds in key growth areas. Optus' partial sale of towers is already underway in Australia. We have received significant interest from strategic and financial investors, and expect to close the transaction before the end of this year. Across the regional associates' markets, notable transactions include Telkomsel's sale of telco towers in October 2020 which raised S$960 million, and the creation of one of the world's largest tower companies following the merger of Airtel's tower unit, Bharti Infratel, with Indus Towers. We will seek to more actively recycle our assets.

Active capital management

We are actively diversifying our funding sources to improve our financial flexibility, optimise capital structure and minimise financing costs. To tap on new alternatives of raising capital, we issued our inaugural S$1 billion of perpetual securities in April which was well received by the investment community. We have, at the same time, also taken the step to align our financing strategy to our broader sustainability goals by creating a sustainable financing programme called Olives. We kicked off the programme with our first sustainability-linked revolving credit facility of S$750 million. This sustainable financing framework will guide future issuances of ESG-related loans and green bonds, providing capital for our investments while ensuring positive impact on the environment and society.

My aim is to establish a proactive capital management approach to achieve an optimal capital structure, that positions us to deliver value for our stakeholders. Achieving the objectives set out above will allow us to maintain a sustainable dividend programme in line with earnings and cash flow generation, and more importantly, enable the market to better appreciate the intrinsic value of the Group's various assets and businesses.

While COVID-19 will continue to impact our business and the markets where we operate, the ongoing uncertainties have not kept us from investing for the long-term in 5G and building digital capabilities, which will serve to create new revenue streams and deliver returns. The region's fundamentals remain strong and the profound digital shift promises a new era of digital growth. The improvements we plan to make will put us in good stead to capitalise on the region's long-term prospects.

Consumer Singapore CEO Review

Anna Yip
Chief Executive Officer,
Consumer Singapore

Raising the game in digital

2020 has been a year of disruption as a result of COVID-19 which dramatically changed the way people live, work and learn overnight. We moved quickly to support our customers and the community, recognising how important connectivity and digital solutions were during this unprecedented situation. Our resilient networks and digital services have played a critical role in this rapid shift from physical to digital, keeping people connected and supported.

With the pandemic continuing to stretch on, our role and responsibility have never been greater as digital becomes an even bigger part of people's lives. We want to build on our core strengths – the quality of our networks and innovative digital offerings – that we are known for, to become the most valued digital services provider in Singapore's competitive telco industry. We have therefore honed our strategy with four thrusts to create sustainable value: strengthening our market leadership position; deepening digitalisation; sharpening focus on customer experience and journeys; and enhancing productivity across our operations.

Taking the 5G lead

To extend our leadership and capture 5G market share, we have differentiated our 5G proposition by setting the pace on network advancements along with services that enable our customers to get the most from this technology. Within four months of receiving our 5G licence last year, we launched Singapore's first ultra-fast 5G mobile network, achieving more than 1.2Gbps speeds, and advanced our lead with 5G indoor coverage.

In May this year, we unveiled Singapore's first 5G standalone network, giving select customers access to the country's most powerful 5G experience. Compared to 4G, 5G standalone delivers 10 times faster speeds, two times better latency, and new security designs that provide a boost in service and network security. We have rounded out our offerings with 5G roaming to 13 popular global destinations including Australia and Japan so our customers will be the first to experience the benefits of 5G when travel resumes. In addition, we are accelerating our push to bring 5G into the mainstream and drive adoption by demonstrating how 5G can enhance customers' work and play experiences through augmented reality, virtual reality and video applications such as gaming on RiotGO, and augmented reading and music entertainment on Bookful and MelodyVR.

With people spending more time at home, our home-related products and services ranging from fibre

We continue to invest in the future with the overriding objective to consistently deliver the best possible value and digital experiences to our customers.

broadband to gaming peripherals have taken centre stage. We are building on this momentum and tapping on data insights to curate personalised home-related solutions that serve our customers' needs.

Enhancing digital experiences

Our digitalisation efforts have positioned us well for the increased demand for our digital services such as payments, remittance and customer care. Digital adoption among customers is at an all-time high with 43% of all sales transactions completed online and 70% of interactions conducted through our self-help channels.

One key differentiator for Singtel has been our partnerships to co-develop innovative new digital product and service offerings beyond telco that deliver greater value and support customers' evolving needs. We have doubled down on these areas during the year. We teamed up with leading insurance providers to offer protection and savings products tailored to address our customers' needs through digital channels. The successful launch of our flexible insurance savings product, Dash PET (Protect, Earn, Transact) was a testament to the power of such partnerships. Customers were attracted by the creative product propositions and welcomed the easy transaction flow on the trusted digital platform provided by Singtel Dash.

Apart from insurance and financial products, we will continue to curate specially designed products and services from other areas such as energy and healthcare for customers of Singtel, with the aim of creating a multifaceted seamless digital experience.

Doing right by our customers

Our sustained investments in digital innovations together with our commitment to service excellence, helped us achieve a new high in our customer Net Promoter Score, putting us in the top tier of global industry benchmarks.

We know our customers expect swift, convenient and personalised shopping journeys, and our retail innovations aim to drive deeper and more meaningful customer engagements across all our touchpoints. We have enhanced Singtel Shops with 5G experience zones where customers can discover first-hand the benefits of 5G connectivity. We have transformed our traditional telephone booths into next-generation UNBOXED Lite multimedia kiosks, bringing round-the-clock access to a wide range of services closer to our customers. On the customer service front, we are deploying analytics to personalise and improve customer interactions.

Going forward

It will be a challenging year with ongoing industry headwinds and uncertainties in the macroeconomic environment. In addition, the prolonged pandemic will continue to impact roaming and pre-paid business due to travel restrictions. Notwithstanding the challenges, we continue to invest in the future with the overriding objective to consistently deliver the best possible value and digital experiences to our customers. We want to ensure we retain the speed and agility that have characterised our performance in the past year, and leverage technology to enhance our products, processes and customer interactions. As we strengthen our competitive advantages and change the way we work, I am confident this will make us a faster, leaner and nimbler Singtel, fully seizing the opportunities in the digital era.

Consumer Australia CEO Review

Kelly Bayer Rosmarin
Chief Executive Officer,
Optus

Powering optimism with options

The critical nature of Optus' services has become even more apparent during 2020, whether assisting communities to recover from devastating bushfires or helping Australians work and learn from home as we all faced multiple waves of lockdowns. Optus turned these challenges into opportunities to inject our spirit of optimism into the community, improve our business through positive change, and deliver services that meet new market demands.

We introduced a new three-year strategy, designed to deliver our vision to be Australia's most loved everyday brand with lasting customer relationships. This bold ambition will see us position ourselves uniquely among Australian telecommunications companies. We will win new consumer segments and build deeper customer connections to increase loyalty, drive greater customer lifetime value and deliver long-term sustainable shareholder returns.

As part of our new strategy, we are adopting a 'digital everywhere' approach to capture the efficiencies and advancements of technology for our customer engagement, network operations and business performance.

Last but by no means least, our new strategy also recognises the central role our amazing people play in our business, and the investments we must make in further building their capabilities.

Leading in 5G

As a leader in technology and innovation, Optus has broken the Australian record for real commercial 5G speeds by delivering a download speed of more than 2.5Gbps on a 5G device. Independent tests in Sydney and Melbourne recorded Optus 5G as 22% faster than our nearest competitor. Furthering our 5G credentials, we also demonstrated 5G calls over very high frequency mmWave spectrum, and a world-first 3500+2300MHz carrier aggregation call.

All of Optus' mobile plans are also OPTU5G-ready – a key point of difference for Optus – as our 5G network continues to expand and develop.

With the future in mind, we are taking a measured, targeted approach to roll out a user-centric 5G network that will deliver a 'real' 5G experience to customers.

Offering more choices

In addition to 5G speed leadership, we have innovated new features which satisfy unmet customer needs, including initiatives such as Donate Your Data, which allows customers to donate their unused data to underprivileged Australians;

Game Path, a product for our gaming customers to reduce lag and jitter; Unlimited Data Days, for customers to buy unlimited data for use over a 24-hour period; and Optus Sport Fitness which delivers workouts directly to customers' devices – all helping to further build lasting customer relationships. We will continue to innovate and streamline our service delivery with improved digital engagement channels, better meeting customers' needs and preferences and delivering cost efficiencies.

Our new segment-led propositions and capabilities are directly driving ARPU growth. For example, our new Optus Family Plans for both home internet and mobile have seen a strong uptake with more than 125,000 families choosing Optus. As well as contributing to ARPU growth, our segment-led approach is driving significant lifts in customer satisfaction, with Optus' customer Net Promoter Score increasing by more than 10 points over the last 12 months.

We are winning new customers and increasing loyalty in other ways too. Customers can now bring their own device, pay outright, or even pay interest-free over time with Optus Pay.

> We introduced a new three-year strategy, designed to deliver our vision to be Australia's most loved everyday brand with lasting customer relationships. We will win new consumer segments and build deeper customer connections to increase loyalty, drive greater customer lifetime value and deliver long-term sustainable shareholder returns.

We have also broadened our market reach via revitalised white label brands with the major Australian supermarket Coles and online retailer Catch, the launch of the all-digital Gomo brand, and the acquisition of Australia's largest mobile virtual network operator, amaysim. These extensions of our brand portfolio provide us with strong positions in growing segments of the market.

Our shared focus

We've strengthened our executive team with key new appointments and launched Optus U, a collaboration with leading universities enabling our employees to gain micro-credentials in key future skill areas to step change their capability development. Our amazing team is embracing our new vision and strategy, with employee engagement rising 11 points in 2020.

Together, we have achieved our highest ever customer satisfaction score and driven complaints downward even as the pandemic affected parts of our contact centre capacity. Our employees have been driven to deliver exceptional service and connectivity for our customers, despite challenges. This led us to accelerate the rollout of our Team of Experts model which leverages multidisciplinary teams to address all customer queries without the need for frustrating hand-offs or call backs.

The pandemic's impact was widespread: fewer travellers and immigrants meant reduced roaming and a shrinking customer market; global shutdowns created operational challenges; and national restrictions meant we needed to pivot many of our in-store and online experiences. I am really proud of how the team faced each and every situation with compassion, commitment, creativity and a shared sense of passion to keep Australia connected.

With economic recovery underway, the Australian market is expected to see a return to modest growth next year. Although we expect future challenges, we will continue to drive ongoing improvements across our business, build on what we've achieved and deliver dial-moving strategic initiatives that I know will continue to inspire customers to join, love and stay with Optus.

Group Enterprise CEO Review

Bill Chang
Chief Executive Officer,
Group Enterprise

Open for 5G business

From small start-ups to global MNCs, the COVID-19 pandemic has forced companies of all sizes to adapt, expediting their adoption of technology. Across industries, we saw businesses pivot online and employees make the shift to work from home. In the last year, we also saw an exponential increase in the adoption of digital solutions and Singtel has played an important role in helping businesses digitalise.

To continue accelerating digital transformation for enterprises, we are focusing on 5G as a key digital enabler. Singtel is deploying our 5G infrastructure, building our 5G multi-access Edge Compute (MEC) platform and also collaborating with our ecosystem partners to develop innovative solutions for enterprises.

Building our 5G infrastructure

With 5G poised to be a game changer, we are moving fast to build the requisite infrastructure and network capabilities. We launched our nationwide 5G standalone network which will deliver not just ultra-fast speeds and low latency, but also offer strengthened authentication and encryption capabilities and support more security features to better protect our enterprise customers' digital assets. We have also developed GENIE, the world's first portable 5G platform enabling enterprises to trial use cases securely in their premises. The new investments complement our Centre of Digital Excellence and facilities at 5G Garage, which are dedicated to enabling enterprises and our ecosystem technology partners to ideate, co-create and trial 5G solutions for our customers.

5G MEC as a key differentiator

Our 5G MEC platform is capable of delivering advanced technologies like ultra-high bandwidth, low latency programmable network, data analytics and AI at the edge, closer to end-users. This will enable use cases and applications like augmented, virtual and mixed reality, autonomous robotics, drones and autonomous vehicles, as well as give end-users the full suite of low latency 5G benefits that are now possible today. Conducted on Singtel's 5G MEC platform, we successfully demonstrated a cloud gaming experience with global cloud gaming provider Ubitus that cut lag time significantly, while still offering rich graphics and a superior gaming experience. We are also working to expand the breadth and scope that MEC can offer for enterprises through our strategic tie-ups with Microsoft and Amazon Web Services. These are the first of many partnerships that will enhance the platform and support customers looking for edge computing solutions to power their business.

We will be investing in technologies, upgrading the capabilities of our teams and developing innovative and sustainable solutions to enable and support our customers as they transform their business in the years ahead.

As we grow our MEC platform in reach and capability, we are looking for ecosystem partners to join us in co-creating innovative and transformative 5G solutions. As a solutions development platform cum marketplace, we can help solutions developers to experiment, trial, tweak and deploy their applications and services directly to customers.

We are already seeing heightened interest in collaborations with industry partners who want to leverage 5G-driven solutions to transform their operations. Together with our partners, we are engaging manufacturing, logistics as well as smart cities and buildings development companies to help them gain first-mover advantage with Singtel's 5G and MEC. In our strategic alliance with Surbana Jurong, our MEC platform is the pivotal technology used to co-create 5G-powered solutions for key sectors in Singapore and Asia Pacific, beginning with smart, integrated facilities management. In the coming year, we are also working to pilot a 5G-enabled smart factory at Hyundai's innovation centre for electric vehicles in Singapore.

Leveraging cloud and digital capabilities

Cloud technologies and services have seen tremendous growth during the pandemic and Singtel's Liquid-X, a cloud-based networking platform, is helping enterprises access cloud workloads securely, flexibly and cost-efficiently.

With the proliferation of connected devices in the digital economy, we are scaling up our IoT capabilities to address the hyperconnectivity needs of enterprises. For instance, our secure IoT connectivity will provide real-time insights into Hyundai's electric car batteries in Singapore by end-2022, allowing the company to enhance the reliability of its vehicles.

We have been investing in our submarine cable infrastructure to help businesses go regional. A Singtel-led consortium is building the 9,400-km high-performance Asia Direct Cable connecting several Asian countries to support high-speed connectivity for advanced technologies such as 5G and IoT-related services.

Accelerating SMEs' digital transformation

The pandemic proved to be a challenge for many traditional SMEs which did not have the digital wherewithal to tap into an online customer base. We stepped in to give these SMEs a leg-up with their digitalisation, by launching the Let's Get Digital initiative which offered webinars and digital clinics, as well as collaboration, productivity and cyber security solutions at an 80% subsidy under the government's Productivity Solutions Grant. We are heartened to have extended our assistance to more than 5,000 SMEs to date, helping them to digitalise and position themselves for post-COVID recovery.

There is a lot to do in pursuing our vision to be the leading digital enabler for enterprises in this region. We will be investing in technologies, upgrading the capabilities of our teams and developing innovative and sustainable solutions to enable and support our customers as they transform their business in the years ahead.

NCS CEO Review

Ng Kuo Pin
Chief Executive Officer, NCS

Repositioning for growth

Over the last four decades, NCS has developed world-class technology solutions and today, continues to deliver mission-critical systems and services that are benefitting countries, governments, enterprises and consumers across Asia Pacific. Our strong client base and reliable project delivery have enabled us to achieve positive revenue growth for the last seven years running.

In 2020, NCS maintained yet another strong set of results, boosted by a pipeline of projects in sectors such as healthcare, transport, financial services, communications and technology, despite a year of disruption caused by the COVID-19 pandemic.

Building on the demand for technology, NCS is positioning for transformational growth. The next phase will be anchored on a new strategy to transform the business into a leading B2B digital and technology services company in Asia Pacific.

Innovating to support business transformation

While we continue to strengthen our core services, our newly established NEXT services in digital, cloud, platforms and cyber security will be the key differentiators to deliver integrated services to our clients and establish our leadership position in the Asia Pacific market. We are investing significantly to fuel our growth momentum in the digital and technological space, by bringing in the right talent and expertise to carry out research and development, building our own IP platforms, as well as developing next-generation solutions. This is supported by our five service organisations focusing on delivering services in applications, infrastructure, engineering, cyber and NEXT.

Serving an expanded client base

To transform the way we engage and improve our client servicing, we are forming specialised teams that focus on clients in Public Sector; Defence and Homeland Security; Healthcare and Transport; Financial, Industrial and Commercial; Communications, Media and Technology. The goal of these specialised client servicing units is to bring together the best capabilities across NCS and the partner ecosystem to better serve the client's needs and ensure a high quality of service.

We are dedicating two new strategic business groups for the government and telco sectors. This is to enable NCS to expedite growth in the enterprise sector. The public sector continues to be an important area for NCS which is the reason why we are investing resources to build NCS' digital government portfolio as well as

Building on the demand for technology, NCS is positioning for transformational growth. The next phase will be anchored on a new strategy to transform the business into a leading B2B digital and technology services company in Asia Pacific.

drive collaboration efforts to propel NCS as the go-to digital catalyst for governments and smart cities across Asia Pacific.

Leveraging our strengths and domain experience as the technology service provider for the Singtel Group, we will also be focused on helping telcos digitalise their operations, and go to market competitively and innovatively. We do this through the co-creation of at-scale, telco-centric solutions and offerings with our telco clients.

Setting our sights beyond Singapore

Despite a year marked by lockdowns, travel restrictions and economic recessions, our plans for expansion have not been dampened. In 2020, we launched NCS NEXT in Australia, in partnership with Optus Enterprise, to deliver end-to-end ICT and digital services to the Australian enterprise market. We also opened the NCS NEXT Innovation Centre in Shenzhen (SIC) in January 2021 as part of our plans for growth in Greater China. Singapore, Melbourne and the SIC in Shenzhen form the NCS NEXT Innovation Triangle, which is an integrated innovation ecosystem, where our clients can tap into NCS' digital capabilities and deep tech talent across the region to get access to best-of-breed technologies.

To further shape and lead the digital ecosystem in Singapore and Asia Pacific, we are building more strategic partnerships to gain access to new markets and niche digital capabilities. In 2020, NCS acquired 2359 Media, a digital consultancy firm, and integrated DataSpark, a telco-centric data science and engineering subsidiary of the Singtel Group. Both companies bring complementary capabilities in digital consulting, big data, advanced analytics, custom-built mobile apps and mobility intelligence services to further extend and strengthen NCS' capabilities and services.

Providing trusted talent-led service

Supporting our vision for business transformation is a team of more than 9,600 employees, coming together with the purpose of advancing communities through technology. We want to be a responsive, trusted and innovative partner to our clients, and we will do so by focusing on people-related transformation initiatives to help our teams deliver extraordinary outcomes.

We are investing in the career growth and development of our teams as well as equipping them with the right skills to meet the demands of tomorrow's technology. We are focused on a talent-led delivery model and putting in place well-defined career tracks and specialisations for them to advance and excel in their chosen career practice. We want to grow NCS into a workplace with a learning and apprenticeship culture, to encourage cross-team and cross-country collaboration. This allows for the sharing of knowledge from seniors to juniors and the generation of ideas within the ecosystem of clients and partners. Other changes in recruitment, retention, rewards and recognition are also being implemented to better support business growth.

These business and people transformation initiatives will reposition NCS to become a B2B services champion in Asia Pacific. Key to realising this potential is not just the leadership team supporting our people, but also with the whole of NCS rallying behind our new purpose and direction.

Strategic Portfolio CEO Review

Samba Natarajan
Chief Executive Officer, Strategic Portfolio

Refocusing our strategic agenda

We formed Strategic Portfolio at the start of 2021 by integrating our Group Digital Life division and the Strategy and Business Development unit as part of a company-wide reorganisation. The portfolio also oversees digital marketing arm Amobee and cyber security arm Trustwave.

We remain committed and focused on continuously improving the performance of our digital businesses, and concurrently, we are looking at ways to further optimise capital and resource allocation to ensure that the underlying potential of existing businesses can be maximised and fairly reflected in the company's share price. As part of this, we will be undertaking strategic reviews and other necessary initiatives to unlock value from the Group's assets. This is also to ensure that there is healthy cash flow to continue to fund future growth.

Reviewing Amobee and Trustwave

In May 2021, we announced a non-cash impairment of Amobee and Trustwave, and following this, in a bid to sharpen their focus and rehabilitate both companies for growth, we are embarking on a strategic review of both businesses. Rapid shifts in the fast-moving digital marketing and cyber security space over the last two years have curtailed their ability to scale. The economic fallout from the pandemic has also resulted in enterprises and advertisers tightening their belts.

The options we are exploring in this review include restructuring their product or business segments, a full or partial divestment, or business combinations with other industry players. In line with this, we have moved the technology services business of Trustwave to our ICT arm NCS, and continue to serve our clients via NCS. We also added another new muscle, DataSpark, to NCS, to improve its data analytics and artificial intelligence capabilities. Learning from our experience in these digital investments, we are open to partnerships with strategic investors who have complementary capabilities and can bring synergies to help the businesses scale.

Maximising infrastructure asset value

Singtel has a large and unique portfolio of digital infrastructure assets across Asia, and this remains a key differentiator for the Group. These assets include mobile towers, data centres, fibre cables and satellites. As an asset class, they are trading at valuations which are significantly higher than those of listed telecom operators. Since COVID-19, the importance and appeal of these digital infrastructure assets have increased further, while the pricing and competitive pressures continue to prevail on the consumer and enterprise businesses. As a result, the inherent value of our digital infrastructure assets is not being sufficiently or fairly reflected in the company's share price.

Furthermore, our operating expertise and relationships with our customers, many of whom are large enterprises and hyperscalers, position us well to realise this latent value. We are open to forming alliances with suitable partners with more experience and direct focus on these assets to further increase network utilisation, provide funding for new builds, and improve operating efficiencies.

Singtel remains focused on further investments in next-generation infrastructure and sustainable technologies. We will balance this against investing and co-developing with the right partners. We will also be focusing more on asset right models for segments that we believe can be operated and better valued as stand-alone businesses, while not having any adverse impact on our market position or network superiority. We will look to capitalise on strong investor interest in digital infrastructure assets as part of the new Group strategy to drive monetisation and value crystallisation across the portfolio. For example, we have already launched the process to potentially divest a portion of Optus' mobile towers.

Augmenting the Group's capabilities

In 2020, Innov8 made new investments and continued to channel resources to its existing portfolio companies. This included further investment in Halodoc, a healthcare app in Indonesia that has more than doubled its monthly active user base rapidly within a year. With more than 20,000 doctors on its platform, Halodoc has been instrumental in extending quality healthcare to patients nationwide through virtual medical services, especially during the pandemic where movement restrictions are the norm.

Innov8's cyber security investments gained prominence and received recognition from leading market researchers. This includes BitSight, a cyber security ratings company which was named as a Leader in The Forrester New Wave™: Cybersecurity Risk Ratings Platforms, Q1 2021, and earned multiple wins in other cyber security awards. Balbix, a cyber security automation service provider and another start-up that we invested in, was awarded the 2021 North America Technology Innovation Leadership Award by Frost & Sullivan for its BreachControl cyber security posture management platform. We're actively testing these solutions, with the view of potentially integrating them into our capabilities, services and infrastructure across the Group.

As our added window into innovation, Innov8 will continue seeking opportunities with the potential to enhance the Group's capabilities and contribute to the Group's drive to create value for and deliver new digital services to our customers.

> We will continue to help our portfolio companies accelerate growth while assessing the various opportunities across the entire portfolio, and work towards our agenda of optimising asset value.

Emerging stronger

As we move into the year ahead, we will continue to help our portfolio companies accelerate growth while assessing the various opportunities across the entire portfolio, and work towards our agenda of optimising asset value.

Governance and Sustainability

Sustainability and good governance are integral to our strategy. We are committed to creating lasting value for not only our people, customers and shareholders but also for the communities that we operate in. Our goal is to minimise our impact on the environment even as we continue to grow, while holding ourselves to the highest standards in the way we do business. In a year unlike any other, our mission of driving greater digital inclusion and literacy has taken on added significance and we will continue to harness and share the benefits of technology to help our communities thrive in this increasingly digital world.

Corporate Governance

Our governance framework

Chairman
Lee Theng Kiat

Key objective
Responsible for leadership of the Board and for creating conditions for overall Board, Board Committee and individual Director effectiveness

The Board of Singtel
12 Directors:
10 independent Directors and 2 non-independent Directors

Key objective
To create value for shareholders and to ensure the long-term success of the Group

Audit Committee

Chairman
Gautam Banerjee
3 independent Directors

Key objective
Assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management

Corporate Governance & Nominations Committee

Chairman
Low Check Kian
4 independent Directors and 1 non-independent Director

Key objectives
Establish and review the profile of Board members; make recommendations to the Board on the appointment, re-nomination and retirement of Directors; review the independence of Directors; assist the Board in evaluating the performance of the Board, Board Committees and Directors; and develop and review the Company's corporate governance practices

Executive Resource & Compensation Committee

Chairman
Gail Kelly
4 independent Directors and 1 non-independent Director

Key objectives
Oversee the remuneration of the Board and Senior Management, and set appropriate remuneration framework and policies, including long-term incentive schemes, to deliver annual and long-term performance of the Group, and has oversight of the Group's culture and human capital health

Finance & Investment Committee

Chairman
Lee Theng Kiat
4 independent Directors and 1 non-independent Director

Key objectives
Provide advisory support on the development of the Group's overall strategy, review strategic issues, approve investments and divestments, review the Group's Investment and Treasury Policies, evaluate and approve financial offers and banking facilities, and manage the Group's liabilities

Risk Committee

Chairman
Teo Swee Lian
3 independent Directors

Key objectives
Ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determine the nature and extent of the material risks that the Board is willing to take in achieving the Group's strategic objectives

Group Chief Executive Officer

Yuen Kuan Moon

Key objectives
Manage the Group's business and implement strategy and policy

Management Committee

Group CEO,
CEO Group Enterprise/Country Chief Officer Singapore,
CEO Consumer Australia/CEO Optus,
CEO Consumer Singapore,
CEO NCS,
CEO Strategic Portfolio,
Group Chief Corporate Officer,
Group Chief Financial Officer,
Group Chief People and Sustainability Officer,
Group Chief Information Officer/ Group Chief Digital Officer,
Group Chief Technology Officer

Key objective
Direct Management on operational policies and activities

Introduction

Singtel aspires to the highest standards of corporate governance as we believe that good governance supports long-term value creation. To this end, Singtel has a set of well-defined policies and processes in place to enhance corporate performance and accountability, as well as protect the interests of stakeholders. The Board of Directors is responsible for Singtel's corporate governance standards and policies, and stresses their importance across the Group.

Singtel is listed on the Singapore Exchange Securities Trading Limited (SGX) and has complied in all material respects with the principles and provisions in the Singapore Code of Corporate Governance 2018 (2018 Code). This report sets out Singtel's key corporate governance practices with reference to the 2018 Code. We provide a summary of our compliance with the express disclosure requirements in the 2018 Code on pages 68 to 70.

Directors' attendance at Board/general meetings during the financial year ended 31 March 2021[1]

	Scheduled Board Meetings		Ad Hoc Board Meetings		Annual General Meeting
Name of Director[2]	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended	
Lee Theng Kiat	4	4	3	3	✓
Yuen Kuan Moon[3]	1	1	–	–	–
Gautam Banerjee	4	4	3	3	✓
Venkataraman (Venky) Ganesan	4	4	3	3	✓
Bradley Horowitz	4	4	3	3	✓
Gail Kelly	4	4	3	3	✓
Low Check Kian	4	4	3	3	✓
Christina Ong[4]	4	4	3	2	✓
Rajeev Suri[5]	1	1	–	–	–
Teo Swee Lian	4	4	3	3	✓
Wee Siew Kim[6]	2	2	–	–	–
Simon Israel[7]	2	2	1	1	✓
Chua Sock Koong[8]	3	3	3	3	✓

Notes:

(1) Refers to meetings held/attended while each Director was in office.
(2) Mr Lim Swee Say was appointed to the Board on 1 June 2021.
(3) Mr Yuen Kuan Moon was appointed to the Board on 1 January 2021.
(4) Mrs Christina Ong recused herself and did not participate at an ad hoc Board Meeting due to a conflict of interest.
(5) Mr Rajeev Suri was appointed to the Board on 1 January 2021.
(6) Mr Wee Siew Kim was appointed to the Board on 1 October 2020.
(7) Mr Simon Israel stepped down from the Board following the conclusion of the AGM on 30 July 2020.
(8) Ms Chua Sock Koong retired from the Board with effect from 1 January 2021.

Corporate Governance

Board matters

The Board's conduct of affairs

The Board aims to create value for shareholders and ensure the long-term success of the Group by focusing on the development of the right strategy, business model, risk appetite, management, succession plan and compensation framework. It also seeks to align the interests of the Board and Management with that of shareholders and balance the interests of all stakeholders. In addition, the Board sets the tone for the entire organisation where ethics and values are concerned.

The Board oversees the business affairs of the Singtel Group. It assumes responsibility for the Group's overall strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews, compliance and accountability systems, and corporate governance practices. The Board also appoints the Group CEO, approves policies and guidelines on remuneration as well as the remuneration for the Board and the Management Committee, and approves the appointment of Directors. In line with best practices in corporate governance, the Board also oversees the long-term succession planning for the Management Committee.

Singtel has established financial authorisation and approval limits for operating and capital expenditure, the procurement of goods and services, and the acquisition and disposal of investments. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Board Committees and the Management Committee to optimise operational efficiency.

Material items that require Board approval include:

- The Group's strategic plans
- The Group's annual operating plan and budget
- Full-year and half-year financial results
- Dividend policy and payout
- Issue of shares
- Board succession plans
- Succession plans for Management Committee positions, including appointment of, and compensation for, Management Committee members
- Underlying principles of long-term incentive schemes for employees
- The Group's risk appetite and risk tolerance for different categories of risk, as well as risk strategy and the policies for management of material risks
- Acquisitions and disposals of investments exceeding certain material limits
- Capital expenditures exceeding certain material limits

Board meetings

The Board and Board Committees meet regularly to discuss strategy, operational matters and governance issues. All Board and Board Committee meetings are scheduled well in advance of each year in consultation with the Directors. At every scheduled meeting, the Board sets aside time for discussion without the presence of Management (except the executive Director). The Board also sets aside time for the non-executive Directors to meet without any executives present. The Board holds approximately four scheduled meetings each year and may also hold ad hoc meetings as and when warranted by circumstances. A total of seven Board meetings (including ad hoc Board meetings) were held in the financial year ended 31 March 2021.

Attendance at Board or Board Committee meetings via telephone or video conference is permitted by Singtel's Constitution.

A record of the Directors' attendance at Board meetings during the financial year ended 31 March 2021 is set out on page 37. Directors who are unable to attend a Board meeting are provided with the briefing materials and can discuss issues relating to the matters to be discussed at the Board meeting with the Chairman or the Group CEO.

Director development/training

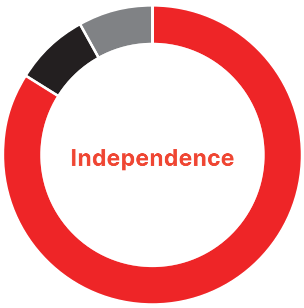
The Board values ongoing professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on, and contribute to, the Board. The Board has therefore adopted a policy on continuous professional development for Directors.

All new Directors appointed to the Board are briefed by the Chairman, as well as the chairmen of the Board Committees, on issues relevant to the Board and Board Committees. They are also briefed by Senior Management on the Group's business activities, strategic direction and policies, key business risks, the regulatory environment in which the Group operates and governance practices, as well as their statutory and other duties and responsibilities as Directors.

Upon appointment to the Board, each Director receives a Directors' Manual, which sets out the Director's duties and responsibilities and the Board's governance policies and practices. The Directors' Manual is maintained by the Company Secretary. In line with best practices in corporate governance, new Directors also sign a letter of appointment from the Company stating clearly the role of the Board and non-executive Directors, the time commitment that the Director would be expected to allocate and other relevant matters.

To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment. Professional development may relate to a particular subject area, committee membership, or key developments in Singtel's environment, market or operations. Directors are encouraged to consult the Chairman if they consider that they personally, or the Board as a whole, would benefit from specific education or training regarding matters that fall within the responsibility of the Board or relate to the business of Singtel.

Board composition, diversity and balance



- **84%** Independent, non-executive Directors
- **8%** Non-independent, non-executive Director
- **8%** Executive Director/GCEO

- **75%** Male Directors
- **25%** Female Directors

There are 12 Directors on the Board, comprising 10 non-executive independent Directors, one non-executive non-independent Director and one executive Director. The Board has appointed a Lead Independent Director. A summary of the role of the Lead Independent Director is set out on page 42. The profiles of the Directors are set out on pages 14 to 16 and pages 239 to 241.

The size and composition of the Board are reviewed from time to time by the Corporate Governance and Nominations Committee (CGNC). The CGNC seeks to ensure that the size of the Board is conducive for effective discussion and decision making, and that the Board has an appropriate number of independent Directors. The CGNC also aims to maintain a diversity of expertise, skills and attributes among the Directors. Any potential conflicts of interest are taken into consideration.

In order to ensure that Singtel continues to be able to meet the challenges and demands of the markets in which Singtel operates, the Board is focused on enhancing the diversity of skills, expertise and perspectives on the Board in a structured way, by proactively mapping out Singtel's Board composition needs over the short and medium term.

Board diversity
Singtel is committed to building a diverse, inclusive and collaborative culture. Singtel recognises and embraces the benefits of diversity on the Board, and views diversity at the Board level as essential to supporting the attainment of its strategic objectives and its sustainable development.

The Board's Diversity Policy provides that, in reviewing Board composition and succession planning, the CGNC will consider the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the Board and, when possible, should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. Diversity is a key criterion in the instructions to external search consultants.

Corporate Governance

The Board is of the view that gender is an important aspect of diversity and will strive to ensure that (a) any brief to external search consultants to identify candidates for appointment to the Board will include a requirement to present female candidates, (b) female candidates are included for consideration by the CGNC whenever it seeks to identify a new Director for appointment to the Board, (c) the Board appoints at least one female Director to the CGNC, and (d) there is significant and appropriate female representation on the Board, recognising that the Board's needs will change over time taking into account the skills and experience of the Board.

Reflecting the focus of the Group's business in the region, four of Singtel's 12 Directors are from, and have extensive experience in, jurisdictions outside Singapore, namely, the non-executive Directors, Messrs Venky Ganesan, Bradley Horowitz and Rajeev Suri, and Mrs Gail Kelly. In relation to gender diversity, 25% of the Singtel Board, or three out of the 12 Board members, are female. Other than the Group CEO, none of the Directors is a former or current employee of the Company or its subsidiaries.

Independence

The Board, taking into account the views of the CGNC, assesses the independence of each Director annually, and as and when circumstances require, in accordance with the 2018 Code. A Director is considered independent if he has no relationship with the company, its related corporations, substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the company.

The Board considers the existence of relationships or circumstances, including those identified by the listing rules of the Singapore Stock Exchange and the Practice Guidance, that are relevant in its determination as to whether a Director is independent. Such relationships or circumstances include the employment of a Director by the Company or any of its related corporations during the financial year in question or in any of the previous three financial years; a Director being on the Board for an aggregate period of more than nine years; the acceptance by a Director of any significant compensation from the Company or any of its subsidiaries for the provision of services during the financial year in question or the previous financial year, other than compensation for board service; and a Director being related to any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services during the financial year in question or the previous financial year.

The CGNC and the Board have assessed the independence of each of the Directors in 2021. A summary of the outcome of that assessment is set out below.

Based on the declarations of independence provided by the Directors and taking into consideration the guidance in the 2018 Code, the listing rules and (where relevant) the Practice Guidance and the Code of Corporate Governance 2012, the Board has determined that Mr Yuen Kuan Moon, Singtel's Group CEO and Mr Lee Theng Kiat, Chairman of the Singtel Board are the only non-independent Directors. All other members of the Board are considered to be independent Directors. In line with the Board's Code of Conduct and Ethics, each of the members of the CGNC and the Board abstained in respect of the confirmation of his/her independence status.

Mr Lee Theng Kiat is deemed non-independent given his current roles as Executive Director of Temasek Holdings (Private) Limited (Temasek) and the Chairman of Temasek International Pte. Ltd. He is not a nominee of Temasek on the Singtel Board and does not act for Temasek in respect of his Board role at Singtel.

Mr Gautam Banerjee is a non-executive independent director of Defence Science & Technology Agency, GIC Private Limited and Singapore Airlines Ltd, each of which purchase services and/or equipment from the Singtel Group in the ordinary course of business. The CGNC and the Board are of the view that such relationships do not interfere with the exercise of Mr Banerjee's independent business judgement in the best interests of Singtel and that he is therefore an independent Director.

Mr Venky Ganesan is a director of BitSight Technologies, Inc (BitSight). Singtel's subsidiary, Singtel Innov8 Pte Ltd, has an interest of less than 2% in BitSight. The investment in BitSight by Singtel Innov8 Pte Ltd was made independent of Mr Ganesan's association with Singtel. Also, BitSight provided services and equipment in the ordinary course of business to the Singtel Group during the financial year. The CGNC and the Board are of the view that the abovementioned relationships do not interfere with the exercise of Mr Ganesan's independent business judgement in the best interests of Singtel and that he is therefore an independent Director.

Mr Bradley Horowitz is Vice President of Product Management of, and an Adviser to, Google Inc. The Google Inc. group and the Singtel Group collaborate from time to time in the ordinary course of business to offer services to customers. The Google, Inc. group provided services to, and received payments from, the Singtel Group in the ordinary course of business during the financial year. The Singtel Group also provided services to, and received payments from, the Google, Inc. group in the ordinary course of business during the financial year. The CGNC and the Board are of the view that the abovementioned relationships do not interfere with the exercise of Mr Horowitz's independent business judgement in the best interests of Singtel and that he is therefore an independent Director.

Mrs Gail Kelly does not have any of the relationships and is not faced with any of the circumstances identified in the Code, the SGX Listing Manual and the Practice Guidance that could interfere, or be reasonably perceived to interfere, with the exercise of her independent business judgement in the best interests of Singtel. The CGNC and the Board are of the view that Mrs Kelly has demonstrated independence in the discharge of her duties and responsibilities as a Director and that she is therefore an independent Director.

Mr Lim Swee Say does not have any of the relationships and is not faced with any of the circumstances identified in the Code, the SGX Listing Manual and the Practice Guidance that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of Singtel. The CGNC and the Board are of the view that Mr Lim is an independent Director.

Mr Low Check Kian is a board member of Nanyang Technological University (NTU), which obtained services and equipment from, and made payments to, the Singtel Group during the financial year. NTU also provided services to, and received payments from, the Singtel Group during the financial year. The CGNC and the Board are of the view that the abovementioned relationships do not interfere with the exercise of Mr Low's independent business judgement in the best interests of Singtel. In addition, Mr Low has served as an Independent Director for more than nine years since the date of his first appointment. The Code of Corporate Governance 2012 states that the independence of any director who has served on the board beyond nine years from the date of his first appointment should be subject to particularly rigorous review. Taking into consideration, among other things, Mr Low's active participation and actual performance on the Board and Board Committees and as Lead Independent Director, the CGNC and the Board are of the view that Mr Low has, at all times, exercised independent judgement in the best interests of the Company in the discharge of his director's duties and should therefore continue to be deemed an independent Director.

Mrs Christina Ong is a partner of Allen & Gledhill LLP (A&G), which provides legal services to, and receives fees from, the Singtel Group. However, Mrs Ong does not hold a 5% or more interest in A&G. Mrs Ong is also on the board of Oversea-Chinese Banking Corporation (OCBC), which provides banking services to the Singtel Group and receives payments from the Singtel Group for such services. The Singtel Group also provides services to, and receives payments from, OCBC. The CGNC and the Board are of the view that the abovementioned relationships do not interfere with the exercise of Mrs Ong's independent business judgement in the best interests of Singtel and that she is therefore an independent Director.

Mr Rajeev Suri does not have any of the relationships and is not faced with any of the circumstances identified in the Code, the SGX Listing Manual and the Practice Guidance that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of Singtel. The CGNC and the Board are of the view that Mr Suri has demonstrated independence in the discharge of his duties and responsibilities as a Director and that he is therefore an independent Director.

Ms Teo Swee Lian is the non-executive independent Chairman of CapitaLand Integrated Commercial Trust (CICT). Singtel is a tenant in some shopping malls in CICT's portfolio. All transactions between the CICT group and the Singtel Group are conducted in the ordinary course of business and based on normal commercial terms. Ms Teo is also a non-executive director of an associated company of Temasek. Ms Teo does not represent Temasek on the Singtel Board. In addition, Ms Teo is an independent non-executive director of AIA Group Ltd, which obtains services from the Singtel Group in the ordinary course of business and on normal commercial terms. The CGNC and the Board are of the view that the relationships described above do not interfere with the exercise of Ms Teo's independent business judgement in the best interests of Singtel and that she is therefore an independent Director.

Mr Wee Siew Kim is a director and the Group Chief Executive Officer of Nipsea Management Company Pte. Ltd. and a director of other companies in the Nipsea group of companies (Nipsea Group). The

Corporate Governance

Nipsea Group obtained services and equipment from, and made payments to, the Singtel Group in the ordinary course of business during the financial year. The CGNC and the Board are of the view that the abovementioned relationship does not interfere with the exercise of Mr Wee's independent business judgement in the best interests of Singtel and that he is therefore an independent Director.

Conflicts of interest

Under the Board's Code of Business Conduct and Ethics, Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of Singtel. The Code of Business Conduct and Ethics provides that where a Director has a conflict of interest, or it appears that he might have a conflict of interest, in relation to any matter, he should immediately declare his interest at a meeting of the Directors or send a written notice to the Company containing details of his interest and the conflict, and recuse himself from participating in any discussion and decision on the matter. Where relevant, the Directors have complied with the provisions of the Code of Business Conduct and Ethics, and such compliance has been duly recorded in the minutes of meeting.

The Chairman and the Group CEO

The Chairman of the Board is a non-executive appointment and is separate from the office of the Group CEO. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the Group CEO is responsible for implementing the Group's strategies and policies, and for conducting the Group's business. The Chairman and the Group CEO are not related.

Role of the Chairman

The Chairman is responsible for leadership of the Board and is pivotal in creating the conditions for overall Board, Board Committee and individual Director effectiveness, both inside and outside the boardroom. This includes setting the agenda of the Board in consultation with the Directors and the Group CEO, and promoting active engagement and an open dialogue among the Directors, as well as between the Board and the Group CEO.

The Chairman ensures that the performance of the Board is evaluated regularly, and guides the development needs of the Board. The Chairman leads the evaluation of the Group CEO's performance and works with the Group CEO in overseeing talent management to ensure that robust succession plans are in place for the senior leadership team.

The Chairman works with the Board, the relevant Board Committees and Management to establish the boundaries of risk undertaken by the Group and ensure that governance systems and processes are in place and regularly evaluated.

The Chairman plays a significant leadership role by providing clear oversight, advice and guidance to the Group CEO and Management on strategy and the drive to transform Singtel's businesses. This involves developing a keen understanding of the Group's diverse and complex businesses, the industry, partners, regulators and competitors.

The Chairman provides support and advice to, and acts as a sounding board for, the Group CEO, while respecting executive responsibility. He engages with other members of the senior leadership regularly.

The Chairman also maintains effective communications with large shareholders and supports the Group CEO in engaging with a wide range of other stakeholders such as partners, governments and regulators where the Group operates.

Role of the Lead Independent Director

The Lead Independent Director is appointed by the Board to serve in a lead capacity to coordinate the activities of the non-executive Directors in circumstances where it would be inappropriate for the Chairman to serve in such capacity. He also assists the Chairman and the Board to assure effective corporate governance in managing the affairs of the Board and the Company.

The Lead Independent Director serves as chairman of the CGNC. He will also be available to shareholders if they have concerns relating to matters that contact through the Chairman, Group CEO or Group CFO has failed to resolve, or where such contact is inappropriate.

Board membership

The CGNC establishes and reviews the profile required of Board members and makes recommendations to the Board on the appointment, re-nomination and retirement of Directors.

When an existing Director chooses to retire or is required to retire from office by rotation, or the need for a new Director arises, the CGNC reviews the range of expertise, skills and attributes of the Board and the composition of the Board. The CGNC then identifies Singtel's needs and prepares a shortlist of candidates with the appropriate profile for nomination or re-nomination.

The CGNC takes factors such as attendance, preparedness, participation and candour into consideration when evaluating the past performance and contributions of a Director when making its recommendations to the Board. However, the re-nomination or replacement of a Director does not necessarily reflect the Director's performance or contributions to the Board. The CGNC may have to consider the need to position and shape the Board in line with the evolving needs of Singtel and the business.

When deciding on the appointment of new Directors to the Board, the CGNC and the Board consider a variety of factors, including the core competencies, skills and experience that are required on the Board and Board Committees, diversity, independence, conflicts of interest and time commitments.

In order to ensure Board renewal, the Board has in place guidelines on the tenure of the Chairman and Directors. The guidelines provide that Directors are appointed for an initial term of three years, and this may be extended to a second three-year term. As a general rule, a Director shall step down from the Board no later than at the Annual General Meeting (AGM) to be held in his sixth year of service. Where a Director is not appointed at an AGM, the Director's term will be deemed to have commenced on the date of the AGM immediately following the date on which the Director was appointed. The Committee may, in appropriate circumstances, recommend to the Board that a Director's term be extended beyond the second three-year term. For the Chairman, the same principles apply except that the term is determined from the point he became the Chairman.

Directors must ensure that they are able to give sufficient time and attention to the affairs of Singtel and, as part of its review process, the CGNC decides whether or not a Director is able to do so and whether he has been adequately carrying out his duties as a Director of Singtel. The Board has also adopted an internal guideline that seeks to address the competing time commitments that may be faced when a Director holds multiple board appointments. The guideline provides that, as a general rule, each Director should hold no more than five directorships in public listed companies. However, the Board recognises that the individual circumstances and capacity of each Director are different and there may be circumstances in which a different limit on board appointments is appropriate. The guideline also provides that (a) in support of their candidature for directorship or re-election, Directors are to provide the CGNC with details of other commitments and an indication of the time involved, and (b) non-executive Directors should consult the Chairman or chairman of the CGNC before accepting any new appointments as Directors. There are no alternate Directors on the Board.

The Company's Constitution provides that a Director must retire from office at the third AGM after the Director was elected or last re-elected.

A retiring Director is eligible for re-election by Singtel shareholders at the AGM. In addition, a Director appointed by the Board to fill a casual vacancy or appointed as an additional Director may only hold office until the next AGM, at which time he will be eligible for re-election by shareholders. If at any AGM, fewer than three Directors would retire pursuant to the requirements set out above, the additional Directors to retire at that AGM shall be those who have been longest in office since their last re-election or appointment. The Group CEO, as a Director, is subject to the same retirement by rotation, resignation and removal provisions as the other Directors, and such provisions will not be subject to any contractual terms that may have been entered into with the Company. Shareholders are provided with relevant information in the Annual Report on the candidates for election or re-election.

Board performance

Each year, the CGNC undertakes a process to assess the effectiveness of the Board, the Board Committees and individual Directors. For the financial year ended 31 March 2021, as in previous years, an independent external consultant (2021: Aon Solutions Singapore Pte. Ltd. (formerly known as Aon Hewitt Singapore Pte. Ltd.)) was appointed to facilitate this process. The 2021 survey was designed to provide an evaluation of the effectiveness of the Board, Board Committees, Chairman and individual Directors, as well as provide insights on the Board's culture. The Directors and Senior Management were requested to complete evaluation questionnaires on matters such as Board composition, Board processes, the relationship between the Board and Management, representation of shareholders and ESG issues, development and monitoring of strategy and priorities, Board Committee effectiveness, CEO performance management and succession, director development and management, and risk management.

Corporate Governance

In addition to the appraisal exercise, the contributions and performance of each Director are assessed by the CGNC as part of its periodic reviews of the composition of the Board and the various Board Committees. In the process, the CGNC is able to identify areas for improving the effectiveness of the Board and Board Committees. The Board is also able to assess the Board Committees through their regular reports to the Board on their activities.

Access to information

Prior to each Board meeting, Singtel's Management provides the Board with information relevant to matters on the agenda for the meeting. In general, such information is provided a week in advance of the Board meeting. The Board also receives regular reports pertaining to the operational and financial performance of the Group, as well as regular updates, which include information on the Group's competitors, and industry and technological developments. In addition, Directors receive analysts' reports on Singtel and other telecommunications and digital companies on a quarterly basis. Such reports enable the Directors to keep abreast of key issues and developments in the industry, as well as challenges and opportunities for the Group. In line with Singtel's commitment to the conservation of the environment, as well as technology advancement, Singtel has done away with hard copy Board papers, and Directors are instead provided with tablet devices to enable them to access and read Board and Board Committee papers prior to and at meetings.

The Board has separate and independent access to the Senior Management and the Company Secretary at all times. Procedures are in place for Directors and Board Committees, where necessary, to seek independent professional advice, paid for by Singtel.

Role of the Company Secretary

The Company Secretary attends all Board meetings and is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board, including advising the Board on corporate and administrative matters, as well as facilitating orientation and assisting with professional development as required. She assists the Board in implementing and strengthening corporate governance policies and processes. The Company Secretary is the primary point of contact between the Company and the SGX. The Company Secretary is legally trained, with experience in legal matters and company secretarial practices. The appointment and removal of the Company Secretary is subject to the approval of the Board.

Board and Management Committees

The following Board Committees assist the Board in executing its duties:
- Audit Committee (AC)
- Corporate Governance and Nominations Committee (CGNC)
- Executive Resource and Compensation Committee (ERCC)
- Finance and Investment Committee (FIC)
- Risk Committee (RC)

Each Board Committee may make decisions on matters within its terms of reference and applicable limits of authority. The terms of reference of each Committee are reviewed from time to time, as are the committee structure and membership.

The selection of Board Committee members requires careful management to ensure that each Committee comprises Directors with appropriate qualifications and skills, and that there is an equitable distribution of responsibilities among Board members. The need to maximise the effectiveness of the Board, and encourage active participation and contribution from Board members, is also taken into consideration.

A record of each Director's Board Committee memberships and attendance at Board Committee meetings during the financial year ended 31 March 2021 is set out on page 49.

Audit Committee

Membership
Gautam Banerjee, committee chairman and independent non-executive Director **Gail Kelly**, independent non-executive Director **Christina Ong**, independent non-executive Director
Key Objective
• Assist the Board objectively in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management

The terms of reference of the AC provide that the AC shall comprise at least three Directors, all of whom are non-executive Directors and the majority, including the chairman, are independent Directors. At least two members of the AC, including the AC chairman, must have recent and relevant accounting or related financial management expertise or experience. The chairman of the AC is a Director other than the Chairman of the Singtel Board.

The AC has explicit authority to investigate any matter within its terms of reference, and has full cooperation and access to Management. It has direct access to the internal and external auditors, and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions. It also has the authority to review its terms of reference and its own effectiveness annually and recommend necessary changes to the Board.

The main responsibilities of the AC are to assist the Board objectively in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management.

The AC reports to the Board on the results of the audits undertaken by the internal and external auditors, the adequacy of disclosure of information, and the adequacy and effectiveness of the system of risk management and internal controls. It reviews the half-yearly and annual financial statements with Management and the external auditors, reviews and approves the annual audit plans for the internal and external auditors, and reviews the internal and external auditors' evaluation of the Group's system of internal controls.

The AC is responsible for evaluating the cost effectiveness of external audits, the independence and objectivity of the external auditors, and the nature and extent of the non-audit services provided by the external auditors to ensure that the independence of the external auditors is not compromised. It also makes recommendations to the Board on the appointment or re-appointment, remuneration and terms of engagement of the external auditors. In addition, the AC approves the Singtel Internal Audit Charter and reviews the internal audit function for independence and effectiveness, adequacy of resourcing, including staff qualifications and experience, and its standing within Singtel. The AC also reviews the performance of Internal Audit, including approving decisions relating to appointment or removal of the Group Chief Internal Auditor and approving the performance and compensation of the Group Chief Internal Auditor. Based on this, the AC is satisfied that the internal audit function is independent, effective and adequately resourced.

During the financial year, the AC reviewed the Management's and Singtel Internal Audit's assessment of fraud risk and held discussions with the external auditors to obtain reasonable assurance that adequate measures were put in place to mitigate fraud risk exposure in the Group. The AC also reviewed the adequacy of the whistle-blower arrangements instituted by the Group through which staff and external parties can, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. All whistle-blower complaints were reviewed half-yearly by the AC to ensure independent and thorough investigation and adequate follow-up.

The AC met five times during the financial year. At these meetings, the Group CEO, Group Chief Corporate Officer, Group CFO, Vice President (Group Finance), Group Chief Internal Auditor and the respective CEOs of the businesses were also in attendance. During the financial year, the AC reviewed the results of audits performed by Internal Audit based on the approved audit plan, significant litigation and fraud investigations, register of interested person transactions and non-audit services rendered by the external auditors. The AC also met with the internal and external auditors, without the presence of Management, during the financial year.

The external auditors provided regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and its corresponding impact on the financial statements, if any. Directors are also invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

Financial matters

Following the amendments to Rule 705 of the Singapore Exchange Securities Trading Limited Listing Rules on 7 February 2020, the Group adopted half-yearly announcements of its financial results with effect from 1 April 2020. The AC reviewed the half-year and full-year financial statements of the Group before the announcement of the Group's

Corporate Governance

results. In the process, the AC reviewed the key areas of Management's estimates and judgement applied for key financial issues including revenue recognition, taxation, goodwill impairment, and the joint ventures' and associates' contingent liabilities, critical accounting policies and any other significant matters that might affect the integrity of the financial statements. The AC also considered the report from the external auditors, including their findings on the key areas of audit focus. Significant matters that were discussed with Management, internal and external auditors have been included as key audit matters (KAMs) in the Independent Auditors' Report for the financial year ended 31 March 2021. Refer to pages 116 to 123 of this Annual Report.

The AC took into consideration the approach and methodology applied in the valuation of acquired businesses, as well as the reasonableness of the estimates and key assumptions used. In addition to the views from the external auditors, subject matter experts including external tax specialists and legal experts, were consulted. The AC concluded that Management's accounting treatment and estimates in each of the KAMs were appropriate.

The information included in the Annual Report, excluding the Financial Statements and Independent Auditors' Report, was provided to the external auditors after the Independent Auditors' Report date. The external auditors have provided a written confirmation to the AC that they have completed the work in accordance with SSA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information*, and they have noted no exception. A copy of the charter of the AC is available on the corporate governance page on the Company's website at www.singtel.com/about-us/company/corporate-governance.

Corporate Governance and Nominations Committee

Membership

Low Check Kian, committee chairman and independent non-executive Director
Lee Theng Kiat, non-executive Chairman of the Singtel Board
Gail Kelly, independent non-executive Director
Christina Ong, independent non-executive Director
Teo Swee Lian, independent non-executive Director

Key Objectives

- Establish and review the profile of Board members
- Make recommendations to the Board on the appointment, re-nomination and retirement of Directors
- Review the independence of Directors
- Assist the Board in evaluating the performance of the Board, Board Committees and Directors
- Develop and review the Company's corporate governance practices, taking into account relevant local and international developments in the area of corporate governance

The terms of reference of the CGNC provide that the CGNC shall comprise at least three Directors, the majority of whom, including the chairman, shall be independent. As part of its commitment to gender diversity, the Board will strive to appoint at least one female Director to the CGNC.

The main activities of the CGNC are outlined in the commentaries on "Board Composition, Diversity and Balance", "Board Membership" and "Board Performance" from pages 39 to 44.

The CGNC met twice during the financial year ended 31 March 2021, and also approved various matters by written resolution.

Executive Resource and Compensation Committee

Membership
Gail Kelly, committee chairman and independent non-executive Director **Lee Theng Kiat**, non-executive Chairman of the Singtel Board **Low Check Kian**, independent non-executive Director **Rajeev Suri**, independent non-executive Director **Teo Swee Lian**, independent non-executive Director

Key Objectives
The ERCC will ensure that competitive and effective compensation, and progressive policies are in place to attract, motivate and retain a pool of talented executives to meet the current and future growth of the Group. This includes an oversight of the Group's culture and human capital health, ensuring: • Appropriate recruitment, development, retention and succession planning programs are in place; and • An appropriate Corporate Culture (incorporating inclusion, diversity and ethical health), underpinned by the Singtel core values, is fostered within the Group.

The ERCC plays an important role in helping to ensure that the Group is able to attract, motivate and retain the best talents through competitive and effective remuneration, as well as progressive and robust policies to achieve the Group's goals and deliver sustainable shareholder value.

The terms of reference of the ERCC provide that the ERCC shall comprise at least three Directors, all of whom shall be non-executive and the majority of whom shall be independent. The ERCC is chaired by an independent non-executive Director.

The main responsibilities of the ERCC, as delegated by the Board, are to oversee the remuneration of the Board and Senior Management. It sets appropriate remuneration framework and policies, including long-term incentive schemes, to deliver annual and long-term performance of the Group.

The ERCC has been tasked by the Board to approve or recommend to the Board the appointment, promotion and remuneration of Senior Management. The ERCC reviews the targets of Senior Management across five broad categories of Breakthrough, Financial, Operational, People and Environment, Social and Governance (ESG) at the beginning of the financial year and assesses the performance against these targets at the end of the financial year. The ERCC also recommends the Directors' compensation for the Board's endorsement. Directors' compensation is subject to the approval of shareholders at the AGM. The ERCC's recommendations cover all aspects of remuneration for Directors and Senior Management, including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives, management awards, and benefits-in-kind.

The ERCC seeks expert advice and views on remuneration and governance matters from both within and outside the Group as appropriate. The ERCC draws on a pool of independent consultants for diversified views and specific expertise. The ERCC will ensure that existing relationships, if any, between the Group and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

The ERCC approves or recommends termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to Senior Management. The ERCC ensures that contracts of service for Senior Management contain fair and reasonable termination clauses.

The ERCC reviews and ensures appropriate recruitment, development and succession planning programmes are in place for key executive roles, with the objective of building strong and sound leadership bench strength for long-term sustainability of the business. The ERCC conducts, on an annual basis, a succession planning review of Senior Management. In addition, the ERCC oversees the Group's culture and human capital health through the following:

- Reviews effectiveness of talent management programmes, including for emerging and niche capabilities;
- Reviews policies, actions and progress made to promote the Group's diversity and inclusion objectives;
- Reviews results, trends and actions taken to address issues raised from employee engagement and culture surveys; and
- Reviews the sufficiency of the ongoing measures being adopted to improve employee engagement and instil the appropriate culture within the Group.

Corporate Governance

The Group CEO, who is not a member of the ERCC, may attend meetings of the ERCC but does not attend discussions relating to his own performance and remuneration. Singtel's remuneration policy and remuneration for Directors and Senior Management are discussed in this report from pages 55 to 68.

The ERCC met seven times during the financial year ended 31 March 2021.

Finance and Investment Committee

Membership

Lee Theng Kiat, non-executive Chairman of the Singtel Board
Venky Ganesan, independent non-executive Director
Bradley Horowitz, independent non-executive Director
Low Check Kian, independent non-executive Director
Wee Siew Kim, independent non-executive Director

Key Objectives

- Provide advisory support on the development of the Singtel Group's overall strategy and on strategic issues for the Singapore and international businesses
- Consider and approve investments and divestments
- Review and approve changes in the Singtel Group's investment and treasury policies
- Evaluate and approve any financing offers and banking facilities and manage the Singtel Group's liabilities in line with the Singtel Board's policies and directives
- Oversee any on-market share repurchases pursuant to Singtel's share purchase mandate

The terms of reference of the FIC provide that the FIC shall comprise at least three Directors, the majority of whom shall be independent Directors. Membership of the AC and the FIC is mutually exclusive.

The FIC met four times during the financial year ended 31 March 2021.

Risk Committee

Membership

Teo Swee Lian, committee chairman and independent non-executive Director
Gautam Banerjee, independent non-executive Director
Christina Ong, independent non-executive Director

Key Objectives

- Assist the Board in fulfilling its responsibilities in relation to governance of material risks in the Group's business, which include ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determining the nature and extent of the material risks that the Board is willing to take in achieving the Group's strategic objectives

The terms of reference of the RC provide that the RC shall comprise at least three members, the majority of whom, including the chairman, shall be independent. Members of the RC are appointed by the Board, on the recommendation of the CGNC. There is at least one common member between the RC and the AC.

The RC reviews the Group's strategy, policies, framework, processes and procedures for the identification, measurement, reporting and mitigation of material risks in the Group's business and reports any significant matters, findings and recommendations in this regard to the Board.

The RC meets at least three times a year, with additional meetings to be convened as deemed necessary by the chairman of the RC. The RC met three times during the financial year ended 31 March 2021.

Advisory Committee/Panel

Singtel has two advisory bodies, the Optus Advisory Committee (OAC) and the Technology Advisory Panel (TAP).

The OAC comprises both Board and non-Board members, namely Mrs Gail Kelly (committee chairman), Mr Lee Theng Kiat, Mr Yuen Kuan Moon, Mr John Arthur, Ms Chua Sock Koong, Mr David Gonski, Mr John Morschel and Mr Paul O'Sullivan. The OAC discusses strategic business issues relating to the Australian businesses.

The TAP advises the Board on developments, issues and emerging trends in the technology space. The TAP comprises distinguished international members and is chaired by Mr Venky Ganesan. The other members of the Panel are Mr Bradley Horowitz and Mr Koh Boon Hwee.

Management Committee

In addition to the five Board Committees and the two advisory bodies, Singtel has a Management Committee that comprises the Group CEO, CEO Group Enterprise/Country Chief Officer Singapore, CEO Consumer Australia/CEO Optus, CEO Consumer Singapore, CEO NCS, CEO Strategic Portfolio, Group Chief Corporate Officer, Group CFO, Group Chief People and Sustainability Officer, Group Chief Information Officer/Group Chief Digital Officer and Group Chief Technology Officer.

The Management Committee meets every week to review and direct Management on operational policies and activities.

Directors' Board Committee memberships and attendance at Board Committee meetings during the financial year ended 31 March 2021[1]

	Audit Committee		Corporate Governance and Nominations Committee		Executive Resource and Compensation Committee		Finance and Investment Committee		Risk Committee	
Name of Director[2]	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended
Lee Theng Kiat[3]	–	–	2	2	7	7	4	4	–	–
Yuen Kuan Moon[4]	see Note (4) below									
Gautam Banerjee	5	5	–	–	–	–	–	–	3	3
Venky Ganesan	–	–	–	–	–	–	4	4	–	–
Bradley Horowitz	–	–	–	–	–	–	4	4	–	–
Gail Kelly	5	5	2	2	7	7	–	–	–	–
Low Check Kian[5]	–	–	2	2	7	7	4	4	–	–
Christina Ong	5	5	2	1	–	–	–	–	3	3
Rajeev Suri[6]	–	–	–	–	–	–	–	–	–	–
Teo Swee Lian	–	–	2	2	7	7	–	–	3	3
Wee Siew Kim[7]	–	–	–	–	–	–	–	–	–	–
Simon Israel[8]	–	–	2	2	3	3	2	2	–	–
Chua Sock Koong[9]	4	4	2	2	6	6	4	4	2	2

Notes:

(1) Refers to meetings held/attended while each Director was in office.
(2) Mr Lim Swee Say was appointed to the Board on 1 June 2021.
(3) Mr Lee Theng Kiat was appointed Chairman of the Finance and Investment Committee on 30 July 2020.
(4) Mr Yuen Kuan Moon was appointed to the Board on 1 January 2021. He is not a member of the Board Committees, although he attended meetings of the Committees as appropriate.
(5) Mr Low Check Kian was appointed a member of the Executive Resource and Compensation Committee on 4 May 2020.
(6) Mr Rajeev Suri was appointed to the Board on 1 January 2021. He was appointed a member of the Executive Resource and Compensation Committee on 12 April 2021.
(7) Mr Wee Siew Kim was appointed to the Board on 1 October 2020. He was appointed a member of the Finance and Investment Committee on 12 April 2021.
(8) Mr Simon Israel stepped down from the Board following the conclusion of the AGM on 30 July 2020.
(9) Ms Chua Sock Koong retired from the Board with effect from 1 January 2021. She was not a member of the Board Committees, although she attended meetings of the Committees as appropriate.

Corporate Governance

Accountability and audit

Risk management and internal control

The Board has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business. During the financial year ended 31 March 2021, the RC assisted the Board in the oversight of the Group's risk profile and policies, adequacy and effectiveness of the Group's risk management system including the framework and process for the identification and management of significant risks, and reports to the Board on material matters, findings and recommendations pertaining to risk management. The AC provides oversight of the financial reporting risk and the adequacy and effectiveness of the Group's internal control and compliance systems.

The Board has approved a Group Risk Management Framework for the identification of key risks within the business. This Framework defines 30 categories of risks ranging from environmental to operational and management decision-making risks. The Group's risk management and internal control framework is aligned with the ISO 31000:2018 Risk Management framework and the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Controls Integrated Framework. Major incidents and violations, if any, are reported to the Board to facilitate the Board's oversight of the effectiveness of crisis management and the adequacy of mitigating measures taken by Management to address the underlying risks.

The identification and day-to-day management of risks rest with Management. Management is responsible for the effective implementation of risk management strategies, policies and processes to facilitate the achievement of business plans and goals within the risk tolerance established by the Board. Key business risks are proactively identified, addressed and reviewed on an ongoing basis.

The Risk Management Committee, including relevant members from the Senior Management team, is responsible for setting the direction of corporate risk management and monitoring the implementation of risk management policies and procedures including the adequacy of the Group's insurance programme. The Risk Management Committee reports to the RC.

The Board has established a Risk Appetite Statement and Risk Tolerance Framework to provide guidance to the Management on key risk parameters. The significant risks in the Group's business, including mitigating measures, were also reviewed by the RC on a regular basis and reported to the Board. Risk registers are maintained by the business and operational units which identify the key risks facing the Group's business and the internal controls in place to manage those risks. The RC had reviewed the Group's risk management framework during the reporting period and was satisfied that it continued to be sound.

Internal and external auditors conduct audits that involve testing the effectiveness of the material internal control systems within the Singtel Group, relating to financial, operational, compliance and information technology risks. Any material non-compliance or lapses in internal controls are reported to the AC, including the remedial measures recommended to address the risks identified.
The AC also reviews the adequacy and timeliness of the actions taken by Management in response to the recommendations made by the internal and external auditors. Control self-assessments in key areas of the Group's operations are conducted by Management on a periodic basis to evaluate the adequacy and effectiveness of the risk management and internal control systems, including half-yearly and annual certifications by Management to the AC and the Board respectively on the integrity of financial reporting and the adequacy and effectiveness of the risk management, internal control and compliance systems.

The Group has put in place a Board Escalation Process where major incidents and violations including major/material operational loss events and potential breaches of laws and regulations by the Company and/or its key officers, are required to be reported by Management and/or Internal Audit to the Board immediately to facilitate the Board's oversight of crisis management and adequacy and effectiveness of follow-up actions taken by Management. Through this process, the Board has been kept informed promptly of any incidents with potential material financial, operational, compliance and information technology risk impact. A major incident that was reported to the Board under the Board Escalation Process during the financial year was a breach of a third-party standalone file sharing system used by Singtel to share information internally as well as with external stakeholders. Singtel was informed by third-party vendor Accellion that the file sharing system called FTA had been illegally attacked by unidentified hackers. Singtel suspended all use of the system and activated investigations, working closely with cyber security experts and the relevant authorities. After completing initial investigations into this breach, Singtel moved with urgency to notify all affected individuals and enterprises to help them manage the possible risks involved and take appropriate follow-up action. To help affected individual customers manage potential risks, we have organised a complimentary monitoring service. This service monitors the web, social networks and public databases and notifies users of any unusual activity related to their personal information. Singtel is also conducting a thorough review of our processes and our file sharing protocols to further enhance our information security posture.

The Board has received assurance from the Group CEO and Group CFO that, as at 31 March 2021, the Group's financial records have been properly maintained, the financial statements give a true and fair view of the Group's financial position, operations and performance, and that they are prepared in accordance with accounting standards.

The Board has also received assurance from the Group CEO, Group CFO and Management Committee members that the Group's internal controls and risk management systems were adequate and effective as at 31 March 2021 to address financial, operational, compliance and information technology risks.

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by Management and the various Board Committees as well as assurances from members of the Management Committee, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 March 2021 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

The systems of risk management and internal control established by Management provide reasonable, but not absolute, assurance that Singtel will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of risk management and internal control can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Further details of the Group's Risk Management Philosophy and Approach can be found on pages 73 to 84.

External auditor

The Board is responsible for the initial appointment of the external auditor. Shareholders then approve the appointment at Singtel's AGM. The external auditor holds office until its removal or resignation. The AC assesses the external auditor based on factors such as the performance and quality of its audit and the independence and objectivity of the auditor, and recommends its appointment to the Board.

Pursuant to the requirements of the SGX, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. KPMG has met this requirement. Singtel has complied with Rule 712 and Rule 715 of the SGX Listing Manual in relation to the appointment of its external auditor.

In order to maintain the independence of the external auditor, Singtel has developed policies and approval processes regarding the types of non-audit services that the external auditor can provide to the Singtel Group. The AC reviewed the non-audit services provided by the external auditor during the financial year and the associated fees. The AC is satisfied that the independence and objectivity of the external auditor has not been impaired by the provision of those services. The external auditor has also provided confirmation of its independence to the AC.

Fees for KPMG services for the financial year ended 31 March 2021	(S$ Mil)
Audit services	4.8
Non-audit services (including audit-related services)	0.8

Internal Audit (IA)

Singtel IA comprises a team of 62 staff members, including the Group Chief Internal Auditor. Singtel IA reports to the AC functionally and to the Group CEO administratively. Singtel IA has unfettered access to all the records, documents, property and personnel, including access to the AC, when carrying out the internal audit reviews and has appropriate standing within Singtel. Singtel IA is a member of the Singapore chapter of the Institute of Internal Auditors (IIA) and adopts the International Standards for the Professional Practice of Internal Auditing (the IIA Standards) laid down in the International Professional Practices Framework issued by the IIA.

Singtel IA has a Quality Assurance programme to ensure that its audit activities conform to the IIA Standards. As

Corporate Governance

part of the programme, internal Quality Assurance Reviews are conducted quarterly, and external Quality Assurance Reviews are carried out at least once every five years by qualified professionals from an external organisation. The last external Quality Assurance Review was successfully completed in 2018 and continues to meet or exceed the IIA Standards in all key aspects.

Singtel IA adopts a risk-based approach in formulating the annual audit plan that aligns its activities to the key strategies and risks across the Group's business. This plan is reviewed and approved by the AC. The reviews performed by Singtel IA are aimed at assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and operating effectiveness of controls that govern key business processes and risks identified in the overall risk framework of the Group. Singtel IA's reviews also focus on compliance with Singtel's policies, procedures and regulatory responsibilities, performed in the context of financial and operational, revenue assurance and information systems reviews.

In line with leading practices, a dedicated Data Analytics and Robotics function had been established since 2020 within Singtel IA. During the year, the function further increased the deployment of data analytics across the auditing process increasing the speed of risks identification and audit execution. The function also facilitates the data analytics training programme for the audit function to increase capabilities.

Singtel IA works closely with Management in its internal consulting and control advisory role to promote effective risk management, robust internal control and good governance practices in the development of new products/services, and implementation of new/enhanced systems and processes. Singtel IA also collaborates with the internal audit functions of Singtel's regional associates to promote joint reviews and the sharing of knowledge and/or best practices.

To ensure that the internal audits are performed effectively, Singtel IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. Singtel IA provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

Shareholder rights and engagement

Communication with shareholders

Despite the COVID-19 pandemic, Singtel continues to proactively engage shareholders and the investment community via virtual means. These include group and one-on-one meetings, investor conferences, global roadshows, conference calls and email communications. Please refer to the Investor Relations section on pages 71 to 72 for more details on shareholder engagement.

To enable investors to keep abreast of strategic and operational developments, Singtel makes timely and accurate disclosure of material information to the SGX. A market disclosure policy sets out how material information should be managed and disseminated as appropriate to the market.

Shareholder meetings

In view of the COVID-19 pandemic, the 28th Annual General Meeting (AGM 2020) was held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (Temporary Measures). Shareholders of Singtel participated in the AGM 2020 by attending the live audio-visual webcast or live audio-only stream, submitting questions in advance of the AGM 2020 and/or appointing the Chairman of the AGM 2020 as proxy to attend, speak and vote on their behalf at the AGM 2020. Singtel answered all substantial and relevant questions submitted by shareholders prior to, or at the AGM 2020. Minutes of the AGM 2020, which included the responses to substantial and relevant questions from shareholders addressed during the AGM 2020, were published on Singtel's website.

Due to the ongoing COVID-19 situation in Singapore, the 29th Annual General Meeting (AGM 2021) to be held in July 2021 will continue to be held via electronic means pursuant to the Temporary Measures. Alternative arrangements relating to attendance at the AGM 2021 via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions in advance of the AGM 2021, addressing of substantial and relevant questions at the AGM 2021 and voting by appointing the Chairman of the meeting as proxy at the AGM 2021, are set out in Singtel's announcement dated 7 July 2021. Due to the constantly evolving COVID-19 situation in Singapore, the arrangements for the AGM 2021 may be changed at short notice and shareholders are advised to check Singtel's corporate website and the SGX website regularly for any updates concerning the AGM 2021.

Singtel strongly encourages and supports shareholder participation at general meetings. Singtel gives sufficient time to shareholders to review the Notice of AGM and appoint a proxy to attend the AGM, if they wish. The Notice of AGM is also advertised in The Straits Times for the benefit of shareholders.

There are separate resolutions at general meetings on each substantially separate issue and Singtel provides the necessary information on each resolution to enable shareholders to exercise their vote on an informed basis. Singtel currently does not implement voting in absentia by mail or electronic means as the authentication of shareholder identity and other related security and integrity issues remain a concern. At each AGM, the Group CEO delivers a presentation to update shareholders on Singtel's progress over the past year. Directors and Senior Management are in attendance to address queries and concerns about Singtel. Singtel's external auditor and counsel also attend to help address shareholders' queries relating to the conduct of the audit and the auditor's reports, as well as clarify any points of law, regulation or meeting procedure that may arise. Shareholders are informed of the voting procedures and rules governing the meeting. The minutes of all general meetings are posted on Singtel's IR website. The minutes disclose the names of the Directors, Senior Management and, where relevant, the external auditor and advisors who attended the meetings, as well as details of the proceedings, including the questions raised by shareholders and the answers given by the Board/Management.

Managing stakeholder relationships

Singtel undertakes a formal stakeholder engagement exercise, which is facilitated by a third party at least once every three years to determine the environmental, social and governance issues that are important to the stakeholders. These issues form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, before they are published annually in Singtel's sustainability report. Singtel's executives are also involved in ongoing engagements with these same stakeholders through various other channels.

Singtel's approach to stakeholder engagement and materiality assessment can be found on pages 5 to 8 and pages 11 to 12 of the Sustainability Report.

Other matters

Securities transactions

Singtel has in place a Securities Transactions Policy, which provides that Directors and Top Management members and persons who are in attendance at Board and Top Management meetings (Key Officers) should not deal in Singtel securities during the period commencing one month before the announcement of the financial statements for the half-year and full financial year, and ending on the date of the announcement of the relevant results, and also during the period commencing two weeks before the announcement of any business updates for each of the first and third quarters of the financial year, and ending on the date of the announcement of the business updates. In addition, employees who are involved in the preparation of the Group's financial statements should not deal in Singtel securities during the period commencing six weeks before the announcement of financial results for the half-year and full financial year and any business updates for the first and third quarters of the financial year, and ending on the date of the announcement of the relevant results/business updates. The policy also provides that any of the above persons who is privy to any material unpublished price-sensitive information relating to the Singtel Group should not trade in Singtel securities until the information is appropriately disseminated to the market, regardless of whether it is during the abovementioned "closed" periods for trading in Singtel securities. The Company Secretary sends regular reminders of the requirements under the policy and the relevant laws and regulations to the Directors and Management.

A Director is required to notify Singtel of his interest in Singtel securities within two business days after (a) the date on which he becomes a Director or (b) the date on which he acquires an interest in Singtel securities. A Director is also required to notify Singtel of any change in his interests in Singtel securities within two business days after he becomes aware of such change. Singtel will file such disclosure with SGX within one business day of receiving notification from the Director.

Corporate Governance

The Securities Transactions Policy also discourages trading on short-term considerations and reminds Directors and officers of their obligations under insider trading laws. Directors and officers of the Group wishing to deal in Singtel securities during a closed period must secure prior written approval of the Chairman (in the case of Directors of Singtel), the Lead Independent Director (in the case of the Chairman) or the Group CEO (in the case of directors of Singtel subsidiaries and Key Officers). Requests for written approval must contain a full explanation of the exceptional circumstances and proposed dealing. If approval is granted, trading must be undertaken in accordance with the limits set out in the written approval. Directors are to inform the Company Secretary before trading in Singtel securities. The Board is kept informed when a Director trades in Singtel securities. A summary of Singtel's Securities Transactions Policy is available in the Corporate Governance section of the Singtel corporate website.

Pursuant to the SGX Listing Manual, the Singtel Group has put in place a policy relating to the maintenance of a list(s) of persons who are privy to price-sensitive information relating to Singtel. Under the policy, persons who are to be included in the privy persons list will be reminded not to trade in Singtel securities while in possession of unpublished price-sensitive information.

In relation to the shares of other companies, Directors are prohibited from trading in shares of Singtel's listed associates when in possession of material price-sensitive information relating to such associates. Directors are also to refrain from having any direct or indirect financial interest in Singtel's competitors that might or might appear to create a conflict of interest or affect the decisions Directors make on behalf of Singtel.

Continuous disclosure

There are formal policies and procedures to ensure that Singtel complies with its disclosure obligations under the listing rules of the SGX. A Market Disclosure Committee is responsible for Singtel's Market Disclosure Policy. The policy contains guidelines and procedures for internal reporting and decision-making with regard to the disclosure of material information.

No material contracts

Since the end of the previous financial year ended 31 March 2020, no material contracts involving the interest of the Group CEO, any Director, or the controlling shareholder, Temasek Holdings (Private) Limited, has been entered into by Singtel or any of its subsidiaries, and no such contract subsisted as at 31 March 2021, save as may be disclosed on SGXNet or herein.

Interested person transactions

As required by the SGX Listing Rules, details of interested person transactions (IPT) entered into by the Group are disclosed in this Annual Report on page 238. Singtel Internal Audit regularly reviews the IPT entered into by the Singtel Group to verify the accuracy and completeness of the IPT disclosure and ensure compliance with the SGX reporting requirements under Chapter 9 of the SGX Listing Manual. The report is submitted to the Audit Committee for review. Under the SGX listing rules, where any IPT requires shareholders' approval, the interested person will abstain from voting and the decision will be made by disinterested shareholders.

The Board has adopted a policy that there should be no loans to Directors, except for loans to fund expenditure to defend Directors in legal or regulatory proceedings, as permitted under the Companies Act. As at 31 March 2021, there were no loans granted to Directors.

Codes of conduct and practice

The Board has adopted a Code of Business Conduct and Ethics as a means to guide the Directors on the areas of ethical risk, and help nurture an environment where integrity and accountability are key. The Code of Business Conduct and Ethics sets out the Board's principles on dealing with conflicts of interest, maintaining confidentiality, compliance with laws and regulations and fair dealing. The Board also has a Directors' Manual, which sets out specific Board governance policies and practices and the Directors' duties and responsibilities. In addition, Singtel has a code of internal corporate governance practices, policy statements and standards (Singtel Code), and makes this code available to Board members as well as employees of the Group. The principles, policies, standards and practices in the Code of Business Conduct and Ethics, the Directors' Manual and the Singtel Code are intended to enhance investor confidence and rapport, and to ensure that decision-making is properly carried out in the best interests of the Group. The Code of Business Conduct and Ethics, the Directors' Manual and the Singtel Code are maintained by the Company Secretary and are provided to Directors when they are appointed to the Board.

Singtel also has a strict code of conduct that applies to all employees. The code sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with Singtel, its competitors, customers, suppliers and the community. The code covers areas such as equal opportunity employment practices, workplace health and safety, conduct in the workplace, business conduct, protection of Singtel's assets, proprietary information and intellectual property, data protection, confidentiality, conflict of interest, and non-solicitation of customers and employees.

Singtel adopts a zero tolerance approach to bribery and corruption in any form and this is set out in the code as well as the Singtel Anti-Bribery and Corruption Policy (ABC Policy). The code and the ABC Policy are posted on Singtel's internal website and a summarised version of the code, as well as the ABC Policy, are accessible from the Singtel corporate website. Policies and standards are clearly stipulated to guide employees in carrying out their daily tasks.

Singtel has established an escalation process so that the Board of Directors, Senior Management, and internal and external auditors are kept informed of corporate crises in a timely manner, according to their severity. Such crises may include violations of the code of conduct and/or applicable laws and regulations, as well as loss events that have or are expected to have a significant impact, financial or otherwise, on the Group's business and operations.

Whistle-blower policy

Singtel undertakes to investigate all complaints of suspected fraud and corruption in an objective manner and has a whistle-blower policy and procedures that provide employees and external parties with well-defined and accessible channels within the Group for reporting such concerns. The policy identifies those authorised to receive complaints, including a direct channel to Singtel IA and whistle-blower hotline services independently managed by an external service provider. The policy provides mechanisms for reporting suspected fraud, corruption, other illegal or unethical practices or other similar matters which may cause financial loss to the Group or damage the Group's reputation. The policy is aimed at encouraging the reporting of such matters with the confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, protected from detrimental conduct.

On an ongoing basis, the whistle-blower policy is covered during staff training and periodic communication to all staff as part of the Group's efforts to promote strong ethical values and fraud and control awareness. All whistle-blower complaints are investigated independently by Singtel IA or another appropriately skilled and knowledgeable independent investigation team as appropriate, and the outcome of each investigation is reported to the AC.

Remuneration

The broad principles that guide the ERCC in its administration of fees, benefits, remuneration and incentives for the Board of Directors and Senior Management are set out below.

Remuneration of non-executive Directors

Singtel's Group CEO is an executive Director and is, therefore, remunerated as part of Senior Management. He does not receive Director's fees.

The ERCC recommends the non-executive Directors' fees for the Board's endorsement and approval by shareholders. As Singtel has diverse and complex operations and investments internationally and is not just a Singapore-based company, the fees are benchmarked against fees paid by other comparable companies in Singapore and Australia, as well as comparable companies in other countries.

Singtel seeks shareholders' approval at the AGM for Directors' fees for the financial year ending 31 March 2022 so that Directors' fees can be paid on a half-yearly basis in arrears. No Director can decide his or her own fees.

Save as mentioned below, there are no retirement benefit schemes or share-based compensation schemes in place for non-executive Directors.

Directors are encouraged, but not required, to acquire Singtel shares each year from the open market until they hold the equivalent of one year's fees in shares, and to continue to hold the equivalent of one year's fees in shares while they remain on the Board.

Financial year ended 31 March 2021

For the financial year ended 31 March 2021, the former Chairman received a *pro-rata* all-inclusive fee (see details below). The fee was paid approximately two-thirds in cash and approximately one-third in Singtel shares. No separate retainer fees, Committee fees, attendance fees or travel allowance were paid to the former Chairman.

Corporate Governance

The current Chairman, Mr Lee Theng Kiat, requested that he not be paid any fees for the financial year ended 31 March 2021.

The fees for non-executive Directors (other than the former Chairman) comprised a basic retainer fee, additional fees for appointment to Board Committees, attendance fees for ad hoc Board meetings and a travel allowance for Directors who were required to travel out of their country or city of residence to attend Board meetings and Board Committee meetings that did not coincide with Board meetings. The framework for determining non-executive Directors' fees for the financial year ended 31 March 2021 was the same as the framework for the previous financial year and is set out below:

Basic Retainer Fee	
Board Chairman	S$960,000 per annum
Director	S$110,000 per annum
Fee for appointment to Audit Committee and Finance and Investment Committee	
Committee chairman	S$60,000 per annum
Committee member	S$35,000 per annum
Fee for appointment to Executive Resource and Compensation Committee	
Committee chairman	S$45,000 per annum
Committee member	S$25,000 per annum
Fee for appointment to any other Board Committee	
Committee chairman	S$35,000 per annum
Committee member	S$25,000 per annum
Attendance fee per ad hoc Board meeting	S$2,000
Travel allowance for Board meetings and Board Committee meetings that do not coincide with Board meetings (per day of travel required to attend meeting)	S$3,000

The aggregate Directors' fees paid to non-executive Directors for the financial year ended 31 March 2021 was S$1,663,639.40 (details are set out in the table below).

Name of Director[1]	Director's Fees (S$)
Lee Theng Kiat[2]	–
Gautam Banerjee	198,000
Venky Ganesan[3]	140,000
Bradley Horowitz[4]	142,000
Gail Kelly[5]	218,000
Low Check Kian[6]	205,715
Christina Ong	190,000
Rajeev Suri[7]	36,750
Teo Swee Lian	198,000
Wee Siew Kim[8]	49,500
Simon Israel[9]	285,674.40
Total	**1,663,639.40**

Notes:

(1) Mr Lim Swee Say was appointed to the Board on 1 June 2021.

(2) Mr Lee Theng Kiat has requested that he not be paid any Director's fees. Mr Lee received car-related benefits (S$3,331).

(3) In addition to the Director's fees set out above, Mr Venky Ganesan received fees of US$75,000 and US$100,000 for the financial year ended 31 March 2021 in his capacity as the Chairman of the Technology Advisory Panel and a director of Amobee, Inc respectively.

(4) In addition to the Director's fees set out above, Mr Bradley Horowitz received fees of US$50,000 for the financial year ended 31 March 2021 in his capacity as a member of the Technology Advisory Panel.

(5) In addition to the Director's fees set out above, Mrs Gail Kelly received fees of S$35,000 for the financial year ended 31 March 2021 in her capacity as the Chairman of the Optus Advisory Committee.

(6) In addition to the Director's fees set out above, Mr Low Check Kian received fees of S$35,000 for the financial year ended 31 March 2021 in his capacity as a director of Singtel Innov8 Pte. Ltd.

(7) Mr Rajeev Suri was appointed to the Board on 1 January 2021.

(8) Mr Wee Siew Kim was appointed to the Board on 1 October 2020.

(9) Mr Simon Israel stepped down from the Board following the conclusion of the AGM on 30 July 2020. In addition to the Director's fees set out above, Mr Simon Israel also received car-related benefits (S$6,206).

In a show of solidarity with Singtel and its wider community of stakeholders, the Board of Directors volunteered a 10% cut in the basic retainer fees for the financial year ended 31 March 2021. The 10% voluntary cut was not factored in the sum of S$2,350,000 tabled for shareholders' approval at the AGM 2020, but was applied when determining the actual amount of Directors' fees paid for the financial year ended 31 March 2021.

There is no employee of the Group who is an immediate family member of a Director or the GCEO, and whose remuneration exceeded S$100,000 during the financial year ended 31 March 2021. No employee of the Group is a substantial shareholder of the Company.

Financial year ending 31 March 2022

For the financial year ending 31 March 2022, it is proposed that aggregate fees of up to S$2,350,000 (2021: up to S$2,350,000) be paid to Directors. The proposed framework for Directors' fees for the financial year ending 31 March 2022 is the same as that for the financial year ended 31 March 2021.

Corporate Governance

Remuneration strategy and principles

Our remuneration strategy is designed to attract, motivate and retain employees to drive the current and future growth of the Company. The following are our guiding principles for remuneration of Senior Management.

Alignment with shareholders' interests

- Align interests between management and shareholders
- Select appropriate performance metrics for annual and long-term incentive plans to support business strategies and ongoing enhancement of shareholder value
- Allow for performance-related clawback if long-term sustained performance targets are not met
- Establish sound and structured funding to ensure affordability

Fair and appropriate

- Offer competitive packages to attract and retain highly experienced and talented individuals
- Link a significant proportion of remuneration to performance, both on an annual and long-term basis
- Structure a significant but appropriate proportion of remuneration to be at risk with symmetric upside and downside

Pay-for-performance

- Measure performance based on a holistic balanced scorecard approach, comprising both financial and non-financial metrics
- Ensure targets are appropriately set for threshold, target, stretch and exceptional performance levels

Effective implementation

- Ensure the link between performance and remuneration is clear and the framework is simple for employees to understand
- Meet rigorous corporate governance requirements

Remuneration governance

The effectiveness of our remuneration strategy is underpinned by robust governance. The ERCC reviews remuneration of Senior Management through a process that considers Group, business unit and individual performance as well as relevant comparative remuneration in the market. On an annual basis, the ERCC proposes the compensation of the Management Committee for the Board's approval and approves compensation for other Senior Management. For the role of Group Chief Internal Auditor, the Chairman of the Audit Committee approves his compensation annually.

During the year, the ERCC engaged Willis Towers Watson (Singapore) to conduct a comprehensive review of the overall remuneration framework and key elements of the performance-related remuneration components to ensure continued relevance to strategic business objectives and alignment with market practice. Arising from the review, several key changes have been introduced with the objectives of driving alignment with Singtel Group's go-forward business priorities and transformational goals, reducing complexity while ensuring clear linkage between performance and remuneration, and reinforcing commitment of our Environmental, Social and Governance (ESG) goals. First, the Value Sharing Bonus (VSB) scheme for Senior Management will be suspended starting from the next financial year. For the financial year ended 31 March 2021, VSB was still allocated and paid out based on the prevailing scheme. Second, a one-off long-term incentive (LTI) award was granted to the Management Committee in 2021. This is a one-off LTI award with a 5-year performance period to support Singtel's transformation agenda, enhance alignment with long-term shareholder value creation, and to retain and motivate the senior executive team. In view of the one-off LTI award, the Management Committee was not awarded the 2021 Performance Share Award (PSA). Further details on the one-off LTI award can be found on pages 63 to 64.

The ERCC also engaged Willis Towers Watson (Singapore) to conduct Executive Remuneration Benchmarking for Senior Management, which included the review of the COVID-19 impact on compensation outcomes, and emerging trends in executive compensation, both locally and globally. In addition, the ERCC engaged Willis Towers Watson (Singapore) for the valuation of the one-off share award for the Management Committee.

As for the valuation and vesting computation for the Restricted Share Award and Performance Share Award grants under the Singtel Performance Share Plan 2012, the ERCC has engaged Aon Hewitt Singapore Pte Ltd (Aon Hewitt) for the services. Willis Towers Watson, Aon Hewitt and their consultants are independent and not related to the Group or any of its Directors.

Singtel may, under special circumstances, compensate Senior Management for their past contributions when their services are no longer needed, in line with market practice; for example, due to redundancies arising from reorganisation or restructuring of the Group.

If an executive is involved in misconduct or fraud, resulting in financial loss to the company, the ERCC has the discretion not to award and to forfeit incentive components of the executive's remuneration, to the extent that such award or incentive has not been released or disbursed.

Remuneration framework

Our remuneration framework is designed to incentivise executives to deliver the Group's strategic priorities and enhance shareholder value over the short, medium and long term.

Balanced scorecard
We use a balanced scorecard approach to measure how successful we are in serving stakeholders and executing our long-term strategy. Our scorecard comprises key performance indicators (KPIs) in five broad categories: Breakthrough, Financial, Operational, People and Environmental, Social and Governance (ESG). These KPIs are aligned to the objectives of our Annual Operating Plan and longer-term strategic plan, to motivate performance for the short, medium and long term. ESG KPIs have been introduced to reinforce our commitment to thrive and advance our sustainability goals across the Group's businesses. For more details on our sustainability goals and initiatives, please refer to the Singtel Group Sustainability Report 2021.

Weightings are allocated to KPIs for each Senior Management to ensure a balanced approach in assessing individual's performance and determining the appropriate remuneration. At the start of each financial year, KPIs for the Management Committee are endorsed by the ERCC and approved by the Board. At the end of the financial year, the ERCC reviews the performance of each Management Committee member based on a mix of financial and non-financial outcomes, including progress towards the Group's strategic priorities and alignment of behaviours to our values, to recommend the appropriate performance level and remuneration for the Board's approval.

Remuneration components
Our total remuneration provides an appropriate balance between fixed and performance-related components. The remuneration structure is such that the percentage of the performance-related components increases for the more senior levels to reflect their greater accountabilities and impact on business performance. The key remuneration components for Senior Management are indicated in the following diagram and tables.

Corporate Governance

Total Remuneration

=

Fixed Components

Base Salary | **Benefits & Provident/ Superannuation**

+

Performance-Related Components

Variable Bonus | **Long-Term Incentives**

Fixed components

Base Salary	
Purpose and Linkage to Performance	Reflects the market worth of the job and considers the responsibilities, competencies and experience of the individual. Linked to each executive's sustained long-term performance.
Policy	Approved by the Board based on ERCC's recommendation and reviewed annually against: • Peers of similar financial size and complexity to the Group • Pay and conditions across the Group • Executive's contribution and experience In Australia, consistent with local market practice, executives may opt for a portion of their salaries to be received in benefits-in-kind, such as superannuation contributions and motor vehicles, while maintaining the same overall cost to the company.

Benefits & Provident/Superannuation Fund	
Purpose and Linkage to Performance	Provisions are in line with local market practices and legislative requirements, and not directly linked to performance.
Policy	Singtel contributes towards the Singapore Central Provident Fund or the Optus Superannuation Fund or any other chosen fund, as applicable. Singtel also provides in-company medical scheme, club membership, employee discounts and other benefits that may incur Australian Fringe Benefits Tax, where applicable. Participation in benefits is dependent on the country in which the executive is located. For expatriates located away from home, additional benefits such as accommodation, children's education and tax equalisation may be provided.

Performance-related components

Variable bonus

Variable bonuses comprise Performance Bonus and Value Sharing Bonus. In determining the final variable bonus payments, the ERCC considers the overall Group, business unit and individual performance as well as relevant market remuneration benchmarks.

Performance Bonus (PB)	
Purpose	Reward short-term performance against annual targets set in the balanced scorecard for each executive.
Award Type	Cash bonus
Linkage to Performance	Annual payout that will vary based on actual achievement against Group, business unit and individual performance targets.
Participants	All employees

Value Sharing Bonus (VSB)	
Purpose	Defer Senior Management's bonuses over a time horizon to ensure alignment with sustainable value creation for shareholders over the medium term.
Award Type	Cash bonus
Linkage to Performance	Tied to the Economic Profit (EP) performance of the Group
Participants	Senior Management
Vesting Mechanism and Schedule	A "VSB" bank is created for each executive to hold the VSB allocated to him or her in any year. One-third of the "bank" balance would be paid out in cash provided it is positive. The remaining balance will be carried forward and at risk, as it is subject to performance-related clawback and could be reduced in the event of EP underperformance in the future. In view of the suspension of the VSB scheme, the individual's bank balance has been frozen accordingly after the VSB payment for the financial year ended 31 March 2021.

Long-term incentives

Long-term incentives comprise Restricted Share Award (RSA) and Performance Share Award (PSA). These are equity awards provisionally granted to employees based on performance at the end of each financial year at the discretion of the ERCC. A significant portion of the remuneration for our Senior Management is delivered in Singtel shares to ensure that their interests are aligned with shareholders. In particular, the long-term incentives mix is more heavily weighted towards PSA for more senior executives to increase focus on shareholder returns.

Corporate Governance

Long-Term Incentives (LTI)		
Purpose	Reinforce the delivery of long-term growth and shareholder value to drive an ownership culture and retain key talent.	
Award Type	2021 Restricted Share Award (RSA)	2021 Performance Share Award (PSA)
Linkage to Performance	Individual Performance	Group and Individual Performance PSA performance conditions are key drivers of shareholder value creation and aligned to the Group's business objectives
Participants	Broader group of executives	Senior and Top Management (exclude Management Committee)
Vesting Mechanism and Schedule	Time-based schedule, with equal vesting over three years, subject to continued employment with the Singtel Group at the point of vesting	Over a three-year performance period. • Singtel Group's Absolute Total Shareholder Return (TSR) achieved against predetermined targets (60%) • Singtel Group's Reported Net Profit After Tax (NPAT) achieved against predetermined targets (20%) • Environmental, Social and Governance (ESG) measures against predetermined targets (20%)

Figure A: Performance Share Award (PSA) Vesting Schedule

Absolute TSR (60%)	
Performance	**Vesting Level[1]**
Superior	150%
Target	100%
Threshold	50%
Below Threshold	0%

Reported Group NPAT (20%)	
Performance	**Vesting Level[1]**
Exceptional	150%
Superior	130%
Target	100%
Partially Met	50%
Threshold	30%
Below Threshold	0%

ESG Measures (20%)	
Performance	**Vesting Level[1]**
Superior	150%
Target	100%
Threshold	50%
Below Threshold	0%

Note:
(1) For achievement between these performance levels, the percentage of shares that will vest would vary accordingly.

Policy and governance	The number of shares awarded under RSA and PSA is determined using the valuation of the shares based on a Monte-Carlo simulation. The RSA share awards have a service condition, while the PSA share awards are conditional upon the achievement of predetermined performance targets over the performance period. The PSA performance conditions and targets are approved by the ERCC at the beginning of the performance period. **Minimum shareholding requirement** To further strengthen alignment with shareholders, Senior Management are required to build up and retain at least the equivalent of two times their annual base salary in shares. The Group CEO is expected to hold at least the equivalent of three times his annual base salary as shareholding. **Treatment of awards on cessation of employment** Special provisions for vesting and lapsing of awards apply for events such as the termination of employment, misconduct, retirement and any other events approved by the ERCC. Upon occurrence of any of the events, the ERCC will consider, at its discretion, whether or not to release any award, and will take into account circumstances on a case-by-case basis, including (but not limited to) the contributions made by the employee. Singtel employees are prohibited from entering into transactions in associated products which limit the economic risk of participating in unvested awards under Singtel's equity-based remuneration schemes.

Long-term incentives vesting outcomes for the year

For the financial year ended 31 March 2021, the overall vesting outcome for 2018 PSA is 0% as the performance hurdles were not met. Details of the 2018 PSA vesting conditions and outcomes are outlined in the table below.

2018 PSA
Performance Period: 1 April 2018 to 31 March 2021

KPI Vesting Conditions	Weighting	Vesting Outcome %
Singtel Group's Absolute Total Shareholder Return achieved against predetermined targets	60%	0%
Singtel Group's Reported NPAT achieved against predetermined targets	40%	0%
Overall outcome:		0%

One-Off Long-Term Incentive (LTI) Award to Drive Transformation

Arising from the review of the overall remuneration framework, a separate long-term incentive (LTI) award with 5-year performance period was granted to the Management Committee in 2021. This is a one-off LTI award designed to support Singtel's transformation agenda, enhance alignment with long-term shareholder value creation, and to retain and motivate the senior executive team.

In view of the one-off LTI award, the Management Committee was not awarded the 2021 PSA. The key features of the one-off LTI award are outlined below.

Award Type	One-Off LTI Award

Corporate Governance

Linkage to Performance	• Singtel Group's 5-year Absolute Total Shareholder Return (TSR) achieved against predetermined targets (80%) • Environmental, Social and Governance measures against predetermined targets (20%)
Participants	Management Committee
Vesting Mechanism and Schedule	The one-off LTI award has a 5-year performance period. In order to incentivise Management towards earlier achievement of the 5-year targets, this LTI plan has a milestone vesting feature, where 15% would vest after Year 3 or Year 4 if the 5-year Absolute TSR performance threshold is achieved by then, and another 15% would vest 12 months later, subject to ERCC's approval. The milestone vesting is also subject to Singtel's Absolute TSR exceeding the combination of the median TSR of the Straits Times Index (50%) and the MSCI Asia (excluding Japan) Telco Index (50%). The remaining 70% would then be subject to final performance testing after Year 5 if the milestone vesting has been achieved.
Policy and Governance	Similar to the RSA and PSA, the number of shares awarded is determined using the valuation of the shares based on a Monte-Carlo Simulation. The performance conditions and targets are approved by the ERCC. The prevailing treatment of awards on cessation of employment will continue to apply for this one-off share award.

Figure B: One-Off LTI Award Vesting Schedule

Absolute TSR (80%)	
Performance	**Vesting Level[1]**
Superior	150%
Target	100%
Threshold	50%
Below Threshold	0%

ESG Measures (20%)	
Performance	**Vesting Level[1]**
Superior	150%
Target	100%
Threshold	–

Note:
(1) For achievement between these performance levels, the percentage of shares that will vest would vary accordingly.

Remuneration of Key Management

For the financial year ended 31 March 2021, there were no termination, retirement and post-employment benefits granted to Directors and Key Management.

Following the retirement of Ms Chua Sock Koong as Group CEO, her remuneration arrangements were endorsed by the ERCC and approved by the Board based on established guidelines for retired employees. In addition, Ms Chua has been appointed as Senior Advisor to the Singtel Group from 1 January 2021 to 31 December 2021. Her remuneration terms and conditions, in her capacity as Senior Advisor, were approved by the Board.

Remuneration of executive director

Summary compensation table for Group CEO for the financial year ended 31 March 2021:

Name		Salary (S$)[1]	Variable Bonus (S$)[2]	Benefits (S$)[3]	Total Cash & Benefits (S$)[4]
Chua Sock Koong[5]	Earned	1,242,884	1,216,219	59,855	2,518,958
	Paid out		2,931,719		4,234,458
Yuen Kuan Moon[5]	Earned	999,837	982,298	67,174	2,049,309
	Paid out		1,316,514		2,383,525

Performance shares granted, vested and lapsed for Ms Chua as at 31 March 2021 are as follows:

	Restricted Share Award (RSA)[6]				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2018 Awards	396,550	396,550	–	1-Jun-20	198,275
				1-Jun-21	198,275
2019 Awards[7]	202,475	101,238		1-Jun-21	101,238
				1-Jun-22	
2020 Awards[8]	230,468			1-Jun-22	
				1-Jun-23	
2021 Awards[8][9]	198,828			1-Jun-22	
				1-Jun-23	
				3-Jun-24	

	Performance Share Award (PSA)[6]				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2018 Awards	633,618	–	633,618	1-Jun-21	–
2019 Awards[8]	860,127			1-Jun-22	
2020 Awards[8]	818,567			1-Jun-23	
2021 Awards[8][9]	677,221			3-Jun-24	

Performance shares granted, vested and lapsed for Mr Yuen as at 31 March 2021 are as follows:

Restricted Share Award (RSA)[6]

	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2018 Awards	190,972	190,972	–	1-Jun-20	95,486
				1-Jun-21	95,486
2019 Awards[7]	121,533	60,767		1-Jun-21	60,767
				1-Jun-22	
2020 Awards[8]	148,216			1-Jun-22	
				1-Jun-23	
2021 Awards[8][9]	170,659			1-Jun-22	
				1-Jun-23	
				3-Jun-24	

Performance Share Award (PSA)[6]

	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2018 Awards	305,140	–	305,140	1-Jun-21	–
2019 Awards[8]	516,279			1-Jun-22	
2020 Awards[8]	526,429			1-Jun-23	

One-Off Long-Term Incentive Award[6]

	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2021 Awards[8][9]	4,188,482			1-Jun-26	

Notes:

(1) Salary includes the Provident Fund earned for financial year ended 31 March 2021.

(2) Variable Bonus comprises Performance Bonus (PB) and Value Sharing Bonus (VSB). PB varies according to the actual achievement against Group, business unit and individual performance objectives for the year. VSB is awarded for individual performance and Group Economic Profit (EP) performance for the financial year. The allocated VSB will be credited into the VSB 'bank' and one third of the 'bank' balance is paid out in cash each year provided it is positive. The remaining balance is carried forward to the next year and at risk as it is subject to a clawback feature. For more details, please refer to pages 60 to 61. Variable Bonus Earned is the sum of PB and VSB awarded for the financial year ended 31 March 2021. Variable Bonus Paid Out is the sum of PB and VSB paid out in June 2021.

(3) Benefits are stated on the basis of direct costs to the company and include car benefits, flexible benefits and other non-cash benefits such as medical cover and club membership.

(4) Total Cash & Benefits Earned is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus awarded for the financial year ended 31 March 2021. Total Cash & Benefits Paid Out is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus paid out for the financial year ended 31 March 2021.

(5) Ms Chua Sock Koong, who served during the financial year, stepped down as a Director and Group CEO on 1 January 2021. The amount disclosed is in respect of her remuneration as Group CEO from 1 Apr 2020 to 31 December 2020. For Mr Yuen Kuan Moon, the amount disclosed is in respect of his remuneration for the entire financial year (i.e. including his remuneration for his roles as CEO Consumer Singapore from 1 April 2020 to 30 September 2020 and Group CEO-Designate from 1 October 2020 to 31 December 2020).

(6) Long-term Incentives are awarded in the form of Restricted Share Award (RSA), Performance Share Award (PSA) and One-Off Long-Term Incentive Award under the Singtel Performance Share Plan 2012.

(7) The second tranche of the RSA granted in 2019 will vest and be released in June 2021, subject to continued employment and meeting of performance conditions.

(8) The vesting of the RSA, PSA and One-Off Long-Term Incentive Award are conditional upon the achievement of predetermined performance targets or vesting conditions over the respective performance period.

(9) The 2021 grants of RSA, PSA and One-Off Long-Term Incentive Award were made in June 2021 for performance for the financial year ended 31 March 2021. The per unit fair values of the RSA, PSA and One-Off Long Term Incentive Award are S$2.154, S$1.581 and S$0.955 respectively.

Remuneration of other Key Management

Due to the confidentiality and sensitivity on remuneration matters, the Board is of the view that the Group's Key Management remuneration shall be disclosed as bands, as indicated in the following table. The Board has considered the recommendations set out in Provision 8.1 of the Corporate Governance Code carefully, and believes that, taken as a whole, the disclosures provided are meaningful and sufficiently transparent in giving an understanding of the remuneration of its Key Management, the Company's remuneration policies, level and mix of remuneration, the procedure for determining remuneration and the linkages between remuneration, performance and value creation.

For the financial year ended 31 March 2021, the Key Management[1] (who are not Directors or the Group CEO) are Aileen Tan, Allen Lew, Anna Yip, Arthur Lang, Bill Chang, Jeann Low, Kelly Bayer Rosmarin, Lim Cheng Cheng, Mark Chong, Ng Kuo Pin, Samba Natarajan and William Woo.

Summary compensation table for other Key Management for the financial year ended 31 March 2021:

Remuneration Band (S$)[2]	No. of Employees	Salary (S$)(%)[3]	Variable Bonus (S$)(%)[4]	Benefits (S$)(%)[5]	Total Cash & Benefits (S$)(%)[6]	Restricted Share Award (RSA) (no. of shares)[7]	Performance Share Award (PSA)/ One-Off Long-Term Incentive Award (no. of shares)[7]
$250,001 - $500,000	1	52%	31%	17%	100%	32,173	1,047,121
$750,001 - $1,000,000	2	58%	37%	5%	100%	151,986	1,465,970
$1,000,001 - $1,250,000	2	56%	39%	5%	100%	182,034	1,570,682
$1,250,001 - $1,500,000	2	51%	46%	3%	100%	261,282	2,094,242
$1,500,001 - $1,750,000	3	54%	42%	4%	100%	362,752	3,690,675
$1,750,001 - $2,000,000	1	63%	34%	3%	100%	118,385	403,226
$2,000,001 - $2,250,000	1	54%	45%	1%	100%	172,636	3,198,295
Total Aggregate Compensation					**S$16,470,062**	**1,281,248**	**13,470,211**

Performance shares granted, vested and lapsed for the above executives as at 31 March 2021 are as follows:

	Restricted Share Award (RSA)				
				Released	
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Date	(no. of shares)
2018 Awards	1,303,512	1,303,512	–	1-Jun-20	651,758
				1-Jun-21[10]	651,754
2018 Awards[8]	110,538	55,269		1-Feb-21	55,269
				1-Feb-22	
2019 Awards[8]	895,184	447,595		1-Jun-21[10]	447,595
				1-Jun-22	
2020 Awards[9]	1,038,954			1-Jun-22	
				1-Jun-23	

Corporate Governance

	Performance Share Award (PSA)				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2018 Awards	1,737,495	–	1,737,495	1-Jun-21	–
2019 Awards[9]	2,567,587			1-Jun-22	
2020 Awards[9]	2,356,530			1-Jun-23	

Notes:

(1) Ms Anna Yip joined Singtel on 7 December 2020. Mr Allen Lew and Ms Jeann Low have retired from the Management Committee with effect from 1 April 2021.

(2) Remuneration Bands as indicated do not include the value of awards granted under Singtel Performance Share Plan 2012.

(3) Salary includes the Provident Fund earned for financial year ended 31 March 2021.

(4) Variable Bonus comprises Performance Bonus (PB) and Value Sharing Bonus (VSB) awarded. PB varies according to the actual achievement against Group, business unit and individual performance objectives for the year. VSB is awarded for individual performance and Group Economic Profit (EP) performance for the financial year. The allocated VSB will be credited into the VSB 'bank' and one third of the 'bank' balance is paid out in cash each year provided it is positive. The remaining balance is carried forward to the next year and at risk as it is subject to a clawback feature. For more details, please refer to pages 60 to 61. Variable Bonus Earned is the sum of PB and VSB awarded for the financial year ended 31 March 2021.

(5) Benefits are stated on the basis of direct costs to the company and include car benefits, flexible benefits and other non-cash benefits such as medical cover and club membership.

(6) Total Cash & Benefits is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus awarded for the financial year ended 31 March 2021.

(7) Long-term Incentives are awarded in the form of Restricted Share Award (RSA), Performance Share Award (PSA) and One-Off Long-Term Incentive Award under the Singtel Performance Share Plan 2012. The 2021 grants of RSA, PSA and One-Off Long-Term Incentive Award were made in June 2021 for performance for the financial year ended 31 March 2021. The per unit fair values of the RSA, PSA and One-Off Long-Term Incentive Award are S$2.154, S$1.581 and S$0.955 respectively.

(8) The second tranche of the RSA granted will vest and be released, subject to continued employment and meeting of performance conditions.

(9) The vesting of the RSA, PSA and One-Off Long-Term Incentive Award are conditional upon the achievement of predetermined performance targets or vesting conditions over the respective performance period.

(10) For employees in Optus, the shares vesting is on 1 July 2021.

Summary of disclosures – corporate governance

Rule 710 of the SGX Listing Manual requires Singapore listed companies to describe their corporate governance practices with specific reference to the 2018 Code in their annual reports for financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the express disclosure requirements in the principles and provisions of the 2018 Code.

Key information on each Director in this Annual Report:

- Pages 14 to 16 – Directors' independence status, appointment dates and length of directorship
- Pages 37 and 49 – Directors' meeting attendance
- Pages 55 to 57 – Directors' remuneration
- Pages 239 to 241 - Further Information on Board of Directors
- Pages 242 to 261 – Additional Information on Directors seeking re-election at the Annual General Meeting to be held on 30 July 2021

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2021
Provision 1.2 The induction, training and development provided to new and existing Directors.	Pages 38 to 39
Provision 1.3 Matters that require Board approval.	Page 38

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2021
Provision 1.4 Names of the members of the Board committees, the terms of reference of the Board Committees, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities.	Pages 44 to 49
Provision 1.5 The number of meetings of the Board and Board Committees held in the year, as well as the attendance of every Board member at these meetings.	Pages 37 and 49
Provision 2.4 The board diversity and progress made towards implementing the board diversity policy, including objectives.	Pages 39 to 40
Provision 4.3 Process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidate.	Pages 42 to 43
Provision 4.4 Where the Board considers a Director to be independent in spite of the existence of a relationship which may affect his or her independence, the nature of the Director's relationship and the reasons for considering him or her as independent should be disclosed.	Pages 40 to 42
Provision 4.5 The listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties are disclosed.	Pages 14 to 16 Pages 239 to 241 and Page 43
Provision 5.2 How the assessments of the Board, its Board committees and each Director have been conducted, including the identity of any facilitator and its connection, if any, with the Company or any of its Directors.	Pages 43 to 44
Provision 6.4 The Company discloses the engagement of any remuneration consultants and their independence.	Page 59
Principle 8 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration, and the relationship between remuneration, performance and value creation.	Pages 58 to 64
Provision 8.1 The Company discloses the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of (a) each individual director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.	For the CEO and Management: Pages 58 to 68 For non-executive Directors: Pages 55 to 57

Corporate Governance

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2021
Provision 8.2 Names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a Director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	Page 57
Provision 8.3 The Company discloses all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company, and also discloses details of employee share schemes.	For non-executive Directors: Pages 55 to 57 For Key Management personnel: Pages 65 to 68 For employee share schemes: Pages 61 to 68
Provision 9.2 Whether the Board has received assurance from (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (b) the CEO and the other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.	Page 51
Provision 11.3 Directors' attendance at general meetings of shareholders held during the financial year.	Page 37
Provision 12.1 The steps taken to solicit and understand the views of shareholders.	Pages 52 to 53 and Pages 71 to 72
Provision 13.2 The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	Page 53 and Pages 85 to 90

Investor Relations

Proactive and open communication with the investment community

Despite the COVID-19 pandemic, Singtel continues to proactively engage shareholders and the investment community. This year, Singtel engaged over 400 investors in more than 100 virtual meetings and conference calls. We conducted group and one-on-one meetings, and attended investor conferences and global roadshows, all of which were conducted online.

A key focus of the year's investor communications programme was to help investors understand our 5G strategy and the opportunities and challenges in a 5G-enabled era. To better illustrate the potential of 5G and our capabilities, we organised virtual tours at the Singtel FutureNow Innovation Centre to showcase some of the emerging applications for enterprises, smart cities and entertainment. Optus, which was impacted by structural and competitive challenges in Australia, was another key topic of interest, and we ensured that this was addressed and discussed during interactions and meetings with our investors.

With the announcement of the Group's new strategy in May 2021, we have also been engaging with investors to help them better understand our strategic priorities to leverage digitalisation trends, our strong market positions and unique assets to improve performance and unlock long-term value.

With ESG considerations becoming an increasingly important investment criteria for investors, we also engaged them to communicate our sustainability goals, policies and progress. These sessions helped us understand their views on sustainability and how it influences their investment decisions. Some of the material issues identified by investors include the environment and climate change, data protection, sustainable supply chain management and human rights.

We continue to nurture and maintain strong links with sell-side research analysts and are well-covered by close to 20 analysts based in Singapore, Malaysia, Hong Kong, India and the UK, who issue regular reports. We monitor analyst, industry and media reports closely, as part of our efforts to continuously improve disclosures and IR practices.

Retail investors are an important part of our outreach efforts. They are welcome to contact us directly through email or telephone. We have been a long-term sponsor of the Securities Investors Association's (Singapore) (SIAS) Investor Education Programme and the annual SIAS-Singtel dialogue provides a regular platform for us to communicate our strategy and performance with retail shareholders. Singtel's shareholders are entitled to SIAS complimentary associate membership as part of the sponsorship. To sign up, they can visit our IR website or contact SIAS at membership@sias.org.sg.

During the year, Singtel offered shareholders the option to receive new shares in lieu of cash dividends via the Scrip Dividend Scheme. To help shareholders understand the election process, we developed a dedicated webpage and an infographics guide to provide information on the scheme, and set up call centres to assist shareholders with queries.

Maintained lead in corporate governance, transparency and investor relations

Good corporate governance plays a vital role in shaping investor perception of the integrity, transparency, accountability and efficiency of a company. We keep abreast of the latest developments and benchmark ourselves against best practices in key areas such as disclosure, board structure, shareholder rights and remuneration.

Singtel strongly encourages and supports shareholder participation at general meetings. Our 28th Annual General Meeting (AGM 2020) was held virtually and went smoothly notwithstanding the COVID-19 situation. More details can be found in the Corporate Governance section on pages 36 to 70.

The Singtel IR website is the primary source of corporate information, financial data and significant business developments for both bond and equity investors. It contains a wealth of investor-related information on Singtel, including stock exchange announcements, investor presentations, financial results, annual reports, dividend policy and information for bond investors. Contact details of the IR department are also listed on the website for investor queries. All material announcements are made available on the IR website immediately after they are released to SGX to ensure fair, equal and prompt dissemination of information. In addition, we constantly review the level of disclosure, to align it with global best practices and take into account new business developments.

During our half-yearly earnings announcements, we provide extensive information, including detailed financial statements, management discussion and analyses, and presentation slides. Our Management responds to questions from investors and

Investor Relations

analysts over a conference call on the day of the results announcement and a transcript of the conference call is posted on the Singtel IR website on the next work day.

Shareholder information

As at 31 March 2021, Temasek Holdings (Private) Limited remained our largest shareholder, with 52% of issued share capital. Other Singapore shareholders held approximately 12%. In terms of geographical distribution, the US/Canada and Europe each accounted for approximately 9% of issued shares.

IR calendar of virtual events

May 2020	• Non-deal Equity Roadshows, Singapore, Hong Kong, Malaysia
Jun 2020	• Non-deal Equity Roadshows, United Kingdom, Europe and North America
Jul 2020	• 28th Annual General Meeting, Singapore
Sep 2020	• Non-deal Equity Roadshows, Singapore and Malaysia • CITIC CLSA Flagship Investors' Forum
Oct 2020	• HSBC ESG Considerations in the 5G Era: Regional Telco Roundtable
Nov 2020	• Non-deal Equity Roadshows, Singapore, Hong Kong, Malaysia, United Kingdom, Europe and North America
Jan 2021	• Singtel 5G FIC Tour, Singapore • Credit Suisse ASEAN Conference

Risk Management Philosophy and Approach

We identify and manage risks to reduce the uncertainty associated with executing our business strategies and maximise opportunities that may arise. Risks can take various forms and can have material adverse impact on our reputation, operations, human resources and financial performance.

We have established a comprehensive risk management framework approved by our Risk Committee. The risk management framework sets out the governance structure for managing risks, our risk philosophy, risk appetite and tolerance levels, our risk management approach as well as risk factors.

In addition, our risk assessment and mitigation strategy is aligned with our Group strategy and an integral part of the annual business planning and budgeting process.

Governance structure for managing risks

The Board

- Instils culture and approach for risk governance
- Provides oversight of risk management systems and internal controls
- Reviews key risks and mitigation plans
- Determines risk appetite and tolerance
- Monitors exposure

Risk Committee

- Reviews and recommends risk strategy and policies
- Oversees design, implementation and monitoring of internal controls
- Reviews adequacy and effectiveness of the Group's risk framework
- Monitors the implementation of risk mitigation plans

Audit Committee

- Reviews adequacy and effectiveness of the Group's internal control framework
- Oversees financial reporting risk for the Group
- Oversees internal and external audit processes
- Monitors exposure

Management Committee

- Implements risk management strategies and practices within all business units and functions

Risk Management Committee

- Supports the Board Committee and Risk Committee in terms of risk governance and oversight
- Sets the direction and strategies to align risk management and monitoring with the Group's risk appetite and tolerance
- Reviews the risk assessments carried out by the business units
- Reviews and assesses risk management systems and tools

Cyber Security Resiliency Committee

- Supports the Risk Management Committee on matters related to cyber security risk assessment and mitigations
- Provides direction and strategy in strengthening defence against cyber security threats
- Provides oversight of all cyber security risks
- Reviews the adequacy of cyber security measures and risk management

Risk Management Philosophy and Approach

Our risk philosophy

Our risk philosophy and risk management approach are based on three key principles:

Risk-centric culture

- Set the appropriate tone at the top
- Promote awareness, ownership and proactive management of key risks
- Promote accountability

Strong corporate governance structure

- Promote good corporate governance
- Provide proper segregation of duties
- Clearly define risk-taking responsibility and authority
- Promote ownership and accountability for risk-taking

Proactive risk management process

- Robust processes and systems to identify, quantify, monitor, mitigate and manage risks
- Benchmark against global best practices

Risk appetite

The Board has approved the following risk appetite statement:

- The Group is committed to delivering value to our shareholders achieved through sustained profitable growth. However, we shall not compromise our integrity, values and reputation by risking brand damage, service delivery standards, severe network disruption or regulatory non-compliance.
- The Group will defend our market leadership position in Singapore and strengthen our market position in Australia and in the Pacific through our regional associates. We will continue to pursue business expansion in the emerging markets, including acquiring controlling stakes in the associates, and actively managing the risks.
- The Group is prepared to take measured risks to seek new growth in the digital space by providing global platforms and enablers, targeted at a global footprint, while leveraging our current scale and core strengths.
- The Group targets an investment grade credit rating and dividend payout policy consistent with our stated dividend policy and guidance.

Risk management

We have established a rigorous and systematic risk review process to identify, monitor, manage and report risks throughout the organisation based on our risk philosophy and appetite set. Management has the primary responsibility for identifying, managing and reporting to the Board the key risks faced by the Group. Management is also responsible for ensuring that the risk management framework is effectively implemented within the business units. The business units are supported by specialised functions such as Regulatory, Legal, Tax, Cyber Resilience, Environment and Sustainability, Insurance, Treasury and Credit Management in the management of risks. In addition, through stakeholder engagement and materiality assessments, we regularly review and assess the ESG risks that exist or emerge in our broader value chain, and we address them with various corporate sustainability initiatives. Our corporate sustainability initiatives are discussed further on pages 85 to 90 and in our Group Sustainability Report.

Our key risk management activities also include scenario planning, business continuity/disaster recovery management and crisis planning and management. Close monitoring and control processes, including the use of appropriate key risk and key performance indicators, are implemented to ensure the risk profiles are managed within policy limits.

In addition, we have in place a formal programme of risk and control self-assessment where line personnel are involved in the ongoing assessment and improvement of risk management and controls. The effectiveness of our risk management policies and processes is reviewed on a regular basis and, where necessary, improved. Independent reviews are also conducted by third-party consultants regularly to ensure the appropriateness of the risk management framework. The consultants also report key risks to the Board, as well as provide periodic support and input when undertaking specific risk assessments. Overall, the risk management processes facilitate alignment of our strategy and annual operating plan with the management of key risks.

Singtel's Internal Audit (IA) carries out reviews and internal control advisory activities aligned to the key risks in our businesses. This provides independent assurance to the Audit Committee (AC) on the adequacy and effectiveness of our risk management, financial reporting processes, and internal control and compliance systems.

In order to provide assurance to the Board, the CEOs of our business units submit an annual report on the key risks and mitigation strategies for their respective businesses to the Risk Committee. Our Group CEO and Group CFO, with assurance from the Management Committee members, provide an annual written certification to the Board confirming the integrity of financial reporting, and the efficiency and effectiveness of the risk management, internal control and compliance systems.

In the course of their statutory audit, external auditors review our material internal controls to the extent of the scope laid out in their audit plans. Any material non-compliance and internal control weaknesses, together with their recommendations to address them, are reported to the AC. Our Management, with the assistance of Singtel IA, follows up on the auditors' recommendations as part of their role in reviewing our system of internal controls.

The systems that are in place are intended to provide reasonable but not absolute assurance against material misstatements or loss, as well as to ensure the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with applicable legislation, regulations and best practices, and the identification and management of business risks.

Risk factors

Our financial performance and operations are influenced by a vast range of risk factors. Many of these affect not just our businesses, but also other businesses in and outside the telecommunications industry. These risks vary widely and many are beyond the Group's control. There may also be risks that are either presently unknown or not currently assessed as significant, which may later prove to be material. However, we aim to mitigate the exposure through appropriate risk management strategies and internal controls.

Pandemic risks/COVID-19

The Group's business and operations have been affected by the unprecedented disruption caused by the COVID-19 pandemic, which has impacted governments, health systems, economies and societies around the world. Since its outbreak, COVID-19 has spread with alarming speed across various countries and territories and resulted in a significant number of infections and fatalities. While the governments in many countries have implemented measures such as mass vaccinations,

The section below sets out the principal risk types, which are not listed in order of significance.

- Pandemic Risks/COVID-19
- Economic Risks
- Political Risks
- Regulatory and Litigation Risks
- Competitive Risks
- Expansion Risks
- Project Risks
- New Business Risks
- Technology Risks
- Vendor/Supply Chain Risks
- Information Technology Risks
- Data Protection and Privacy Risks
- Cyber Security Risks
- Network Failure and Catastrophic Risks
- Financial Risks
- Talent Management Risks
- Electromagnetic Energy Risks
- Climate Change Risks

Risk Management Philosophy and Approach

budgetary interventions and economic stimulus to mitigate the effects of the pandemic, the overall economic and business recovery remains uncertain. Consequently, the adverse effects on various aspects of our business and operations, including the impact on mobile roaming and prepaid revenues, may continue.

The disruptive effects of such pandemic outbreaks to global supply chains of network systems, equipment, handsets, devices and content, could impact or lead to delays in the deployment, installation, upgrades, operation and maintenance of network infrastructure, and/or delivery of equipment, handsets, devices and content. The imposition of movement restriction measures on a nation-wide or at a city level in the countries that we operate in, could lead to access and workforce constraints and impede our ability to operate and serve our customers, resulting in deterioration in service levels and/or quality, delays to projects and deliverables to customers, inability to meet contractual obligations and/or failure to comply with regulatory requirements. Such measures could significantly dampen both consumer and enterprise spending, and adversely affect revenues. Decline in revenues and delay in or non-payments from customers' defaulting may lead to funding constraints for the Group.

A prolonged and widespread pandemic outbreak may result in a global recession with severe impact on various sectors such as telecommunication, aviation, travel, retail, tourism, auto, manufacturing and oil and gas, reduced investment and spending, and severe unemployment. An economic downturn of this scale, coupled with the uncertainties around disruption to business models posed by technology, changes in enterprise and consumer customer behaviours, and government and regulatory actions, may pose significant challenges to the management of capital investments, working capital and business changes.

The consequences of the COVID-19 pandemic or any future outbreak of infectious disease are unpredictable and there can be no assurance that any precautionary or other measures taken against such infectious diseases would be effective. Although many countries have started national vaccination programmes, travel and movement restrictions are likely to remain given the limitations in vaccine production, logistical challenges and disparate strategies adopted by various governments. As the pandemic continues, the pace of recovery remains uneven across different sectors and industries, while fresh waves of infections continue to threaten many economies' growth trajectories. The pandemic has and will likely continue to accelerate structural changes to economies, including in the areas of technology and innovation, globalisation and working patterns.

We continue to monitor the impact of the COVID-19 pandemic on our business, financial condition, earnings and prospects, and institute the necessary measures to protect the health and safety of our workforce, and to mitigate the risks to our business. We will also plan and adjust our strategies to adapt to the post-COVID world, as telecommuting and digitalisation accelerate, and telecommunications infrastructure becomes even more critical.

Economic risks

Changes in domestic, regional and global economic conditions may have a material adverse effect on the demand for telecommunications, information technology (IT) and related services, digital services, and hence, on our financial performance and operations. Global headwinds such as trade tensions and the COVID-19 pandemic have resulted in significant uncertainty in the macro-economic environment and this could have an adverse effect on our overall Group strategy and growth.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. These and other related events have had a significant impact on economic growth as a whole and consequently, on consumer and business demand for telecommunications, IT and related services, and digital services.

Our planning and management review processes involve keeping abreast of the economic and market developments and periodic monitoring of budgets and expenditures to optimise the allocation of capital among the various businesses in our Group. Each of the business units in our Group has continuing cost management and transformation programmes to drive improvements in their cost structures and/or changes in the business model.

Political risks

Our business is geographically diversified with operations in Singapore, Australia and emerging markets. Some of the countries in which we operate have experienced or continue to experience political challenges. The continuation or re-emergence of such political issues in the future could have a material adverse effect on economic or social conditions in those countries, as well as on the ownership, control and condition of our assets in those areas.

We work closely with the Management and our partners in the countries where we operate, to leverage the local expertise, knowledge and ability to manage the local and socio-economic conditions and risks. This way, we ensure compliance with the laws and are better able to implement risk mitigation measures.

As our enterprise and digital businesses expand their business operations across the region and around the world, exposure to similar political and socio-economic risks may increase in the future.

Regulatory and litigation risks

Regulatory risks
Our businesses depend on licences issued by government authorities. Failure to meet regulatory requirements could result in fines or other sanctions including, ultimately, the revocation of licences. Our operations are subject to extensive government regulations, which may impact or limit our flexibility to respond to market conditions, competition, new technologies or changes in cost structures. Governments may alter their policies relating to the telecommunications, IT, multimedia, financial services, digital services and related industries, as well as the regulatory environment (including taxation) in which we operate. Such changes could have a material adverse effect on our financial performance and operations.

Our overseas investments are also subject to the risk of imposition of laws and regulations restricting the level, percentage and manner of foreign ownership and investment, as well as the risk of nationalisation. Furthermore, judicial developments in various jurisdictions can be unpredictable. Any of these factors can materially and adversely affect our overseas investments.

Consumer Singapore, Consumer Australia and Group Enterprise are impacted by the implementation of national broadband networks in both Singapore and Australia. In Singapore, the Infocomm Media Development Authority (IMDA) has, in its implementation of the Next Generation Nationwide Broadband Network (Next Gen NBN), designed a structure to level the playing field to make the benefits of the Next Gen NBN available to all industry players. This Next Gen NBN structure has significantly altered the existing cost model of the industry and increased the level of competition in the broadband market.

In Australia, the government has implemented a significant reform of the fixed line telecommunications sector, including the rollout of a national broadband network by the government-owned entity, NBN Co, operated on a wholesale-only open access basis. It is possible that the Australian government's policy decisions relating to the national broadband network or commercial decisions taken by NBN Co could lead to a sub-optimal or negative outcome for Optus.

Our operations are also subject to various other laws and regulations such as those relating to customer data privacy and protection, payment services and anti-money laundering, anti-bribery and corruption, workplace safety and health, public order and safety, cyber security, online falsehoods and national security. The regulatory landscape for the media and telecommunications industry has seen changes with developments applicable to cyber security and consumer protection. These changes, together with increasing scrutiny and regulators inclined to strong enforcement actions, may lead to additional compliance costs to the business. Failure to meet regulations may adversely affect our businesses.

In both Singapore and Australia, the governments have introduced or will be introducing legislation to establish regulatory regimes for critical infrastructure, which may adversely affect the way we manage and operate our network when our equipment is classified as critical infrastructure. Specifically in Australia, the government has adopted security legislation and made decisions to exclude equipment vendors from countries with certain legal structures or power from participating in the supply of equipment for 5G infrastructure.

We have access to appropriate regulatory expertise and staffing resources in Singapore and Australia and we work closely with the various stakeholders and our partners in the countries we operate in. We monitor new developments closely and participate regularly in discussions and consultations with the respective regulatory authorities and the industry to propose changes and provide feedback on regulatory reforms and developments in the telecommunications and media industry. In addition to instituting measures and processes to ensure regulatory compliances, we conduct training and refresher sessions for staff and Management.

Access to spectrum
Access to spectrum is critically important for supporting our business of providing mobile voice, data and other connectivity services. The use of spectrum in most countries where we operate is regulated by government authorities and requires licences. Failure to acquire access to spectrum, or new or additional spectrum, on reasonable commercial terms, or at all, could have a material adverse effect on our core communications business, financial performance and growth plans.

Taxation risks
Our Group has operations across a large number of jurisdictions, and

Risk Management Philosophy and Approach

we are subject to the tax regulations, or changes in regulations, in the respective jurisdictions in which we operate. The tax legislations or changes may increase our compliance obligations and business costs.

We are committed to comply with applicable tax laws in countries where we operate. We have skilled staff in taxation matters and work with external tax advisors where necessary. Material tax disputes and risks are escalated in accordance with the tax risk management framework, and appropriate disclosures are made in our financial statements.

Litigation risks

We are exposed to the risk of regulatory and litigation action by regulators and other parties. Such regulatory matters and litigation actions may have a material effect on our financial condition and earnings. Examples of such litigation are disclosed in the Notes to the Financial Statements under "Contingent Liabilities".

We have put in place master supply agreements with key vendors, master services agreements with key customers, and implemented contract policies to manage contractual arrangements with our vendors and customers. The policies also set out the necessary risk empowerment framework and principles for the Management Committee, CEOs, and Management to approve deviations from the standard terms.

Competitive risks

We face competitive risks in all markets and business segments in which we operate.

Group Consumer

The telecommunications market in Singapore is highly competitive. As competition further intensifies among mobile network operators and mobile virtual network operators (MVNOs), industry revenue may decrease further and our market share may decline. Singapore's Next Gen NBN allows Retail Service Providers (RSPs) equal and open access to Netlink Trust's fibre network and in turn, has increased competitive pressure in fixed broadband and home services.

In the Australian mobile market, in addition to the incumbent operator, a number of participants are subsidiaries of international groups and operators, and have made large investments which are now sunk costs. We are, therefore, exposed to the risk of irrational pricing being introduced by such competitors. With the merger of two existing operators, mobile competition is expected to further intensify. The consumer fixed line services market continues to be dominated by the incumbent provider, which can leverage its scale and market position to restrict the development of competition. With the deployment of the Australian national broadband network, competition is expected to increase further as new operators enter the market.

The operations of our regional associates' businesses are also subject to highly competitive market conditions. Their growth depends in part on the adoption of mobile data services in their markets. Some of these markets have and could continue to experience intensifying price competition for mobile data services from new and existing competitors and/or smaller scale competitors, leading to lower profitability and potential loss of market share for our associates.

Our business models and profits are also challenged by disintermediation in the telecommunications industry by handset providers and other digital service providers and non-traditional telecommunications service providers, including social media networks and over-the-top (OTT) players which provide multimedia and video content, applications and services directly on demand.

We continue to invest in our networks to ensure that they have the coverage, capacity and speed that will provide our customers with the best network and connectivity experience. Group Consumer is focused on driving efficiencies and innovation via new technologies, products, services, processes and business models to meet evolving customer needs and enhance customer experiences.

Group Enterprise & NCS

Business customers enjoy a wide range of choices for many of our services, including fixed, mobile, cloud, managed services and hosting, IT services and consulting. Competitors include multinational IT and telecommunications companies, technology companies that introduce new communication services, as well as other non-traditional players, while the enterprise market in Australia is dominated by the incumbent. The quality and prices of these services can influence a potential business customer's decision. Prices for some of these services have declined significantly in recent years as a result of capacity additions, technology innovations and price competition. Such price declines are expected to continue.

We continue to focus on offering companies comprehensive and integrated ICT and IT solutions and initiatives to strengthen customer engagement. This includes broadening our solutions portfolio to cover new areas of customer needs, such as cloud computing, MEC, software-defined network (SDN) and digital solutions for our government and business customers.

The dominance of cloud infrastructure by hyperscalers and increasing adoption of cloud-based solutions by government and enterprise customers, has posed disruptive risks to our businesses. We continue to enhance our cloud service offerings, leveraging partnerships and collaboration with the hyperscalers and other cloud technology service providers.

Trustwave
The increased sophistication of advanced cyber attacks, the accelerated migration to complex cloud and hybrid IT environments, and heightened regulatory pressure on data privacy are driving the rapid growth of the global cyber security market. As new and existing cyber security providers scale up their product and service portfolios to address the evolving needs of organisations, we face intense competition in the cyber security business. We continue to invest in innovative automation technologies, talent, and world-class threat intelligence capabilities to differentiate our security offerings, while leveraging the Group's unique global presence to defend customers against cyber threats.

Amobee
The Group offers digital products and services mainly through our digital marketing arm Amobee. We face significant competition from both established and new companies offering marketing technology solutions software and other related applications. Our future success will depend on our ability to adapt and innovate our marketing software and continually enhance and improve our offerings to meet customer needs at prices that our customers are willing to pay.

New business risks

Beyond our traditional carriage business in Singapore and Australia, we have ventured into new growth areas to create additional revenue streams, including 5G, mobile payment and remittance services, gaming and content, cloud services, cyber security, ICT, data analytics and digital marketing. In Singapore, we have created a new portfolio under the Group Enterprise division dedicated to driving 5G enterprise business across the region by leveraging the Group's digital footprint.

There is no assurance that we will be successful in these ventures, gain market share and generate revenue and margins. These businesses may require substantial capital, new expertise, considerable process or system changes, as well as organisational, cultural and mindset changes. These businesses may also expose us to regulatory and IT security risks along with the risks associated with industries like cyber security, media and online content, such as media regulation, brand safety, intellectual property infringement, content rights disputes, online falsehood, and data protection regulations and legislation.

As new businesses place new demands on people, processes and systems, we respond by continually updating our organisation structure, talent management and development programmes, reviewing our policies and processes, and investing in new technologies to meet changing needs. We will constantly stay abreast of new trends and build strategic partnerships with market players to stay competitive.

5G risks
In Singapore, Singtel Mobile Singapore Pte Ltd was one of the winners of IMDA's 5G Call-For-Proposal and we were allocated radio frequency spectrum to deploy nationwide 5G networks. In Australia, new spectrum licences for the 26GHz band have been auctioned in April 2021, with a second auction planned for late 2021 for the low band 850MHz and 900MHz spectrum. Failure to acquire the licences in Australia could have an adverse effect on our core communications business and our competitiveness. The business case for investment in 5G network and related systems has risks of uncertainty and may be earnings-dilutive. There may also be a long payback period as 5G use cases and revenue and monetisation opportunities are not yet fully developed. The existing high quality 4G networks may also limit the perceived value of 5G and impact its monetisation potential.

In addition, the Australian government has implemented security legislation to restrict vendors from certain countries from participating in the supply of 5G network equipment to mobile network operators. This limits the available vendor sources and may lead to higher investment costs.

With 5G, as with the deployment of our various networks, we will continue to monitor health and safety concerns around exposure to electromagnetic energy emissions (EME), ensure full compliance with government-mandated standards and institute the necessary precautionary measures to safeguard the health and safety of the public and our customers.

Digital banking risks
In December 2020, the Monetary Authority of Singapore (MAS) announced that it had selected the consortium Singapore Telecommunications Ltd and Grab Holding Inc. for the award of a Digital Full Bank (DFB) licence, subject to the consortium meeting all relevant prudential requirements and licencing pre-conditions before the MAS grants it the licence. The DFB licence will allow the digital bank to take deposits from and provide a wide range of financial

Risk Management Philosophy and Approach

services to retail and non-retail customer segments.

There is no assurance that the consortium will be successful in its digital banking venture. The digital bank requires substantial capital outlay and could be subjected to investment and/or financial losses arising from failure to scale and acquire customers and/or the failure to manage the various risk exposures related to the digital banking business, including credit risks, market risks, liquidity risks, technology risks and/or other operational risks. The business is also exposed to the regulatory risks associated with the banking industry, including compliance with existing and/or new laws and regulations, and associated increased cost of compliance. The digital bank may not be able to attract, integrate and retain the right talent with the appropriate skillsets and expertise to develop and/or execute the bank's business strategies and plans, or effectively manage risks arising from the bank's activities. The digital bank may lose its licence to continue operations if its financial performance does not meet expectations or deteriorates. There could also be a misalignment of interests, goals and cultures between the members of the consortium, and/or with the Management of the digital bank, resulting in an inability to resolve disputes in an effective and timely manner.

We will collaborate with our partners and the digital bank to drive synergies from the combined strengths, digital assets and know-how, and other resources of the Group and partners. We will have appropriate board representation and shareholders' agreement to ensure governance and rights protection and oversee the establishment of sound risk management principles, policies and procedures and sustainable business practices.

Expansion risks

Given the size of the Singapore and Australia markets, our future growth depends, to a large extent, on our ability to grow our overseas operations in both core communications and new digital services. This comes with considerable risks.

Partnership relations

The success of our strategic investments depends, to a large extent, on our relationships with, and the strength of our partners. There is no guarantee that we will be able to maintain these relationships or that our partners will remain committed to the partnerships.

Acquisition risks

We continually look for investment opportunities that can contribute to our expansion strategy and develop new revenue streams. Our efforts are challenged by the limited availability of opportunities, competition from other potential investors, foreign ownership restrictions, government and regulatory policies, political considerations and the specific preferences of sellers. We face challenges arising from integrating newly acquired businesses with our own operations, managing these businesses and talent in markets where we have limited experience and/or resources and financing these acquisitions. We also risk not being able to generate synergies from these acquisitions, and the acquisitions becoming a drain on our management and capital resources.

The business strategies of some of our regional associates may involve expanding operations outside their home countries, as well as in-country mergers and acquisitions. These associates may enter into joint ventures and other arrangements with other parties. Such joint ventures and other arrangements involve risks, including, but not limited to, the possibility that the joint venture or investment partner may have economic or business interests or goals that are not consistent with those of the associates. There is no guarantee that the regional associates can generate synergies and successfully build a competitive regional footprint.

We adopt a disciplined approach in our investment evaluation and decision-making process. Members of our Management team are also directors on the boards of our associates and joint ventures. In addition to sharing network expertise, product innovation and development, and commercial experience, best practices in the areas of corporate governance and financial reporting are shared across the Group.

Project risks

We incur substantial capital expenditure in constructing and maintaining our networks and IT systems infrastructure. These projects are subject to risks associated with the construction, supply, installation and operation of equipment and systems.

In the enterprise business, the bespoke projects that we undertake as solution providers to design, build, operate and/or maintain IT infrastructure and systems are subject to project risks that may exceed project budgets, result in disputes and unexpected implementation delays, any of which can result in an inability to meet projected completion dates or service levels. NCS, being a major IT service provider to the public sector and large enterprises in the region, is exposed to such project risks, which necessitates a quality assurance management framework for risk profiling, systematic assessment, monitoring and reporting of project risks from bid qualification and reviewed throughout project execution. This is to ensure that appropriate attention is given by Management to high risk projects.

Technology risks

Rapid and significant technological changes are typical in the telecommunications and ICT industries. Technological changes may reduce costs, expand the capacity of new infrastructure, bring new sources of revenue, and/or result in shorter periods for investment recovery, all of which present both opportunities as well as disruptions and challenges. These changes may materially affect the Group's capital expenditure and operating costs, as well as the demand for products and services offered by our business divisions.

The rapid advancements in wireless communications and new digital technologies such as 5G, edge computing, artificial intelligence, application programming interfaces, cloud and blockchain are driving the development of entirely new ecosystems and business models. This may leave us with infrastructure and systems that are technically obsolete before the end of their expected useful life and may require us to replace and upgrade our network and systems to remain competitive, and as a result, incur additional capital expenditure.

On the other hand, these changes also present opportunities for us to build upon our connectivity advantage, depending on our ability to apply these technologies to relevant services. In the emerging markets in which our associates operate, regulatory practices, including spectrum availability, may also not necessarily synchronise with the technology progression path and the market demand for new technologies.

Each business unit faces the ongoing risk of market entry by new operators and service providers (including non-telecommunications players) that, by using newer or lower cost technologies, may succeed in rapidly attracting customers away from established market participants. Our business may also incur substantial development expenditure to gain access to related or enabling technologies to pursue new growth opportunities in the business. The challenge is to modify our existing infrastructure and processes in a timely and cost-effective manner to facilitate such implementation, failing which, this could adversely affect our quality of service, financial condition and operational performance.

We continue to invest in upgrading and modernising through digital transformation initiatives and equipping our people and systems with new capabilities to ensure we are able to deliver innovative and relevant services to our customers.

Vendor/supply chain risks

We rely on third-party vendors and service providers and their extended supply chain in many aspects of our business for various purposes, including, but not limited to, the construction, operations and maintenance of our network, the supply of handsets and equipment, systems and application development services, customer service operations, content provision and customer acquisition. Accordingly, our operations and reputation may be affected by third-party vendors or their supply chain failing to perform their obligations or failing to operate in line with increased expectations of key stakeholders such as government, regulators and customers on a broadening set of ESG issues. In addition, the industry is dominated by a few key vendors for handsets and equipment services. Any severe delays, failure or refusal by a key vendor to provide such services arising from disruptions caused by global pandemics including the COVID-19 situation, government-imposed bans on vendors and/or sanctions due to security and other concerns, or any consolidation of the industry, may significantly affect our business and operations.

We monitor new legislation introduced such as the Australian Modern Slavery Act, as well as the developments and restrictions by governments and regulators on various vendors to ensure our key vendors comply with the relevant laws and regulations. In December 2020, Optus published its first Modern Slavery Statement, which outlines the actions taken to address modern slavery risks in its operations and supply chain. We monitor supply chain risks closely and, where required, develop new vendor relationships to mitigate supply risks. We have in place a Sustainable Supply Chain Management strategy and approach, including a Supplier Code of Conduct, which is regularly updated to manage risks that may exist in our supply chain. Refer to our Group Sustainability Report for more details on how we address these risks and issues.

Information technology risks

Our businesses and operations rely heavily on information technology and we have established the Cyber Security Resiliency Committee to provide oversight of all IT and network security risks, including cyber security threats and data privacy breaches. The committee is chaired by CEO, Group Enterprise and comprises senior members from the businesses, various IT and network domains, and meets on a regular basis. The committee develops appropriate policies and frameworks to ensure information system security, reviews the projects and initiatives on IT and network security, reviews IT security

Risk Management Philosophy and Approach

incidents, and establishes overall governance by performing audits and cyber security drills.

We have established a Group Cyber Security Policy for managing risks associated with information security. The policy is developed based on industry best practices and is aligned with international standards such as ISO 27001. The policy covers holistically various aspects of IT risk governance, including change management, user access management, database configuration standards and disaster recovery planning, and provides the cornerstone for driving robust IT security controls across the Group.

We have also established a Project Management Methodology to ensure that new systems are developed with appropriate IT security controls embedded and are subject to rigorous acceptance tests, including penetration testing, prior to implementation.

Data protection and privacy risks

We seek to protect the data privacy of our customers in our networks and systems. Significant failure of security measures or lapses in established processes may undermine customer confidence and result in litigation actions from customers and/or regulatory fines and penalties. We may also be subject to the imposition of additional regulatory measures relating to the security and privacy of customer data, which may impact the way we conduct our business and/or market our products and services to customers.

Regulators in various countries have strengthened existing legislation and introduced new laws to protect consumer privacy. In Australia, regulators are increasingly active in enforcing existing laws and are examining options to extend these laws to address public concern over data breaches and the activities of social media platforms. In the United States, regulators in California have implemented new legislation governing consumer data and privacy.

We continue to ensure data privacy by protecting personal data of our customers and staff. We also ensure compliance with applicable privacy laws, and perform regular reviews in order to refine our practices. We have implemented security policies, procedures, technologies and tools designed to minimise the risk of privacy breaches. We have also established an escalation process for incident management, which includes security breaches to ensure timely response, internally and externally, to minimise impact.

Cyber security risks

The scale and level of sophistication of cyber security threats have increased with the changing tactics and tools by cyber attackers, ranging from terrorist attacks, state-sponsored cyber attacks and ransomware. The abrupt shift to remote working arrangements during the COVID-19 pandemic has also increased exposure to cyber security risks. As our business is heavily dependent on the resiliency of our network infrastructure, and supporting systems, we are exposed to cyber security threats which can result in disruptions to our network, IT systems and services provided to customers, and leakage of sensitive and/or confidential information. We are also exposed to cyber security threats arising from vulnerabilities in third-party products and services that we use in our operations or which we depend on to provide services to customers. The exposure is further intensified with the growing dependency on connectivity and smart devices used by our customers. If these devices are compromised by threat actors, they may impact our reputation, give rise to litigation actions from customers and/or result in regulatory fines and penalties.

We continue to grow our cyber security business globally. The failure to keep up with and counteract increasing cyber security threats can materially and adversely affect our reputation, business and growth strategy.

We adopt a holistic approach in managing and addressing cyber security risks by keeping abreast of the threat landscape and business environment as well as implementing a multi-layered security framework to ensure there are relevant preventive, detective and recovery measures. This includes training our people to adopt a security-first mindset and security by design principle, being vigilant to existing and new cyber threats, deploying the tools and resources to mitigate risks and ensuring compliance reviews on third party service providers are conducted.

We have been building our capabilities organically, as well as partnerships with best-of-breed technology partners. We have a pool of cyber security professionals, global security operations and engineering centres and a specialised team of ethical hackers and forensic experts assisting businesses to manage vulnerabilities and threats, achieve regulatory compliance and implement secure solutions. The Group’s Cyber Security Institute conducts regular training programmes to enhance the cyber security skills and preparedness of our staff as well as our customers, including businesses and governments in Asia Pacific. The Group also invested in a research and development lab to drive innovation in this area.

Network failure and catastrophic risks

The telecommunications industry faces a continuous challenge of providing fast, secure and reliable networks to an increasingly digital and connected world. The provision of our services depends on the quality, stability, resilience and robustness of our networks and systems. We face the risk of malfunction of, loss of, or damage to, network infrastructure from natural or other uncontrollable events such as acts of terrorism.

Some of the countries in which we and/or our regional associates operate have experienced a number of major natural catastrophes over the years, including typhoons, droughts, floods, bushfires and earthquakes. Some of these catastrophes have also increased in intensity and frequency due to climate change factors, causing prolonged and exacerbated impact on our infrastructure and operations.

In addition, other events that are/are not within our control and/or our regional associates' control, such as fire, deliberate acts of sabotage, vendor failure/negligence, pandemic shutdowns, industrial accidents, blackouts, terrorist attacks, criminal acts or large scale cyber attacks on our network and systems, could damage, cause operational interruptions or otherwise adversely affect any of the facilities and activities, as well as potentially cause injury or death to personnel. Such losses or damage may significantly disrupt our operations, which may have a materially adverse effect on our ability to deliver services to customers. Sustained or significant disruption to our services can also significantly impact our reputation with our customers. Our inability to operate our networks or customer support systems may have a material impact on our business.

We continue to make our networks robust and resilient, and continually review our processes to prevent any network disruptions and to have an effective communication process for timely updates to our stakeholders during any incident and/or crisis. There is a defined crisis management and escalation process for our CEOs and Senior Management to respond to emergencies and catastrophic events. In addition to key network infrastructure, we have business continuity plans and insurance programmes and policies in place.

Financial risks

The main risks arising from our financial assets and liabilities are foreign exchange, interest rate, market, liquidity, access to financing sources and increased credit risks. Financial markets continue to be volatile, and with the unprecedented global recessionary impact arising from the uncertainties posed by the COVID-19 situation, may heighten execution risk for funding activities and increase credit risk premiums for market participants.

We are exposed to foreign exchange fluctuations from our operations and through subsidiaries as well as associates and joint ventures operating in foreign countries. These include our dividend receipts and the translation of the foreign currency earnings and carrying values of our overseas operations. Additionally, a significant portion of associates and joint venture purchases and liabilities are denominated in foreign currencies, versus the local currency of the respective operations. This gives rise to changes in cost structures and fair value gains or losses when marked to market.

We have established policies, guidelines and control procedures to manage and report exposure to such risks. Our financial risk management is discussed further on page 216 in Note 37 to the Financial Statements.

Talent management risks

As we seek new avenues of growth, it is pertinent to be able to attract, develop and sustain talent with new skills and capabilities. We also identify, develop and build the next generation of leaders from both internal and external talent pools to ensure a robust succession pipeline. The loss of some or all of our key executives or the inability to attract, build and retain key talent and leaders, could materially and adversely affect our business.

We continue to invest in the skills of our existing workforce and build up our current and emerging capabilities through external professional hires and targeted recruitment. In order to develop and retain talent, we conduct regular skills assessment in the critical business areas and set out structured developmental roadmaps to fill new and emerging skills gaps. We have a targeted development approach to develop young, emerging and future technical and business leaders through formal learning activities, coaching and mentoring as well as providing critical experiences such as international assignments, rotations and special projects. We continue to enhance our employer branding to attract specialised and key talent to support our new digital businesses.

Succession management is key to ensuring that the Group effectively manages the short-term and long-term risks associated with critical roles. A robust annual succession planning review by the businesses and Management Committee, with the involvement of the Board for senior leadership roles, ensures that leadership succession plans are current and relevant to support the business strategies.

Risk Management Philosophy and Approach

Electromagnetic energy risks

Health concerns have been raised globally about the potential exposure to EME emissions from using mobile handsets or being exposed to mobile transmission equipment. While there is no substantiated evidence of public health risks from exposure to the levels of EME typically emitted from mobile phones, perceived health risks can be a concern for our customers, the community, and regulators. Perceived health risks in terms of environmental exposure from mobile base station equipment can impact and cause concern for the local communities on the implementation of new or upgrading of existing mobile base stations. This may impact the mobile coverage at that locality and also, our mobile business. In addition, government legislations and industry requirements may be introduced to address this perceived risk, affecting our ability to deploy the mobile communications infrastructure. These perceived health risks could result in reduced demand for mobile communications services and/or litigation actions against us.

We design and deploy our network to comply with the relevant government-mandated standards for exposure to EME. Our standards are based upon those recommended by the International Commission on Non-Ionizing Radiation Protection (ICNIRP), which is a related agency of the World Health Organisation. The ICNIRP standards are adopted by many countries around the world and are considered best practices. We continue to monitor research findings on EME, health risks and their implications on relevant standards and regulations.

Climate change risks

Climate change is one of the key long-term global risks that has the potential to impact our operations, infrastructure and supply chain. Some of the countries in which we and/or our regional associates operate have experienced several extreme weather events, including typhoons, droughts, floods and bushfires, which have increased in intensity and frequency due to climate change factors. Apart from physical risk, damage to our networks and disruptions to our operations, there are also other energy security and regulatory risks associated with climate change, which could result in stricter greenhouse gas emission standards, carbon taxes, and/or changes in energy prices or accompanying infrastructure investments for adaptation or mitigation. To address these concerns, we have adopted a two-pronged approach, an absolute greenhouse emissions reduction goal and the adaptation of our infrastructure to continue building resilience against climate change risks.

We have set absolute carbon reduction targets approved by the Science Based Target initiative in 2017 to address the continued impact of carbon and rising temperatures. This approach progressively aligns our 2030 carbon contribution and reduction target with the agreements made at Paris COP 21 and the Intergovernmental Panel on Climate Change reports. Our aspiration is to meet the more aggressive 1.5°C target and net zero by 2050. We adapt our infrastructure design and standards progressively to long-term scenarios related to climate change, such as increased risk of inundation and stronger cyclonic activities, rising temperatures and higher frequency and severity of bushfires in Australia. We have also supported a global agreement for the ICT industry through our active participation at the GSM Association to align the efforts of this sector and we continue working with our stakeholders to prepare our disclosures on climate-related risks to align to the recommendations of the Task Force on Climate-related Financial Disclosures.

Sustainability

The pandemic is adversely impacting communities and economies around the world. At Singtel, it reinforced our role in keeping people connected, as enterprises pivoted and brought their operations online while consumers turned to digital solutions for their everyday needs. Beyond our core business of connectivity, the pandemic also highlighted the growing digital challenges for vulnerable groups such as seniors who have been the hardest hit and most displaced by technology during a time of safe distancing and movement restrictions. To help them connect digitally and tide them through this trying period, we furthered our digital inclusion agenda, doubled down on our community support and continued to champion social impact start-ups last year.

It was also timely that we conducted a review of Singtel's sustainability commitment, against the backdrop of the new normal. Our formal materiality assessment and stakeholder engagement exercise conducted in 2020 showed that some of the ESG topics that matter to our internal and external stakeholders have changed in priority and significance. We have thus refreshed our commitments in four key areas – sustainable value creation, the environment, people and community – and these will guide our strategy and plans over the next few years.

We also took further steps to embed sustainability across our business. We formalised a set of ESG targets for our Top Management's long-term incentive plans, in order to help drive more accountability from Management to advance our goal of sustainable growth. In addition, we recently launched our sustainable financing programme Olives, that is linked to some of our ESG KPIs, kicking off with our first S$750 million sustainability-linked loan.

The next few pages outline the strategies and initiatives we have in place that will enable us to create value and long-term sustainable growth for our business, consumers, and to contribute meaningfully to the community.

For a more detailed look at our sustainability strategy, please refer to our Sustainability Report.

View Online
Scan QR code to view the Singtel Sustainability Report 2021 online.

Singtel volunteers guiding seniors to connect digitally at a Digital Silvers session held at one of the Senior Activity Centres island-wide.

Sustainability

Climate Change and Environment

Driving responsible stewardship

71%

of waste recycled and reused

73,226 tCO_2e

of carbon emissions avoided

Reducing the impact of climate change

Climate change is one of the most pressing issues that the world faces today. At Singtel, we aim to minimise environmental impact and build operational resilience for the long-term benefit of our business and communities through our focus on climate action and product stewardship.

During the pandemic, our role as a communications technology company has become even more important as communities, consumers and businesses are increasingly more dependent on our communication networks and services to remain connected. The resilience of our network infrastructure was tested when the prolonged bushfires in Australia impacted our operations. We are working on improving our network resilience to natural disasters and long-term climate scenarios, with actionable measures to mitigate these risks and ensure business continuity. In the case of Australia, these include preparing specific interventions to boost network resilience, such as collaborating with research institutions like the Australian National University on technology solutions to detect and suppress fires rapidly.

We continue to support regional as well as global movements and studies towards minimising environmental impact, such as our participation in the United Nation's Race to Zero campaign on World Environment Day 2020. In preparation for greater disclosure aligned to the Task Force on Climate-related Financial Disclosures framework, we have completed a detailed pilot study in northern New South Wales to understand our physical and transitional risks from different climate change scenarios. We plan to leverage the insights and expand our climate scenario assessment to a national-level study for Singapore and Australia in the coming year.

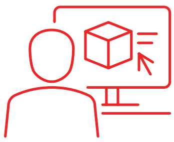
Ramping up conservation and recycling

Our efforts in conservation and reducing pollution continue to yield results. Since the launch of our voluntary e-waste recycling programme, ReCYCLE, in Singapore in 2017, we have seen compounded growth in collection rates of 570% and recovered over 68,167kg of mobile phones, batteries and accessories. In Australia, we diverted about 3,000kg of e-waste from landfill in 2020 through our ongoing support for initiatives like the industry-wide Mobile Muster scheme. Last year, Optus launched a Modem Recycling programme, enabling customers to recycle old Optus modems at retail stores so that over 95% of components are extracted and recycled.

Sustainable packaging has helped reduce carbon contribution across our value chain. We have developed a Sustainable Packaging Strategy, with goals aligned with the National Packaging Waste targets to make all packaging 100% reusable, recyclable or compostable by 2025 in Australia. At our Optus Campus, we introduced coffee cup recycling and rolled out the Australian Recycling Label, starting with prepaid products, to guide customers on how to give packaging a second life. For the fourth consecutive year, Optus was awarded the Australian Packaging Covenant Organisation Award for our sustainable packaging achievements and efforts in the telecommunications sector.

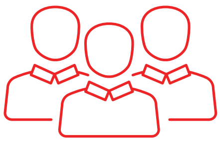
People and Future of Work

Future-proofing our workforce



33,000 hours

of learning clocked during the Singtel Group Learning Fiesta



>1,000

young professionals engaged through leadership and traineeship programmes

Building a future-ready workforce

We want to help our people grow and develop by equipping them with the right skills and competencies for the new digital economy. We are also building a future-ready workforce today to ensure that we have the talent we need as we gear up for a future powered by next-generation technology. To support our roadmap, we will train 2,300 employees and 150 new hires over two years in 5G-related technologies.

Digital learning gained momentum during the year and we invested significantly in our employees' training and development. Our annual Singtel Group Learning Fiesta was an all virtual event for the first time, with employees clocking 60% more training compared to the previous year. On our digital learning platform #CURIOUS, we saw participation increase 32% during the year and also recorded more than 4,500 employees participating in tailored webinars on topics such as 5G, networks and workplace safety and health.

Keeping ahead of the digitalisation curve means we need to groom young talents. Through our partnerships with the government and tertiary institutions, we aim to attract and build a strong pipeline of talent in emerging technologies.

Ensuring employee well-being

Having invested in robust technology infrastructure and collaborative tools, we were able to help our employees transit easily to remote working when Singapore and Australia went into lockdowns.

We initiated a year-long engagement programme of virtual health and wellness events to support our employees' mental well-being and keep them motivated. We also conducted regular pulse surveys to check on how they were doing. Recognising that stress levels have risen due to the pandemic, we ensured all employees have access to medical teleconsultation and 24/7 professional counselling services which can also be extended to family members. Similarly, in Australia, trained specialists provided hotline support. These efforts helped to boost employee morale and employee engagement scores rose 10% in spite of a challenging year.

Strengthening diversity and inclusion

We foster a corporate culture that embraces diverse backgrounds and expertise which allows us to better understand the perspectives and serve the varied needs of our stakeholders.

Across the Group, female employees account for a third of our total workforce and a quarter of our Board. Through inclusive hiring practices and investments in the STEM ecosystem with the creation of the Singtel – Women in Technology Scholarship, we are making progress in increasing our female representation in tech roles. Our gender diversity efforts have been recognised in the Singapore Board Diversity Index 2020, Refinitiv 2020 Diversity & Inclusion Index and Bloomberg's 2021 Gender-Equality Index.

We were named the Employer of Choice in Asia at the HR Fest Awards 2020 for our HR best practices, including our diversity and inclusion policies which have led to declining absenteeism and turnover rates in the past two years.

Sustainability

Community Impact
Fostering digital inclusion

S$48m

raised by Singtel Touching Lives Fund in support of special needs education since its inception in 2002

S$350,000

provided in support of social impact start-ups through our Future Makers programme in Singapore and Australia

Driving digital enablement
While COVID-19 has been a trying period for everyone, certain disadvantaged groups were harder hit. This includes seniors, who have found it difficult to stay connected with family and friends during lockdown periods, given their unfamiliarity with technology. We continue to leverage our resources and strengths in digital technologies to drive digital inclusion for them and other vulnerable segments of the community.

We launched the Singtel Digital Silvers programme to help seniors pick up much-needed digital skills to stay connected and benefit from the convenience of using technology. Since September last year, Singtel volunteers have been conducting weekly digital tutorials for seniors, teaching them how to use smart devices and make digital payments. We have also transformed senior activity centres into digital hubs by equipping these places with WiFi connections and Singtel TV content to facilitate engagement with seniors, in turn promoting active ageing.

We also aided traditional SMEs which have not embraced digitalisation and have found it challenging to shift their operations and transactions online during the pandemic. Our Let's Get Digital initiative was launched to help SMEs with business solutions for remote working and expanding customer outreach, and subsidised cyber security, collaboration and productivity solutions under the Singapore government's Productivity Solutions Grant. To date, more than 5,000 SMEs have taken part in Let's Get Digital and over 500 of them have benefitted from customised, one-on-one guidance sessions with our Singtel digital specialists.

We continue to help disadvantaged youth stay connected in Australia through Optus' Donate Your Data

Still from one of the videos from our scam awareness campaign, 'Jaga your data!' (jaga is a Malay verb and Singaporean slang that means 'to guard').

initiative. Together with our charity partners, we have been able to expand our reach and bridge the digital divide faced by young Australians in need, especially against the backdrop of remote learning and the increased need for telehealth. 25.5 million GB of data donated by more than 440,000 customers has helped nearly 15,000 students since Donate Your Data's launch in December 2019 to the end of this financial year.

Advocating cyber safety and promoting scam awareness

Going digital has brought about many benefits and changed the way we learn, work, play and interact. However, the same technologies have also given rise to unintended consequences, especially for children and youth who are now more digitally connected than ever.

We are taking a proactive approach in advocating cyber safety awareness and promoting digital literacy. We worked with TOUCH Community Services to launch a revamped Help123 cyber wellness and digital parenting platform, which now features a comprehensive suite of services including a one-stop hotline and resources on cyber wellness. In both Singapore and Australia, we rolled out webinars and interactive workshops to educate youths on positive online behaviour.

To help stem the rising tide of scams in Singapore where people have fallen victim to fraudsters impersonating Singtel customer service officers or technicians, we launched a scam awareness campaign to educate people on how to recognise scams for what they are. Titled Jaga your data! (jaga is a Malay verb and Singaporean slang that means 'to guard'), the campaign builds on our ongoing efforts to mitigate such fraud and protect customers and the broader community. Comprising a series of three light-hearted short films, each playing out a telco-related ruse that has snared many an unsuspecting victim, the campaign urged everyone to stay vigilant to protect themselves and their families.

Pivoting to take fundraising and volunteering virtual

We have had to adapt the way we hold fundraising and volunteering activities amid the pandemic. In place of the large annual Singtel Carnival that our staff volunteers organise for special needs children, we switched gears and worked with partners to hold smaller scale events and provide opportunities for our staff to contribute their time and expertise to support the vulnerable population amid social distancing requirements. This included pivoting to virtual mentoring for disadvantaged youths in Australia and staff volunteers conducting call check-ins to ensure the well-being of vulnerable and low-income families in Singapore. The annual Singtel-Singapore Cancer Society Race Against Cancer was also organised as a virtual race for the first time. Participants clocked miles in their own time to raise over S$1.5 million for cancer patients.

From left:
SCS Council Member Dr Ang Peng Tiam; Group CEO of Singtel Yuen Kuan Moon; SCS Chief Executive Officer Albert Ching at the opening ceremony of the Singtel-Singapore Cancer Society Race Against Cancer 2020.

Sustainability

Sustainable Value Creation

Embracing responsible business practices

Upholding human rights

We are committed to upholding and protecting the human rights of all individuals, regardless of backgrounds, beliefs and abilities. Our aim is to instil a culture of trust, respect and inclusion within the company, throughout our supply chains and in the communities where we operate.

To achieve this goal, we published Optus' first Human Rights and Modern Slavery Statements during the year, in accordance with Australia's Modern Slavery Act 2018. These statements set out our approach to human rights and the standards we set for ourselves on issues including fundamental rights at work, maintaining effective grievance mechanisms and prohibiting child labour and modern slavery. Through training modules, we are educating our staff to increase their awareness of our role and that of our suppliers in reducing risks in our supply chain in these areas.

Sustainable supply chain management

We also want to ensure that we collaborate with socially and environmentally conscious suppliers that will help us mitigate our sustainability risks. During the year, we conducted a supply chain sustainability and organisational life cycle assessment to identify environmental and social impact and risks across our business operations and value chain. We reviewed the ESG commitment of our suppliers and also conducted a sustainability risk assessment of active suppliers to ensure that each has ample control in key areas such as corporate governance, diversity, labour rights, employee health and safety as well as environmental and energy management. In Australia, we updated our supplier management framework to manage risks more effectively and make informed decisions across the company to mitigate supply risks while maximising value. This framework will be adopted across the Group by the first half of 2022.

Group Five-year Financial Summary

	Financial Year ended 31 March				
	2021[1]	**2020[1]**	**2019[1]**	**2018[1]**	**2017**
Income Statement (S$ million)					
Group operating revenue	**15,644**	16,542	17,372	17,268	16,711
Australia Consumer	**6,957**	7,251	7,579	7,475	7,192
Australia Consumer (A$ million)	***7,088***	*7,753*	*7,659*	*7,128*	*6,897*
Singapore Consumer	**1,816**	2,110	2,234	2,236	2,380
Group Enterprise	**5,939**	6,026	6,329	6,477	6,600
Group Digital Life	**916**	1,145	1,224	1,080	539
International Group[2]	**17**	10	6	-	-
Group EBITDA	**3,832**	4,541	4,692	5,051	4,998
Australia Consumer	**1,850**	2,388	2,456	2,591	2,521
Australia Consumer (A$ million)	***1,884***	*2,553*	*2,482*	*2,470*	*2,416*
Singapore Consumer	**627**	757	748	753	792
Group Enterprise	**1,508**	1,587	1,695	1,863	1,913
Group Digital Life	**(15)**	(48)	(92)	(51)	(122)
International Group	**(43)**	(55)	(38)	(22)	(18)
Corporate	**(95)**	(87)	(78)	(84)	(88)
Group EBIT (before associates)	**1,147**	1,961	2,470	2,801	2,759
Australia Consumer	**292**	898	1,164	1,261	1,283
Australia Consumer (A$ million)	***296***	*960*	*1,178*	*1,203*	*1,229*
Singapore Consumer	**353**	497	501	513	508
Group Enterprise	**760**	858	1,080	1,256	1,268
Group Digital Life	**(108)**	(140)	(152)	(120)	(190)
International Group	**(51)**	(60)	(43)	(23)	(20)
Corporate	**(100)**	(92)	(81)	(85)	(90)
Share of associates' pre-tax profits[3]	**1,798**	1,743	1,536	2,461	2,886
Group EBITDA and share of associates' pre-tax profits[3]	**5,630**	6,284	6,228	7,511	7,884
Group EBIT	**2,945**	3,704	4,006	5,261	5,645
Underlying net profit[4]	**1,733**	2,457	2,825	3,593	3,871
Net profit[5]	**554**	1,075	3,095	5,473	3,853
Exchange rate (A$ against S$)[6]	***0.981***	*0.935*	*0.990*	*1.049*	*1.043*

"Associate" refers to an associate and/or a joint venture under SFRS(I).

Notes:

(1) Based on Singapore Financial Reporting Standards (International) (SFRS(I)). Included the effects from adoption of SFRS(I) 16, *Leases*, from 1 April 2019 on a prospective basis.

(2) Comprised mainly mobile financial business, and gaming and digital content business.

(3) Excluded the Group's share of the associates' significant one-off items which have been classified as exceptional items of the Group.

(4) Underlying net profit is defined as net profit before exceptional items.

(5) FY2021 included non-cash impairment charges of carrying values in Amobee and Trustwave of S$589 million and S$336 million respectively. FY2020 included the Group's share of Airtel's net exceptional loss of S$1.80 billion mainly for regulatory costs. FY2018 included the gain on disposal of economic interest in NetLink Trust of S$2.03 billion.

(6) Average A$ rate for translation of Optus' operating revenue.

Group Five-year Financial Summary

	Financial Year ended 31 March				
	2021[1]	2020[1]	2019[1]	2018[1]	2017
Cash Flow (S$ million)					
Group free cash flow[2]	**3,395**	3,781	3,650	3,606	3,054
Optus	**780**	1,285	1,006	989	514
Optus (A$ million)	***778***	*1,396*	*1,028*	*947*	*500*
Singtel and other subsidiaries	**1,324**	1,202	1,242	1,126	1,040
Associates' dividends (net of withholding tax)	**1,290**	1,294	1,402	1,492	1,500
Group cash capital expenditure	**2,214**	2,037	1,718	2,349	2,261
Balance Sheet (S$ million)					
Total assets	**47,998**	48,955	48,915	48,496	48,294
Shareholders' funds	**26,486**	26,789	29,838	29,737	28,214
Net debt	**12,365**	12,499	9,883	9,877	10,384
Key Ratios					
Proportionate EBITDA from outside Singapore (%)	**78**	79	76	76	75
Return on invested capital (%)[3]	**5.0**	6.4	7.7	9.6	10.9
Return on equity (%)	**2.1**	3.8	10.4	18.9	14.5
Return on total assets (%)	**1.2**	2.1	6.3	11.2	8.3
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	**2.2**	2.0	1.6	1.3	1.3
EBITDA and share of associates' pre-tax profits to net interest expense (number of times)	**14.3**	13.8	16.2	20.1	23.4
Per Share Information (S cents)					
Earnings per share – underlying net profit	**10.59**	15.05	17.31	22.01	24.07
Earnings per share – basic	**3.38**	6.58	18.96	33.53	23.96
Net assets per share	**160**	164	183	182	173
Dividend per share – ordinary	**7.50**	12.25	17.50	17.50	17.50
Dividend per share – special	**-**	-	-	3.0	-

Notes:

(1) Based on SFRS(I). Included the effects from adoption of SFRS(I) 16, *Leases*, from 1 April 2019 on a prospective basis.

(2) Free cash flow refers to cash flow from operating activities, including dividends from associates, less cash capital expenditure.

(3) Return on invested capital is defined as EBIT (post-tax) divided by average capital.

Five-year Financial Review

FY2021

The Group's results were adversely impacted by unprecedented headwinds from the COVID-19 pandemic and ongoing structural challenges in the industry. Operating revenue dipped 5.4% to S$15.64 billion driven by declines in mobile roaming, prepaid, equipment sales and digital advertising, as well as lower NBN migration revenue in Australia. However, ICT revenue rose strongly led by NCS, as enterprises rushed to digitalise and transform their businesses. EBITDA was down 16% to S$3.83 billion due to the decline in revenue, and lower retail fixed margins in Australia.

The associates' post-tax contribution was stable as a strong recovery in Airtel offset profit declines from Telkomsel, AIS and Globe which were impacted by COVID-19 lockdowns.

Consequently, underlying net profit fell 30% to S$1.73 billion. Including net exceptional charges of S$1.18 billion mainly from non-cash impairment charges of carrying values in Amobee and Trustwave, as well as network assets, net profit declined 49% to S$554 million.

FY2020

This has been a challenging year, given structural shifts in the industry, soft economic conditions, adverse regulatory outcomes in India and the onset of COVID-19 in the fourth quarter. With a 6% depreciation in the Australian Dollar, operating revenue declined 4.8% to S$16.54 billion and EBITDA fell 3.2% to S$4.54 billion. In constant currency terms, operating revenue dipped 2.0% mainly from lower mobile service revenue and equipment sales while EBITDA remained stable on reduction in operating lease expenses under the new lease accounting standard. EBIT (before associates) reduced 19% after including depreciation of right-of-use assets.

Underlying net profit fell 13% to S$2.46 billion, with increased net losses at Airtel and weakness at Australia Consumer due to continuing data price competition, lower equipment sales and margins, and low NBN resale margins.

Net profit declined 65% to S$1.08 billion due to net exceptional losses of S$1.38 billion mainly arising from the share of Airtel's exceptional charges for regulatory costs, including the adjusted gross revenue matter and a one-time spectrum charge.

FY2019

The Group executed well on its strategy amid challenging conditions and gained market share in mobile across both Singapore and Australia. Operating revenue was stable at S$17.37 billion while EBITDA declined 7.1% to S$4.69 billion due partly to a 6% depreciation in the Australian Dollar. In constant currency terms, operating revenue grew 3.7% driven mainly by increases in ICT, digital services and equipment sales. However, EBITDA was down 3.9% due mainly to lower legacy carriage services especially voice, and price erosion.

The associates' pre-tax contributions declined a steep 38% to S$1.54 billion mainly caused by operating losses at Airtel and a lower contribution from Telkomsel amid aggressive price competition in India and Indonesia respectively. The decline was partly mitigated by double-digit profit growth at Globe in the Philippines with robust revenue growth in mobile and broadband.

With lower contributions from the associates, underlying net profit declined 21%. Net profit was S$3.10 billion, down 44% from FY2018[1].

Note:

[1] Included gain on disposal of economic interest in NetLink Trust of S$2.03 billion.

Group Five-year Financial Summary

FY2018

The Group delivered record earnings for FY2018 with net profit of S$5.45 billion bolstered by an exceptional gain of S$2.03 billion from the divestment of units in NetLink Trust and a strong core performance. Operating revenue was S$17.53 billion, 4.9% higher than FY2017, while EBITDA rose 1.8% to S$5.09 billion reflecting strong customer gains in Australia and the first-time contribution from Turn, which was acquired by Amobee in April 2017. In constant currency terms, operating revenue and EBITDA increased by 4.7% and 1.5% respectively.

The associates' pre-tax contributions declined 15% to S$2.46 billion. This was a result of weaker earnings from Airtel India and Telkomsel due to intense competition and the mandated reduction in mobile termination charges in India, as well as lower contribution from NetLink NBN Trust following the reduction in economic interest of 75.2% in July 2017. The decline was partly mitigated by higher contribution from Intouch which was acquired in November 2016.

With lower associates' contributions, higher depreciation and amortisation charges on network investments and spectrum, as well as increased net finance expense, underlying net profit declined 8.4%.

FY2017

The Group delivered resilient earnings amid heightened competition across all the markets the Group operated in. Operating revenue was S$16.71 billion, 1.5% lower than FY2016 but would have increased 2.0% excluding the impact of regulatory mobile termination rates change in Australia from 1 January 2016. EBITDA remained stable at S$5.0 billion. The Australian Dollar appreciated 2% against the Singapore Dollar. In constant currency terms, operating revenue and EBITDA decreased by 2.6% and 1.5% respectively.

The associates' pre-tax contributions rose 5.4% to S$2.94 billion despite weakness in Airtel which faced intense price competition in India. Strong growth at Telkomsel and NetLink Trust, as well as the first-time contribution from Intouch, which was acquired in November 2016, was partly offset by lower profits at Airtel, AIS and Globe.

Underlying net profit grew 2.9% and net profit was stable at S$3.85 billion with an exceptional loss compared to an exceptional gain in FY2016.

Group Value Added Statements

Group Value Added Statements

	FY2021 S$ million	FY2020 S$ million
Value added from:		
Operating revenue	**15,644**	16,542
Less: Purchases of goods and services	**(9,488)**	(9,753)
	6,157	6,789
Other income	**142**	179
Interest and investment income (net)	**3**	180
Share of associates' post-tax results[(1)(2)]	**607**	(530)
Exceptional items (pre-tax)[(3)]	**(604)**	416
	147	245
Total value added	**6,303**	7,034
Distribution of total value added		
To employees in wages, salaries and benefits	**2,466**	2,426
To government in income and other taxes	**194**	513
To providers of capital on:		
- Interest on borrowings	**398**	462
- Dividends to shareholders	**1,722**	2,857
	4,781	6,258
Retained in business		
Depreciation and amortisation	**2,685**	2,580
Retained losses	**(1,169)**	(1,782)
Non-controlling interests	**6**	(22)
	1,523	776
Total value added	**6,303**	7,034
Average number of employees	**22,892**	23,080

Notes:

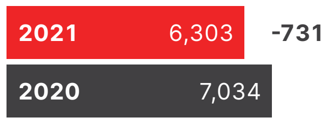
(1) Included the Group's share of the associates' significant one-off items.

(2) FY2020 included the share of Airtel's net exceptional loss of S$1.80 billion mainly for regulatory costs.

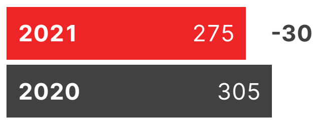
(3) FY2021 included non-cash impairment charges of carrying values in Amobee and Trustwave of S$539 million and S$336 million respectively.

Productivity Data

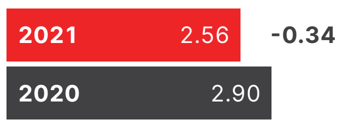
Value added
(S$ million)



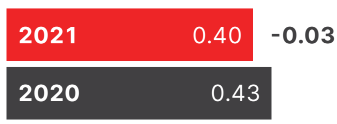
Value added per employee
(S$'000)



Value added per dollar of employee costs
(S$)



Value added per dollar of turnover
(S$)



Management Discussion and Analysis

Group

	Financial Year ended 31 March 2021 S$ million	2020 S$ million	Change %	Change in constant currency[1] %
Operating revenue	**15,644**	16,542	-5.4	-7.7
EBITDA	**3,832**	4,541	-15.6	-17.7
EBITDA margin	***24.5%***	*27.5%*		
Share of associates' pre-tax profits[2]	**1,798**	1,743	3.2	4.0
EBIT	**2,945**	3,704	-20.5	-20.5
(exclude share of associates' pre-tax profits[2])	***1,147***	*1,961*	*-41.5*	*-42.2*
Net finance expense	**(395)**	(282)	40.2	37.8
Taxation	**(811)**	(988)	-17.9	-17.3
Underlying net profit[3]	**1,733**	2,457	-29.5	-29.4
Underlying earnings per share (S cents)[3]	***10.6***	*15.1*	*-29.6*	*-29.6*
Exceptional items (post-tax)[4]	**(1,179)**	(1,382)	-14.7	-12.0
Net profit	**554**	1,075	-48.5	-51.7
Basic earnings per share (S cents)	***3.4***	*6.6*	*-48.6*	*-51.8*
Share of associates' post-tax profits[2]	**1,277**	1,277	**	0.5

"Associate" refers to an associate and/or a joint venture under SFRS(I).
"**" denotes less than +/-0.05%.

Notes:

(1) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the previous year ended 31 March 2020 (FY2020).

(2) Excluded the Group's share of the associates' significant one-off items which have been classified as exceptional items of the Group.

(3) Underlying net profit refers to net profit before exceptional items.

(4) Included the Group's share of associates' net exceptional losses of S$670 million in FY2021 (FY2020: S$1.81 billion).

The Group's FY2021 results were adversely impacted by unprecedented headwinds from the COVID-19 pandemic and ongoing structural challenges facing the industry. Notwithstanding these challenges, the Group continued to invest in its 5G networks across Singapore and Australia and scale up ICT arm NCS to capture new growth opportunities.

Operating revenue was down 5.4% to S$15.64 billion, reflecting NBN migration revenue tapering off for Optus' fixed business as migrations neared completion, ongoing impact from COVID-19 and continued carriage erosion. However, Optus' mobile business recovered in the second half of the year and NCS delivered robust growth in ICT services as enterprises accelerated their digitalisation efforts. EBITDA fell 16% with the decline in revenue, margin compression from carriage erosion and higher mix of low margin NBN customers for Optus. Including depreciation and amortisation charges which rose 4.0%, the Group's EBIT (before associates) declined 42%.

The associates' pre-tax operating profit contribution grew 3.2% while post-tax underlying profit contribution was stable. While contributions from Telkomsel, AIS and Globe shrunk amid COVID-19, Airtel's net loss narrowed driven by strong performances in India and Africa.

Net finance expense increased 40% due to income received last year from Singtel's investment as a pre-IPO shareholder in Airtel Africa, which was partly offset by a reduction in interest expense mainly on lower average interest rates.

Consequently, the Group's underlying net profit declined 30%.

The Group took a net exceptional charge of S$1.18 billion mainly from the non-cash impairment charges of carrying values in Amobee and Trustwave of S$589 million and S$336 million respectively. Rapid shifts in the fast-moving digital marketing and cyber security industries as well as economic shocks from COVID-19 have curtailed both businesses' ability to scale. In addition, Optus recorded exceptional charges mainly from impairment of its legacy fixed access networks, payroll review programme and other charges. These exceptional losses were partly offset by dilution gains from Singtel's reduced equity interest in Airtel. The net exceptional losses of S$1.38 billion last year comprised mainly the Group's share of Airtel's exceptional loss from significant provisions made for regulatory costs.

Net profit after including exceptional loss was S$554 million, down 49% from FY2020.

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for slightly over three-quarters of both the Group's proportionate revenue and EBITDA.

The Group's combined mobile customer base reached 744 million, up 39 million from a year ago, bolstered by strong 4G additions from Airtel in India.

Management Discussion and Analysis

Business Segment

	Financial Year ended 31 March			
	2021 S$ million	2020 S$ million	Change %	Change in constant currency[1] %
Operating revenue				
Australia Consumer	**6,957**	7,251	-4.1	-8.6
Singapore Consumer	**1,816**	2,110	-14.0	-14.0
Group Enterprise	**5,939**	6,026	-1.4	-2.3
Group Digital Life	**916**	1,145	-20.1	-19.7
International Group	**17**	10	72.4	72.4
Group	**15,644**	16,542	-5.4	-7.7
EBITDA				
Australia Consumer	**1,850**	2,388	-22.5	-26.2
Singapore Consumer	**627**	757	-17.3	-17.3
Group Enterprise	**1,508**	1,587	-5.0	-5.4
Group Digital Life	**(15)**	(48)	-69.9	-69.7
International Group	**(43)**	(55)	-21.4	-21.4
Corporate	**(95)**	(87)	8.2	8.2
Group[2]	**3,832**	4,541	-15.6	-17.7
EBIT (before share of associates' pre-tax profits)				
Australia Consumer	**292**	898	-67.5	-69.2
Singapore Consumer	**353**	497	-29.0	-29.0
Group Enterprise	**760**	858	-11.5	-11.0
Group Digital Life	**(108)**	(140)	-23.0	-22.7
International Group	**(51)**	(60)	-15.9	-15.9
Corporate	**(100)**	(92)	8.0	8.0
Group[2]	**1,147**	1,961	-41.5	-42.2
Australia Consumer (A$ million)				
NBN migration revenues	**317**	607	-47.7	
Excluding NBN migration revenues				
- Operating revenue	***6,770***	*7,146*	*-5.3*	
- EBITDA	***1,567***	*1,946*	*-19.5*	
- EBIT	***(21)***	*353*	*nm*	

"nm" denotes not meaningful.

Notes:

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from FY2020.

(2) Included Jobs Support Scheme credits from the Singapore government of S$107 million in FY2021 (FY2020: S$50 million).

Australia Consumer

Operating revenue, EBITDA and EBIT for the year declined 8.6%, 26% and 69% respectively due to lower equipment sales and leasing revenues, as well as NBN migration revenues which tapered off from the previous year's high as the network rollout neared completion. Margins were also lower due to increased NBN costs from a higher mix of low margin NBN customers which grew by 181,000 or 21% from a year ago. Mobile service revenue was stable, with the decline in the first half offset by ARPU uplift from increased penetration of Optus Choice plans in the second half year. However, customer growth, roaming and prepaid revenues were impacted by COVID-19 shutdowns and travel restrictions which curtailed the number of travellers and foreign students. For the year, the postpaid customer base[(1)] was stable, while prepaid customers decreased by 414,000 or 12%. Excluding NBN migration revenues, operating revenue and EBITDA fell 5.3% and 20% respectively. In February 2021, Optus completed the acquisition of amaysim's mobile business.

Singapore Consumer

Operating revenue fell 14% across mobile, pay TV and fixed voice, exacerbated by the pandemic. Mobile service revenue declined steeply by 21% on lower usage of roaming and prepaid services due to the fall in tourist arrivals and foreign workers resulting from travel restrictions, as well as continued voice erosion. For the year, the number of postpaid customers[(1)] grew by 78,000 or 2.9%, while prepaid customers fell by 232,000 or 15%. Equipment sales decreased on lower sales volumes due mainly to weak consumer spending in the first half year. Pay TV revenue fell as a result of a lower customer base due to the popularity of OTT video platforms and reduced advertising revenue. With lower operating revenue, EBITDA declined 17%, partly mitigated by higher Jobs Support Scheme credits of S$27 million (FY2020: S$12 million) and cost management. EBIT fell by 29% after including higher depreciation charges from investments in systems and networks.

Group Enterprise

Group Enterprise's ICT revenue, which accounted for 55% of overall revenue (FY2020: 51%), grew strongly by 6.8% led by NCS and robust demand for data centre services. NCS' operating revenue grew 6.2% across all lines of businesses with the acceleration of digitalisation plans and increased technology adoption by both government and enterprise clients. Revenue from NCS NEXT Services, its digital innovation and services arm, jumped 18% and accounted for 41% (FY2020: 37%) of NCS' revenue. NCS ended the year with strong bookings of S$2.1 billion underpinned by significant new wins and contract renewals. Carriage revenue continued to face challenges and fell 9.9% led by a steep decline in mobile roaming with the drop in business travel from extended travel curbs, as well as a decline in fixed voice. Consequently, Group Enterprise's operating revenue slid 1.4%. With lower operating revenue, EBITDA fell 5.0% partly mitigated by higher Jobs Support Scheme credits of S$66 million (FY2020: S$31 million). EBIT declined 12% after including higher depreciation charges mainly from data centres.

Group Digital Life

Operating revenue decreased 20% due to a reduction in digital marketing arm Amobee's revenue and the cessation of mobile streaming service HOOQ from 1 March 2020. Amobee's revenue fell 18% with the cuts in advertising spend by brands and advertisers due to COVID-19 and lower TV revenue. Despite the lower operating revenue, both EBITDA and EBIT losses narrowed on cessation of HOOQ's operations.

International Group

Operating revenue grew from mobile wallet Dash's remittance, financial products and payment services. Dash's transaction value rose from last year, leveraging on a growing remittance market in the region and the expansion of mobile remittance capabilities to more countries, as well as an enhanced mobile payments solution value proposition. EBITDA and EBIT losses reduced with revenue growth.

(1) Included Enterprise mobile customers.

Management Discussion and Analysis

Associates[1]

	Financial Year ended 31 March			
	2021 S$ million	2020 S$ million	Change %	Change in constant currency[2] %
Group's share of associates' pre-tax profits[3]	**1,798**	1,743	3.2	4.0
Share of post-tax profits				
Telkomsel[3]	**708**	885	-20.0	-17.9
AIS	**280**	305	-8.1	-7.5
Intouch[3][4]				
- operating results	**101**	105	-3.8	-3.2
- amortisation of acquired intangibles	**(22)**	(23)	-0.9	**
	79	83	-4.6	-4.0
Globe[3]	**235**	278	-15.4	-18.9
Airtel[3][5]				
- ordinary results (India and South Asia)	**(117)**	(350)	-66.7	-65.0
- ordinary results (Africa)[6]	**72**	68	5.4	11.7
- associates	**(25)**	(14)	76.1	87.0
	(70)	(296)	-76.4	-75.3
Bharti Telecom Limited (BTL)[7]	**(28)**	(63)	-55.4	-53.5
	(98)	(359)	-72.7	-71.4
Regional associates[3]	**1,204**	1,191	1.1	1.6
Other associates[8]	**73**	85	-14.9	-14.9
Group's share of associates' post-tax profits[3]	**1,277**	1,277	**	0.5

"Associate" refers to an associate and/or a joint venture under SFRS(I).
"**" denotes less than +/-0.05%.

Notes:

(1) Based on Singapore Financial Reporting Standards (International).
(2) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from FY2020.
(3) Excluded the share of the associates' exceptional items which have been classified as exceptional items of the Group.
(4) Singtel held an equity interest of 21.1% in Intouch as at 31 March 2021, which has an equity interest of 40.5% in AIS.
(5) Singtel's equity interest in Airtel was 31.7% as at 31 March 2021 (31 March 2020: 33.3%).
(6) Airtel's equity interest in Airtel Africa was 56.0% as at 31 March 2021 (31 March 2020: 56.0%).
(7) BTL held an equity interest of 35.8% in Airtel as at 31 March 2021 (31 March 2020: 38.8%).
(8) Included the share of results of Singapore Post Limited, NetLink NBN Trust and APT Satellite International Company Limited.

	Telkomsel	AIS	Globe	Airtel[(1)]
Country mobile penetration rate	126%	142%	138%	86%
Market share, 31 March 2021[(2)]	58.7%	46.0%	52.6%	29.8%
Market share, 31 March 2020[(2)]	59.3%	45.2%	55.0%	28.3%
Market position[(2)]	#1	#1	#1	#2
Mobile customers ('000)				
- Aggregate	164,692	42,767	79,766	442,432
- Proportionate	57,642	9,973	37,450	130,395
Growth in mobile customers (%)[(3)]	1.3%	3.9%	-11%	11%

Notes:

(1) Mobile penetration rate, market share and market position pertained to India market only.

(2) Based on number of mobile customers.

(3) Compared against 31 March 2020 and based on aggregate mobile customers.

Telkomsel continued to face competitive pricing pressure coupled with slow recovery from the pandemic. Operating revenue was down 6% with accelerated declines in legacy voice and SMS revenues, partly mitigated by growth in data and digital services. EBITDA declined 12% on lower revenue and higher operating expenses to support digital services growth. Including higher depreciation charges on an expanded network, the Group's share of Telkomsel's underlying post-tax profit fell 20%.

AIS' service revenue (excluding interconnect and equipment) decreased 6% as the mobile market was affected by a contraction in the traveller segment, a sluggish economy and weak consumer spending. The decline was partly offset by a growth in fixed broadband services. EBITDA fell 3% on lower revenue partly mitigated by strong cost management. Including higher depreciation charges and amortisation of 5G spectrum, AIS' post-tax profit contribution declined 8.1%.

Intouch's post-tax profit contribution was down 4.6% mainly on lower contribution from AIS.

Globe's service revenue slid 2% and EBITDA fell 7% as COVID-19 related quarantine restrictions reduced prepaid mobile top-ups and demand for enterprise services. However, demand for data and home broadband services were robust as customers stayed indoors and shifted to online activities. Including higher depreciation charges partly mitigated by lower equity losses from its associates, the Group's share of Globe's underlying post-tax profit fell 15%.

Airtel improved its operating performance, delivering double-digit growth in operating revenue and EBITDA. Airtel's mobile revenue in India jumped 21% bolstered by strong 4G customer additions and price hikes in December 2019. Overall operating revenue from India and South Asia surged 18% and EBITDA rose 37% on revenue growth, partly offset by increased network charges from higher investments in networks. Despite higher depreciation and amortisation charges, the Group's share of Airtel's underlying net loss reduced by 67% to S$117 million.

Airtel Africa sustained strong operating momentum with underlying[(2)] revenue and EBITDA up 19% and 25% respectively in constant US Dollar terms, driven by continued growth across voice, data and mobile money services. Including higher depreciation and amortisation charges from increased investments in mobile network and spectrum in Nigeria, the Group's share of Airtel Africa's underlying net profit grew 5.4% to S$72 million.

With improved performances across India and Africa, as well as a lower net loss of S$28 million (FY2020: S$63 million) from BTL, the total share of underlying net losses of Airtel group and BTL narrowed sharply by 73% to S$98 million.

(2) Excluded one-time revenue of US$20 million relating to a settlement in Niger.

Management Discussion and Analysis

Cash Flow

	Financial Year ended 31 March		
	2021 S$ million	2020 S$ million	Change %
Net cash inflow from operating activities	**5,609**	5,817	-3.6
Net cash outflow for investing activities	**(2,666)**	(2,921)	-8.7
Net cash outflow for financing activities	**(3,190)**	(2,457)	29.9
Net change in cash balance	**(247)**	440	nm
Exchange effects on cash balance	**(2)**	37	nm
Cash balance at beginning of year	**990**	513	93.1
Cash balance at end of year	**741**	990	-25.2
Optus	**1,458**	1,355	7.6
Singtel and other subsidiaries	**756**	682	10.9
Group cash capital expenditure	**2,214**	2,037	8.7
Optus (A$ million)	***1,495***	*1,448*	*3.3*
Optus	**780**	1,285	-39.3
Singtel and other subsidiaries	**1,324**	1,202	10.2
Associates (net dividends after withholding tax)	**1,290**	1,294	-0.3
Group free cash flow	**3,395**	3,781	-10.2
Optus (A$ million)	***778***	*1,396*	*-44.3*
Cash capital expenditure as a percentage of operating revenue	***14%***	*12%*	

"nm" denotes not meaningful.

Net cash inflow from operating activities declined 3.6% to S$5.61 billion on lower operational performance, partly mitigated by positive working capital and lower cash taxes. Dividends received from the associates were stable.

The investing cash outflow was S$2.67 billion. Capital expenditure totalled S$2.21 billion, comprising S$1.46 billion (A$1.50 billion) for Optus and S$756 million for the rest of the Group. In Optus, capital investments in mobile including 5G network amounted to A$938 million, with the balance in fixed and other core infrastructure. The other major capital investments for the rest of the Group included S$146 million for mobile including 5G network, and the balance for fixed, ICT and other core infrastructure. Other investing cash flows included payments of S$254 million (A$250 million) for the acquisition of amaysim's mobile business, and S$58 million for the acquisition of 5G spectrum in Singapore.

The Group's free cash flow declined 10% to S$3.40 billion on lower operating cash flow and higher capital expenditure.

Net cash outflow for financing activities amounted to S$3.19 billion. Major cash outflows included net decrease in borrowings of S$1.69 billion, net interest payments of S$393 million, as well as payments of S$890 million for final dividends relating to FY2020 and S$383 million for interim dividends relating to FY2021.

Summary Statements Of Financial Position

	As at 31 March	
	2021 S$ million	2020 S$ million
Current assets	**6,532**	7,176
Non-current assets	**41,466**	41,779
Total assets	**47,998**	48,955
Current liabilities	**9,137**	10,579
Non-current liabilities	**12,350**	11,562
Total liabilities	**21,487**	22,141
Net assets	**26,511**	26,814
Share capital	**4,574**	4,127
Retained earnings	**24,252**	25,448
Currency translation reserve[(1)]	**(1,689)**	(2,444)
Other reserves	**(651)**	(342)
Equity attributable to shareholders	**26,486**	26,789
Non-controlling interests	**26**	25
Total equity	**26,511**	26,814

Note:

(1) 'Currency translation reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

The Group's financial position remains healthy.

Total assets decreased from a year ago due mainly to the impairment of goodwill and intangible assets of Amobee and Trustwave in FY2021. Total liabilities decreased mainly on reduction in borrowings.

Share capital increased S$446 million (net of issuance costs) following shares issued under the Singtel Scrip Dividend Scheme for the interim dividend of FY2021.

Currency translation losses decreased due mainly to translation gain for Optus with the strengthening of the Australian Dollar.

Management Discussion and Analysis

Capital Management And Dividend Policy

	Financial Year ended 31 March	
	2021	**2020**
Gross debt (S$ million)	**13,119**	13,499
Net debt[(1)] (S$ million)	**12,365**	12,499
Net debt gearing ratio[(2)]	**31.8**	31.8
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	**2.2**	2.0
Interest cover[(3)] (number of times)	**14.3**	13.8

Notes:

(1) Net debt is defined as gross debt adjusted for related hedging balances less cash and bank balances.

(2) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and non-controlling interests.

(3) Interest cover refers to the ratio of EBITDA and share of associates' pre-tax profits to net interest expense.

As at 31 March 2021, the Group's net debt was S$12.4 billion, a decline of S$134 million from a year ago. The decline was due mainly to net repayment of borrowings.

The Group has one of the strongest credit ratings among telecommunication companies in the Asia Pacific region and continues to maintain a healthy capital structure. Singtel is currently rated A1 by Moody's and A by S&P Global Ratings.

For the financial year ended 31 March 2021, the total ordinary dividend payout is 7.5 cents per share or 71% of underlying net profit. This comprises interim dividend of 5.1 cents and, subject to shareholders' approval, a final dividend of 2.4 cents. During the year, Singtel adopted a scrip dividend scheme which was applied to the interim dividend. The scheme will not be applied to the final dividend.

The Group is driving a transformation to deliver growth for the long term. Barring unforeseen circumstances, it plans to pay dividends at between 60% and 80% of underlying net profit. Singtel is committed to a sustainable dividend policy in line with earnings and cash flow generation. This policy will be reviewed regularly to reflect the progress of the Group's transformation. Singtel is also committed to an optimal capital structure, which enables investments for growth, while maintaining financial flexibility and investment-grade credit ratings.

Table of Contents

Financials

Additional Information

Directors' Statement

For the financial year ended 31 March 2021

The Directors present their statement to the members together with the audited financial statements of the Company ("**Singtel**") and its subsidiaries (the "**Group**") for the financial year ended 31 March 2021.

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 124 to 237 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. DIRECTORS

The Directors of the Company in office at the date of this statement are –

Lee Theng Kiat (Chairman)
Yuen Kuan Moon (Group Chief Executive Officer) (appointed on 1 January 2021)
Gautam Banerjee
Venkataraman Vishnampet Ganesan
Bradley Joseph Horowitz
Gail Patricia Kelly
Low Check Kian
Christina Hon Kwee Fong (Christina Ong)
Rajeev Suri (appointed on 1 January 2021)
Teo Swee Lian
Wee Siew Kim (appointed on 1 October 2020)

Simon Claude Israel, who served during the financial year, stepped down as a Director and the Chairman of the Company following the conclusion of the Annual General Meeting on 30 July 2020.

Chua Sock Koong, who served during the financial year, stepped down as a Director and Group Chief Executive Officer of the Company on 1 January 2021.

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except for performance shares granted under the Singtel Performance Share Plan 2012 (the "**Singtel PSP 2012**") and share options granted by Amobee Group Pte. Ltd. ("**Amobee**").

Directors' Statement

For the financial year ended 31 March 2021

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The interests of the Directors holding office at the end of the financial year in the share capital of the Company and related corporations according to the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act were as follows –

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2021	At 1 April 2020 or date of appointment, if later	At 31 March 2021	At 1 April 2020 or date of appointment, if later
The Company				
Singapore Telecommunications Limited				
(Ordinary shares)				
Lee Theng Kiat	**–**	–	**–**	–
Yuen Kuan Moon	**1,188,137**	1,188,137	**1,719,443**[(1)]	1,719,443
Gautam Banerjee	**–**	–	**–**	–
Bradley Joseph Horowitz	**–**	–	**–**	–
Gail Patricia Kelly	**–**	–	**–**	–
Low Check Kian	**1,490**	1,490	**–**	–
Christina Ong	**–**	–	**–**	–
Rajeev Suri	**–**	–	**–**	–
Teo Swee Lian	**1,550**	1,550	**–**	–
Wee Siew Kim	**501,838**[(2)]	116,460	**190**[(3)]	190
(American Depositary Shares)				
Venkataraman Vishnampet Ganesan	**3,341.45**[(4)]	3,341.45	**–**	–
Subsidiary Corporations				
Amobee Group Pte. Ltd.				
(Options to subscribe for ordinary shares)				
Venkataraman Vishnampet Ganesan	**831,087**	1,581,805	**–**	–

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(Cont'd)*

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2021	At 1 April 2020 or date of appointment, if later	At 31 March 2021	At 1 April 2020 or date of appointment, if later
Related Corporations				
Ascendas Funds Management (S) Limited				
(Unit holdings in Ascendas Real Estate Investment Trust)				
Yuen Kuan Moon	**2,600**(5)	2,600	**–**	–
Gautam Banerjee	**20,000**	20,000	**–**	–
Wee Siew Kim	**10,480**	10,480	**–**	–
Ascendas Property Fund Trustee Pte. Ltd.				
(Unit holdings in Ascendas India Trust)				
Gautam Banerjee	**120,000**	120,000	**–**	–
Ascott Residence Trust Management Limited				
(Unit holdings in Ascott Residence Trust)				
Yuen Kuan Moon	**14,042**(5)	14,042	**–**	–
Teo Swee Lian	**3,000**	3,000	**–**	–
CapitaLand Integrated Commercial Trust Management Limited				
(Unit holdings in CapitaLand Integrated Commercial Trust)				
Yuen Kuan Moon	**70,528**(5)	70,528	**–**	–
Gautam Banerjee	**120,000**	120,000	**–**	–
Teo Swee Lian	**9,352**	–	**–**	–
CapitaLand Limited				
(Ordinary shares)				
Yuen Kuan Moon	**3,000**(5)	3,000	**–**	–
Mapletree Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Commercial Trust)				
Wee Siew Kim	**45,312**	45,312	**–**	–
Mapletree Industrial Trust Management Ltd.				
(Unit holdings in Mapletree Industrial Trust)				
Yuen Kuan Moon	**10,000**(5)	10,000	**–**	–

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(Cont'd)*

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2021	At 1 April 2020 or date of appointment, if later	At 31 March 2021	At 1 April 2020 or date of appointment, if later
Mapletree Real Estate Advisors Pte. Ltd.				
(Unit holdings in Mapletree Europe Income Trust)				
Christina Ong	**394**[(6)]	–	**–**	–
(Unit holdings in Mapletree EU Logistics Private Trust)				
Christina Ong	**185**	185	**–**	–
(Unit holdings in Mapletree US Logistics Private Trust)				
Christina Ong	**185**	185	**–**	–
Olam International Limited				
(Ordinary shares)				
Low Check Kian	**1,024,995**	1,024,995	**2,074,518**[(7)]	2,074,518
Singapore Airlines Limited				
(Ordinary shares)				
Gautam Banerjee	**36,550**	7,100	**–**	–
Low Check Kian	**14,000**	5,600	**–**	–
Singapore Technologies Engineering Limited				
(Ordinary shares)				
Christina Ong	**1**	1	**–**	–
StarHub Ltd				
(Ordinary shares)				
Wee Siew Kim	**72,600**	72,600	**–**	–

Notes:

(1) Mr Yuen Kuan Moon's deemed interest of 1,719,443 shares included:
- (a) 6,360 ordinary shares held by Mr Yuen's spouse; and
- (b) An aggregate of up to 1,713,083 ordinary shares in Singtel awarded to Mr Yuen pursuant to the Singtel PSP 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant minimum performance criteria, up to an aggregate of 2,387,008 ordinary shares may be released pursuant to the conditional awards granted.

(2) 228,278 ordinary shares held in the name of UBS AG and 272,500 ordinary shares held in the name of Bank of Singapore.

(3) Held by Director's spouse.

(4) 1 American Depositary Share represents 10 ordinary shares in Singtel.

(5) Held in the name of DBS Nominees (Private) Limited.

(6) Each stapled security comprises one unit in Mapletree Windsor Trust and one unit in Mapletree Matterhorn Trust.

(7) Held by Cluny Capital Limited. Mr Low Check Kian is the sole shareholder of Cluny Capital Limited.

According to the register of Directors' shareholdings, there were no changes to any of the above-mentioned interests between the end of the financial year or date of appointment, if later, and 21 April 2021.

Directors' Statement

For the financial year ended 31 March 2021

4. PERFORMANCE SHARES

The Executive Resource and Compensation Committee ("**ERCC**") is responsible for administering the Singtel PSP 2012. At the date of this statement, the members of the ERCC are Gail Kelly (Chairman of the ERCC), Lee Theng Kiat, Low Check Kian, Rajeev Suri and Teo Swee Lian.

At the Extraordinary General Meeting held on 27 July 2012, the shareholders approved the adoption of the Singtel PSP 2012. The duration of the Singtel PSP 2012 is 10 years from 27 July 2012. This plan gives the flexibility to either allot and issue and deliver new Singtel shares or purchase and deliver existing Singtel shares upon the vesting of awards.

The participants of the Singtel PSP 2012 will receive fully paid Singtel shares free of charge, the equivalent in cash, or combinations thereof, provided that certain prescribed performance targets or vesting conditions are met within a prescribed performance period. The performance period for the awards granted is three years, except for Restricted Share Awards which have a performance period of two years. The number of Singtel shares that will vest for each participant or category of participants will be determined at the end of the performance period based on the level of attainment of the performance targets or vesting conditions.

Awards comprising an aggregate of 117.6 million shares have been granted under the Singtel PSP 2012 from its commencement to 31 March 2021.

Performance share awards granted, vested and cancelled during the financial year, and share awards outstanding at the end of the financial year, were as follows –

Date of grant	Balance as at 1 April 2020 ('000)	Share awards granted ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2021 ('000)
Share award for former Chairman					
(Simon Claude Israel)					
30.07.20	**–**	**39**	**(39)**	**–**	**–**
Performance shares					
(Restricted Share Awards)					
For Group Chief Executive Officer					
(Yuen Kuan Moon)					
19.06.17	90	–	(90)	–	–
19.06.18	191	–	(95)	–	96
20.06.19	122	–	–	–	122
23.06.20	–	148	–	–	148
	403	148	(185)	–	366
For former Group Chief Executive Officer					
(Chua Sock Koong)					
19.06.17	222	–	(222)	–	–
19.06.18	397	–	(199)	–	198
20.06.19	202	–	–	–	202
23.06.20	–	230	–	–	230
	821	230	(421)	–	630

Directors' Statement

For the financial year ended 31 March 2021

4. PERFORMANCE SHARES *(Cont'd)*

Date of grant	Balance as at 1 April 2020 ('000)	Share awards granted ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2021 ('000)
For other staff					
19.06.17	3,251	–	(3,236)	(15)	–
21.09.17	16	–	(16)	–	–
18.12.17	17	–	(17)	–	–
14.03.18	10	–	(10)	–	–
19.06.18	7,253	–	(3,592)	(219)	3,442
21.09.18	82	–	(41)	(18)	23
18.12.18	77	–	(39)	–	38
21.03.19	129	–	(64)	–	65
20.06.19	7,454	–	(17)	(496)	6,941
23.09.19	69	–	–	(16)	53
03.01.20	129	–	–	–	129
30.03.20	25	–	–	–	25
23.06.20	–	9,627	–	(553)	9,074
21.09.20	–	31	–	–	31
21.12.20	–	123	–	–	123
23.03.21	–	34	–	–	34
	18,512	9,815	(7,032)	(1,317)	19,978
Sub-total	**19,736**	**10,193**	**(7,638)**	**(1,317)**	**20,974**
Performance shares (Performance Share Awards)					
For Group Chief Executive Officer (Yuen Kuan Moon)					
19.06.17	225	–	–	(225)	–
19.06.18	305	–	–	–	305
20.06.19	516	–	–	–	516
23.06.20	–	527	–	–	527
	1,046	527	–	(225)	1,348
For former Group Chief Executive Officer (Chua Sock Koong)					
19.06.17	832	–	–	(832)	–
19.06.18	634	–	–	–	634
20.06.19	860	–	–	–	860
23.06.20	–	819	–	–	819
	2,326	819	–	(832)	2,313

4. PERFORMANCE SHARES *(Cont'd)*

Date of grant	Balance as at 1 April 2020 ('000)	Share awards granted ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2021 ('000)
For other staff					
19.06.17	3,429	–	(7)	(3,422)	–
18.12.17	17	–	–	(17)	–
19.06.18	2,906	–	(6)	(52)	2,848
21.09.18	24	–	–	(16)	8
18.12.18	12	–	–	–	12
20.06.19	4,593	–	(5)	(113)	4,475
23.09.19	18	–	–	–	18
03.01.20	101	–	–	–	101
30.03.20	10	–	–	–	10
23.06.20	–	4,527	–	(66)	4,461
21.12.20	–	26	–	–	26
23.03.21	–	19	–	–	19
	11,110	4,572	(18)	(3,686)	11,978
Sub-total	**14,482**	**5,918**	**(18)**	**(4,743)**	**15,639**
Total	**34,218**	**16,150**	**(7,695)**	**(6,060)**	**36,613**

During the financial year, awards in respect of an aggregate of 7.7 million shares granted under the Singtel PSP 2012 were vested. The awards were satisfied by the delivery of existing shares purchased from the market as permitted under the Singtel PSP 2012.

As at 31 March 2021, no participant (other than Ms. Chua Sock Koong) has received shares pursuant to the vesting of awards granted under the Singtel PSP 2012 which, in aggregate, represents five per cent or more of the aggregate of –

(i) the total number of new shares available under the Singtel PSP 2012; and

(ii) the total number of existing shares purchased for delivery of awards released under the Singtel PSP 2012.

5. SHARE OPTION PLANS

During the financial year, there were:

(a) no options granted by the Company to any person to take up unissued shares of the Company; and

(b) no shares issued by virtue of any exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

5. SHARE OPTION PLANS *(Cont'd)*

The particulars of the share option plans of subsidiary corporations of the Company are as follows:

Amobee Group Pte. Ltd.

In April 2015, Amobee, a wholly-owned subsidiary corporation of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Under the terms of Amobee LTI Plan, options to purchase ordinary shares of Amobee may be granted to employees (including executive directors) and non-executive directors of Amobee and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant.

From 1 April 2020 to 31 March 2021, no options in respect of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries. As at 31 March 2021, options in respect of an aggregate of 66.2 million of ordinary shares in Amobee are outstanding.

The grant dates and exercise prices of the share options are as follows –

Date of grant	Exercise price
For employees	
13 April 2015, 14 October 2015	US$0.54 to US$0.79
20 January 2016, 10 May 2016, 23 June 2016, 24 August 2016, 19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	US$0.54
21 August 2018, 25 March 2019	US$0.55 to US$0.58
15 August 2019, 29 October 2019	US$0.58
For non-executive directors	
21 August 2018	US$0.55
1 October 2019	US$0.58

The options granted to employees and non-executive directors expire 10 years and 5 years from the date of grant respectively.

During the financial year, 609,304 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Trustwave Holdings, Inc.

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a wholly-owned subsidiary corporation of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Under the terms of the Trustwave ESOP, options to purchase common stock of Trustwave may be granted to employees (including executive directors) and non-executive directors of Trustwave and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustwave on the date of grant.

5. SHARE OPTION PLANS *(Cont'd)*

From 1 April 2020 to 31 March 2021, no options in respect of common stock in Trustwave have been granted to the employees of Trustwave and/or its subsidiaries. As at 31 March 2021, no options in respect of common stock in Trustwave are outstanding due to an option exchange programme where existing options granted under the Trustwave ESOP were exchanged for options granted by Singtel Enterprise Security Pte. Ltd.

The grant dates and exercise prices of the stock options are as follows –

Date of grant	Exercise price
1 December 2015, 22 January 2016, 19 May 2016, 12 September 2016	US$16.79
20 January 2017	US$16.24
15 March 2018, 23 May 2018, 12 July 2018, 31 August 2018	US$15.37

The options granted expire 10 years from the date of grant.

No common stock of Trustwave was issued during the financial year pursuant to the exercise of options granted under the Trustwave ESOP. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Singtel Enterprise Security Pte. Ltd.

In August 2020, Singtel Enterprise Security Pte. Ltd. ("**SES**"), a wholly-owned subsidiary corporation of the Company, implemented an option exchange programme pursuant to which employees of Trustwave and its subsidiaries who were granted stock options under the Trustwave ESOP were given a one-time opportunity to elect to cancel their outstanding and unexercised stock options under the Trustwave ESOP in exchange for options granted by SES under the Singtel Enterprise Security Pte. Ltd. 2020 Long-Term Incentive Plan ("**SES LTI Plan**") to purchase ordinary shares of SES. Under the terms of the SES LTI Plan, options to purchase ordinary shares of SES may be granted to employees (including executive directors) and non-executive directors of SES and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of SES on the date of grant.

From 1 April 2020 to 31 March 2021, options in respect of an aggregate of 4.2 million of ordinary shares in SES have been granted to the employees and non-executive directors of SES and/or its subsidiaries. As at 31 March 2021, options in respect of an aggregate of 1.9 million of ordinary shares in SES are outstanding.

The grant date and exercise price of the stock options are as follows –

Date of grant	Exercise price
1 August 2020	US$7.39

The options granted expire 10 years from the date of grant.

No ordinary shares of SES were issued during the financial year pursuant to the exercise of options granted under the SES LTI Plan. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Directors' Statement

For the financial year ended 31 March 2021

6. AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members, all of whom are non-executive and independent –

Gautam Banerjee (Chairman of the Audit Committee)
Christina Hon Kwee Fong (Christina Ong)
Gail Kelly

The Audit Committee carried out its functions in accordance with Section 201B of the Singapore Companies Act, Chapter 50.

In performing its functions, the Committee reviewed the overall scope and results of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal auditors to discuss the results of the respective examinations and their evaluation of the Company's system of internal accounting controls. The Committee also held discussions with the internal and external auditors and is satisfied that the processes put in place by management provide reasonable assurance on mitigation of fraud risk exposure to the Group.

The Committee also reviewed the financial statements of the Company and the Group, as well as the Independent Auditors' Report thereon. In the review of the financial statements of the Company and the Group, the Committee had discussed with management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements.

In addition, the Committee had, with the assistance of the internal auditors, reviewed the procedures set up by the Company and the Group to identify and report, and where necessary, sought appropriate approval for interested person transactions.

The Committee has full access to and has the co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Committee has nominated KPMG LLP for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

7. AUDITORS

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

On behalf of the Directors

Lee Theng Kiat
Chairman

Yuen Kuan Moon
Director

Singapore
25 May 2021

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2021

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Telecommunications Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2021 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 124 to 237.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

The key audit matter	*How the matter was addressed in our audit*
For the main Operating Revenues – Mobile Service, Data and Internet and Sale of Equipment, there is an inherent risk around the accuracy and timing of revenue recognition given the complexity of systems and the large volume of data processed, which are also impacted by changing pricing models and the introduction of new products and tariff arrangements.	We obtained an understanding of the nature of the various revenue streams and the related revenue recording processes, systems and controls. We have also ascertained that revenue was recognised in accordance with the adopted accounting policies. Our audit approach included controls testing as well as substantive procedures. For our procedures on the design and operating effectiveness of controls over significant IT systems, we involved our IT specialists.

Revenue recognition *(Cont'd)*

The key audit matter	*How the matter was addressed in our audit*
Significant management judgements and estimates are required when accounting for revenue from long-term contracts with respect to the Group Enterprise Infocomm Technology ("ICT") Operating Revenues. For some of these ICT contracts, estimates are required in determining the completeness and valuation of provisions against contracts that are expected to be loss-making and the recoverability of the contract assets. The accounting policies for revenue recognition are set out in **Note 2.24** to the financial statements and the various revenue streams for the Group have been disclosed in **Note 4** to the financial statements.	In particular, our procedures included: • *IT systems*: Testing of the design and implementation, and the operating effectiveness of automated controls over the capture of data at the network switches and interfaces between relevant IT applications, measurement and billing of revenue, and the recording of entries in the general ledger. • *Manual controls*: Testing of the design and implementation, and the operating effectiveness of manual controls over the initiation, authorisation, recording, and processing of revenue transactions. This included evaluating process controls over authorising new price plans and rate changes and the adjustments to the relevant billing systems. We had also tested the access controls and change management controls over the relevant billing systems. • Testing of contracts in the ICT business for appropriate revenue recognition and provisioning for contracts that were expected to be loss-making. We challenged management's underlying assumptions in making their judgements on the provisions required, including those relating to the recoverability of contract assets. • Assessing the appropriateness of the revenue recognition policies for the products and services offered by the Group in applying SFRS(I) 15 *Revenue from Contracts with Customers*, which included but was not limited to: – Assessing the appropriateness of the transaction price and its allocation to performance obligations identified within bundled contracts based on stand-alone selling prices; and – Inspection of customer contracts to evaluate whether performance obligations were satisfied over time or at a point in time, and assessed the reasonableness of estimates used in respect to revenue recognition and deferral of revenue. • Testing of manual journal entries recorded in the general ledger relating to revenue recognition.

Findings

We found that the processes and controls to account for revenue were operating effectively.

We found that the key assumptions used and estimates made in regard to revenue recognition were reasonable.

Impairment assessment of goodwill

The key audit matter	*How the matter was addressed in our audit*
Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment. At 31 March 2021, the Group's statement of financial position includes goodwill amounting to S$10.8 billion, primarily related to the following cash generating units ("CGUs"): Singtel Optus Pty Limited ("**Optus**"): S$9.5 billion Amobee, Inc. ("**Amobee**"): S$0.4 billion Global Cyber Security: S$0.7 billion The Group performed impairment assessments for each of the CGUs by estimating the recoverable amounts. The recoverable amount is the discounted sum of individually forecasted cash flows for each year over a period of 7 or 10 years and the value of the cash flows for the years thereafter using a long-term growth rate. For Amobee and Global Cyber Security, the recoverable amounts were assessed to be below the carrying values of the CGUs and an impairment loss of S$841 million (S$532 million for Amobee and S$309 million for Global Cyber Security) was recognised in the income statement with a corresponding reduction of the carrying values. As the recoverable amount for the other CGUs was assessed to be in excess of the respective carrying amounts, no impairment was determined. Forecasting of future cash flows is a highly judgemental process which requires estimation of revenue growth rates, profit margins, discount rates and future economic conditions. Refer to **Note 25** to the financial statements for the impairment assessments.	We evaluated whether CGUs were appropriately identified by management based on our understanding of the current business structure of the Group. We involved our valuation specialists in the overall assessment of the recoverable amounts of the respective CGUs. In particular, our procedures included: <u>Optus, Amobee and Global Cyber Security</u> We assessed the reasonableness of the key assumptions used by management in developing the cash flow forecasts and the discount rates used in computing the recoverable amounts, which included but are not limited to: • Agreeing the cash flow forecasts used in the impairment model to Board approved forecasts and budgets; • Considering management's expectations of the future business developments and corroborated certain information with market data; we also considered planned operational improvements to the businesses and how these plans would impact future cash flows and whether these were appropriately reflected in the cash flow forecasts used; • Challenging the appropriateness of cash flow forecasts used by comparing against historical performance and industry trends. Where relevant, assessing whether budgeted cash flows for prior years were achieved to assess forecasting accuracy; • Comparing the discount rates and terminal growth rates to observable market data; and • Performing a sensitivity analysis of the key assumptions used to determine which reasonable changes to assumptions would change the outcome of the impairment assessment.

<u>Findings</u>
We found the identification of CGUs to be reasonable and appropriate.

We found the key assumptions and estimates used in determining the impairment losses recorded to be within a supportable range.

We found the computation of the impairment amount to be reasonable.

Share of joint ventures' reported contingent liabilities and provision for losses relating to regulatory litigations and tax disputes

The key audit matter	*How the matter was addressed in our audit*
The Group's significant joint ventures have a number of on-going disputes and litigations with their local regulators and tax authorities. The Group may be exposed to significant losses as a result of the unfavourable outcome of such disputes. Significant judgement is required by management in assessing the likelihood of the outcome of each matter and whether the risk of loss is remote, possible or probable and whether the matter is considered a contingent liability to be disclosed. Where the risk of loss is probable, management is required to estimate the provision amount based on the expected economic outflow resulting from the disputes and litigations. Please refer to **Note 43** to the financial statements for 'Significant Contingent Liabilities of Associates and Joint Ventures'.	Our audit procedures included: • Inquiring with management and legal counsel of the joint ventures to understand the process and internal controls relating to the identification and assessment of the disputes and litigations, and recognition of the related liabilities, where appropriate. • Reviewing the audit working papers of the auditors of the joint ventures ('Component Auditors'), in particular, their assessment on the regulatory litigations and tax disputes that may have a material impact to the financial statements. • Discussing with the Component Auditors on their evaluation of the probability and magnitude of losses relating to the disputes and litigations, and their conclusions reached in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Findings

We found management's assessment of the regulatory litigations and tax disputes to be reasonable, and the disclosure of contingent liabilities to be appropriate. The Group's share of losses relating to the joint ventures' litigations and disputes were also found to be appropriately recorded.

Taxation

The key audit matter	*How the matter was addressed in our audit*
The Group is exposed to tax disputes with local tax authorities in the jurisdiction it operates in on a regular basis. The assessment of the outcome of such disputes requires significant judgement and could have a material impact on the financial statements. Australian Tax Office ("ATO") audit The Group has been responding to an on-going specific issue audit by the ATO in connection with the acquisition financing of Optus. The Group has engaged external specialists to advise on this matter and to assist in raising objections to the amended assessments. Significant judgement is required in assessing the probability and timing of the outlays necessary for the resolution of this matter. Please refer to **Note 42** to the financial statements.	Our audit procedures included: • Inquiring with management on the tax issues raised by the tax authorities and assessing their impact to the financial statements; • Involving our tax specialists in assessing the appropriateness of the accounting treatments of significant tax issues adopted by the Group; and • Assessing the reasonableness of management's position and the accounting impact to the financial statements. With respect to the ATO matter: • Involving our tax specialists in assessing the appropriateness of management's judgements taken on this matter, and the disclosure as a contingent liability, and that the amount paid continues to represent a receivable as at 31 March 2021; • Examining the advice that the Group had obtained from external specialists to support the position taken by management; and • Discussing with management and external specialists on the appropriateness of the management's position on the matter.

Findings
We found the position of management and the basis for it to be appropriate.

We found the disclosures to the consolidated financial statements to be adequate and appropriate in accordance to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have not obtained any other information prior to the date of this auditors' report. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2021

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2021

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Mr Ong Pang Thye.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
25 May 2021

Consolidated Income Statement

For the financial year ended 31 March 2021

	Notes	2021 S$ Mil	2020 S$ Mil
Operating revenue	4	**15,644.0**	16,542.3
Operating expenses	5	**(11,953.9)**	(12,179.7)
Other income	6	**141.5**	178.8
		3,831.6	4,541.4
Depreciation and amortisation	7	**(2,684.8)**	(2,580.3)
		1,146.8	1,961.1
Exceptional items	8	**(604.3)**	415.7
Profit on operating activities		**542.5**	2,376.8
Share of results of associates and joint ventures	9	**606.7**	(529.6)
Profit before interest, investment income (net), and tax		**1,149.2**	1,847.2
Interest and investment income (net)	10	**2.9**	180.0
Finance costs	11	**(398.1)**	(461.8)
Profit before tax		**754.0**	1,565.4
Tax expense	12	**(194.1)**	(513.2)
Profit after tax		**559.9**	1,052.2
Attributable to:			
Shareholders of the Company		**553.7**	1,074.6
Non-controlling interests		**6.2**	(22.4)
		559.9	1,052.2
Earnings per share attributable to shareholders of the Company			
– basic (cents)	13	**3.38**	6.58
– diluted (cents)	13	**3.38**	6.56

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2021

	2021 S$ Mil	2020 S$ Mil
Profit after tax	**559.9**	1,052.2
Other comprehensive income/ (loss)		
Items that may be reclassified subsequently to income statement:		
Exchange differences arising from translation of foreign operations and other currency translation differences	**705.0**	(830.7)
Reclassification of translation loss to income statement on dilution of interest in joint ventures	**50.3**	155.4
Cash flow hedges		
– Fair value changes	**(716.3)**	506.9
– Tax effects	**95.5**	(84.3)
	(620.8)	422.6
– Fair value changes transferred to income statement	**555.0**	(433.2)
– Tax effects	**(88.0)**	84.2
	467.0	(349.0)
	(153.8)	73.6
Share of other comprehensive loss of associates and joint ventures	**(283.8)**	(46.7)
Reclassification of share of other comprehensive gain of joint ventures to income statement on dilution of interest in joint ventures	**(55.2)**	(232.2)
Items that will not be reclassified subsequently to income statement:		
Fair value changes on Fair Value through Other Comprehensive Income ("**FVOCI**") investments	**132.9**	(184.9)
Other comprehensive income/ (loss), net of tax	**395.4**	(1,065.5)
Total comprehensive income/ (loss)	**955.3**	(13.3)
Attributable to:		
Shareholders of the Company	**949.1**	8.0
Non-controlling interests	**6.2**	(21.3)
	955.3	(13.3)

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Statements of Financial Position

As at 31 March 2021

		Group		Company	
	Notes	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Current assets					
Cash and cash equivalents	15	**754.7**	999.6	**126.2**	97.3
Trade and other receivables	16	**5,443.7**	5,559.4	**2,163.5**	2,065.3
Inventories	17	**271.6**	279.6	**35.6**	26.3
Derivative financial instruments	18	**62.2**	337.2	**1.2**	5.3
		6,532.2	7,175.8	**2,326.5**	2,194.2
Non-current assets					
Property, plant and equipment	19	**11,534.1**	10,363.8	**2,282.7**	2,205.8
Right-Of-Use assets	20	**2,055.7**	2,060.5	**569.1**	623.5
Intangible assets	21	**13,129.1**	13,735.9	**–**	–
Subsidiaries	22	**–**	–	**19,399.9**	19,679.2
Joint ventures	23	**11,027.9**	11,637.7	**22.8**	22.8
Associates	24	**2,055.8**	2,074.1	**24.7**	24.7
Fair value through other comprehensive income ("**FVOCI**") investments	26	**650.9**	515.0	**3.3**	4.0
Derivative financial instruments	18	**23.9**	517.5	**3.7**	134.2
Deferred tax assets	12	**302.1**	234.2	**–**	–
Other assets	27	**686.7**	640.4	**88.3**	105.7
		41,466.2	41,779.1	**22,394.5**	22,799.9
Total assets		**47,998.4**	48,954.9	**24,721.0**	24,994.1
Current liabilities					
Trade and other payables	28	**5,976.8**	5,640.9	**2,388.7**	2,417.1
Advance billings		**808.0**	732.9	**80.3**	85.5
Current tax liabilities		**267.8**	199.4	**77.8**	76.4
Borrowings (unsecured)	29	**1,612.3**	3,588.2	**–**	–
Borrowings (secured)	30	**421.6**	382.3	**60.6**	63.2
Derivative financial instruments	18	**29.5**	14.0	**4.1**	–
Net deferred gain	32	**20.8**	20.8	**–**	–
		9,136.8	10,578.5	**2,611.5**	2,642.2

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Statements of Financial Position

As at 31 March 2021

		Group		Company	
	Notes	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Non-current liabilities					
Advance billings		**147.8**	189.9	**96.9**	122.2
Borrowings (unsecured)	29	**9,042.4**	8,384.0	**799.4**	942.5
Borrowings (secured)	30	**1,783.2**	1,818.1	**524.0**	581.2
Derivative financial instruments	18	**338.5**	122.9	**76.7**	45.1
Net deferred gain	32	**367.4**	373.7	**–**	–
Deferred tax liabilities	12	**498.9**	525.5	**301.0**	275.5
Other non-current liabilities	33	**172.0**	148.3	**22.6**	18.7
		12,350.2	11,562.4	**1,820.6**	1,985.2
Total liabilities		**21,487.0**	22,140.9	**4,432.1**	4,627.4
Net assets		**26,511.4**	26,814.0	**20,288.9**	20,366.7
Share capital and reserves					
Share capital	34	**4,573.5**	4,127.3	**4,573.5**	4,127.3
Reserves		**21,912.3**	22,661.9	**15,715.4**	16,239.4
Equity attributable to shareholders of the Company		**26,485.8**	26,789.2	**20,288.9**	20,366.7
Non-controlling interests		**25.6**	24.8	**–**	–
Total equity		**26,511.4**	26,814.0	**20,288.9**	20,366.7

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Statements of Changes in Equity

For the financial year ended 31 March 2021

Group – 2021	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve[2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves[3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Total Equity S$ Mil
	Attributable to shareholders of the Company										
Balance as at 1 April 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0
Changes in equity for the year											
Performance shares purchased by the Company	–	(1.4)	–	–	–	–	–	–	(1.4)	–	(1.4)
Performance shares purchased by the Company on behalf of subsidiaries	–	(1.4)	–	–	–	–	–	–	(1.4)	–	(1.4)
Performance shares purchased by Trust[4]	–	(9.5)	–	–	–	–	–	–	(9.5)	–	(9.5)
Performance shares vested	–	20.8	(20.8)	–	–	–	–	–	–	–	–
Equity-settled share-based payment	–	–	34.1	–	–	–	–	–	34.1	–	34.1
Transfer of liability to equity	–	–	5.1	–	–	–	–	–	5.1	–	5.1
Performance shares purchased by Singtel Optus Pty Limited (“**Optus**”) and vested	–	–	(3.4)	–	–	–	–	–	(3.4)	–	(3.4)
Goodwill reclassified on dilution of equity interest in joint venture	–	–	–	–	–	–	(22.3)	22.3	–	–	–
Final dividend paid (see **Note 35**)	–	–	–	–	–	–	(889.7)	–	(889.7)	–	(889.7)
Interim dividend paid (see **Note 35**)	–	–	–	–	–	–	(832.5)	–	(832.5)	–	(832.5)
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend (see **Note 34**)	446.2	–	–	–	–	–	–	–	446.2	–	446.2
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(5.4)	(5.4)
Reclassification due to disposal of FVOCI investments	–	–	–	–	–	5.5	(5.5)	–	–	–	–
	446.2	8.5	15.0	–	–	5.5	(1,750.0)	22.3	(1,252.5)	(5.4)	(1,257.9)
Total comprehensive income/ (loss) for the year	–	–	–	755.3	(153.8)	132.9	553.7	(339.0)	949.1	6.2	955.3
Balance as at 31 March 2021	4,573.5	(22.5)	(52.0)	(1,688.6)	(79.9)	(75.8)	24,252.0	(420.9)	26,485.8	25.6	26,511.4

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.

Independent Auditors' Report – pages 116 to 123.

Statements of Changes in Equity

For the financial year ended 31 March 2021

Group – 2020	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve[2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves[3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Total Equity S$ Mil
	Attributable to shareholders of the Company										
Balance as at 1 April 2019	4,127.3	(31.7)	(76.3)	(1,767.5)	0.3	(10.3)	27,301.8	83.0	29,626.6	(28.1)	29,598.5
Changes in equity for the year											
Performance shares purchased by the Company	–	(1.8)	–	–	–	–	–	–	(1.8)	–	(1.8)
Performance shares purchased by the Company on behalf of subsidiaries	–	(1.2)	–	–	–	–	–	–	(1.2)	–	(1.2)
Performance shares purchased by Trust[4]	–	(14.8)	–	–	–	–	–	–	(14.8)	–	(14.8)
Performance shares vested	–	18.5	(18.5)	–	–	–	–	–	–	–	–
Equity-settled share-based payment	–	–	31.5	–	–	–	–	–	31.5	–	31.5
Transfer of liability to equity	–	–	4.7	–	–	–	–	–	4.7	–	4.7
Cash paid to employees under performance share plans	–	–	(0.3)	–	–	–	–	–	(0.3)	–	(0.3)
Performance shares purchased by Optus and vested	–	–	(5.2)	–	–	–	–	–	(5.2)	–	(5.2)
Goodwill reclassified on dilution of equity interest in joint venture	–	–	–	–	–	–	(91.7)	91.7	–	–	–
Final dividend paid (see **Note 35**)	–	–	–	–	–	–	(1,746.7)	–	(1,746.7)	–	(1,746.7)
Interim dividend paid (see **Note 35**)	–	–	–	–	–	–	(1,110.0)	–	(1,110.0)	–	(1,110.0)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(5.2)	(5.2)
Deconsolidation of subsidiary	–	–	(2.9)	–	–	–	–	–	(2.9)	79.4	76.5
Reclassification due to disposal of FVOCI investments	–	–	–	–	–	(19.0)	19.0	–	–	–	–
Others	–	–	–	–	–	–	1.3	–	1.3	–	1.3
	–	0.7	9.3	–	–	(19.0)	(2,928.1)	91.7	(2,845.4)	74.2	(2,771.2)
Total comprehensive (loss)/ income for the year	–	–	–	(676.4)	73.6	(184.9)	1,074.6	(278.9)	8.0	(21.3)	(13.3)
Balance as at 31 March 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Statements of Changes in Equity

For the financial year ended 31 March 2021

Company – 2021	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2020	**4,127.3**	**(1.6)**	**49.1**	**30.2**	**0.7**	**16,161.0**	**20,366.7**
Changes in equity for the year							
Performance shares purchased by the Company	**–**	**(1.4)**	**–**	**–**	**–**	**–**	**(1.4)**
Performance shares vested	**–**	**1.4**	**(1.4)**	**–**	**–**	**–**	**–**
Equity-settled share-based payment	**–**	**–**	**11.0**	**–**	**–**	**–**	**11.0**
Transfer of liability to equity	**–**	**–**	**5.1**	**–**	**–**	**–**	**5.1**
Contribution to Trust[4]	**–**	**–**	**(7.4)**	**–**	**–**	**–**	**(7.4)**
Final dividend paid (see **Note 35**)	**–**	**–**	**–**	**–**	**–**	**(889.9)**	**(889.9)**
Interim dividend paid (see **Note 35**)	**–**	**–**	**–**	**–**	**–**	**(832.8)**	**(832.8)**
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend (see **Note 34**)	**446.2**	**–**	**–**	**–**	**–**	**–**	**446.2**
	446.2	**–**	**7.3**	**–**	**–**	**(1,722.7)**	**(1,269.2)**
Total comprehensive (loss)/ income for the year	**–**	**–**	**–**	**(29.1)**	**(0.7)**	**1,221.2**	**1,191.4**
Balance as at 31 March 2021	**4,573.5**	**(1.6)**	**56.4**	**1.1**	**–**	**15,659.5**	**20,288.9**

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Statements of Changes in Equity

For the financial year ended 31 March 2021

Company – 2020	Share Capital S$ Mil	Treasury Shares[(1)] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2019	4,127.3	(1.1)	45.2	24.2	2.0	17,045.8	21,243.4
Changes in equity for the year							
Performance shares purchased by the Company	–	(1.8)	–	–	–	–	(1.8)
Performance shares vested	–	1.3	(1.3)	–	–	–	–
Equity-settled share-based payment	–	–	12.2	–	–	–	12.2
Transfer of liability to equity	–	–	4.6	–	–	–	4.6
Cash paid to employees under performance share plans	–	–	(0.3)	–	–	–	(0.3)
Contribution to Trust[(4)]	–	–	(11.3)	–	–	–	(11.3)
Final dividend paid (see **Note 35**)	–	–	–	–	–	(1,747.2)	(1,747.2)
Interim dividend paid (see **Note 35**)	–	–	–	–	–	(1,110.4)	(1,110.4)
Others	–	–	–	–	–	1.3	1.3
	–	(0.5)	3.9	–	–	(2,856.3)	(2,852.9)
Total comprehensive income/(loss) for the year	–	–	–	6.0	(1.3)	1,971.5	1,976.2
Balance as at 31 March 2020	4,127.3	(1.6)	49.1	30.2	0.7	16,161.0	20,366.7

Notes:

(1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-32, *Financial Instruments: Presentation.*

(2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

(3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.

(4) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2021

	2021 S$ Mil	2020 S$ Mil
Cash Flows From Operating Activities		
Profit before tax	**754.0**	1,565.4
Adjustments for –		
Depreciation and amortisation	**2,684.8**	2,580.3
Share of results of associates and joint ventures	**(606.7)**	529.6
Exceptional items (non-cash)	**484.5**	(486.0)
Interest and investment income (net)	**(2.9)**	(180.0)
Finance costs	**398.1**	461.8
Other non-cash items	**43.9**	35.6
	3,001.7	2,941.3
Operating cash flow before working capital changes	**3,755.7**	4,506.7
Changes in operating assets and liabilities		
Trade and other receivables	**537.9**	188.5
Trade and other payables	**8.3**	55.8
Inventories	**37.6**	119.5
Cash generated from operations	**4,339.5**	4,870.5
Dividends received from associates and joint ventures	**1,433.5**	1,439.2
Income tax and withholding tax paid	**(164.0)**	(491.9)
Payment to employees in cash under performance share plans	**–**	(0.5)
Net cash from operating activities	**5,609.0**	5,817.3
Cash Flows From Investing Activities		
Payment for purchase of property, plant and equipment	**(2,214.4)**	(2,036.6)
Purchase of intangible assets	**(214.0)**	(350.0)
Investment in associate/ joint venture (**Note 1**)	**(4.2)**	(761.8)
Payment/ Deferred payment for acquisition of subsidiaries, net of cash acquired (**Note 2**)	**(261.1)**	(4.2)
Payment for acquisition of FVOCI investments	**(20.4)**	(85.2)
Deconsolidation of subsidiary	**–**	(3.0)
Proceeds/ Deferred proceeds from disposal of associate and joint venture	**3.5**	6.9
Proceeds from sale of property, plant and equipment	**31.3**	145.8
Proceeds from sale of FVOCI investments	**12.8**	30.8
Interest received	**2.2**	6.8
Investment income received from FVOCI investments (net of withholding tax paid)	**13.0**	147.7
Withholding tax paid on intra-group interest income	**(14.9)**	(18.0)
Net cash used in investing activities	**(2,666.2)**	(2,920.8)

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2021

	Note	2021 S$ Mil	2020 S$ Mil
Cash Flows From Financing Activities			
Proceeds from term loans		**4,868.3**	5,684.6
Repayment of term loans		**(5,935.6)**	(5,667.9)
Proceeds from bond issue		**1,864.2**	1,803.7
Repayment of bonds		**(2,060.4)**	(690.3)
Lease payments		**(429.3)**	(403.9)
Net (repayment of)/ proceeds from borrowings		**(1,692.8)**	726.2
Final dividend paid to shareholders of the Company		**(889.7)**	(1,746.7)
Interim dividend paid to shareholders of the Company		**(383.2)**	(1,110.0)
Net interest paid on borrowings and swaps		**(392.5)**	(463.3)
Settlement of swaps for bonds repaid		**196.8**	173.9
Purchase of performance shares		**(15.7)**	(23.0)
Dividend paid to non-controlling interests		**(5.4)**	(5.2)
Others		**(7.5)**	(8.5)
Net cash used in financing activities		**(3,190.0)**	(2,456.6)
Net change in cash and cash equivalents		**(247.2)**	439.9
Exchange effects on cash and cash equivalents		**(2.1)**	37.2
Cash and cash equivalents at beginning of year		**989.8**	512.7
Cash and cash equivalents at end of year	15	**740.5**	989.8

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2021

Note 1: Investment in joint venture

In the previous financial year, Singtel paid S$735 million for subscription to Bharti Airtel Limited's rights issue based on its rights entitlement for its direct stake of 15%.

Note 2: Payment for acquisition of subsidiaries

(a) On 27 November 2020, NCS Pte. Ltd., a wholly-owned subsidiary of the Group, completed the acquisition of 2359 Media Pte. Ltd., a digital services consultancy firm, for S$4.1 million. The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

	31 March 2021 S$ Mil
Identifiable intangible assets (provisional)	**3.7**
Non-current assets	**0.3**
Cash and cash equivalents	**0.2**
Current assets (excluding cash and cash equivalents)	**1.3**
Total liabilities	**(1.4)**
Net assets acquired	**4.1**
Goodwill (provisional)	**–**
Total cash consideration	**4.1**
Less: Consideration unpaid as at 31 March 2021	**(1.7)**
Less: Cash and cash equivalents acquired	**(0.2)**
Net outflow of cash	**2.2**

(b) On 1 February 2021, Optus Mobile Pty Limited, a wholly-owned subsidiary of the Group, completed the acquisition of the mobile business of amaysim Australia Limited, for S$255 million (A$250 million). The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

	31 March 2021 S$ Mil
Non-current assets	**2.8**
Cash and cash equivalents	*****
Current assets (excluding cash and cash equivalents)	**3.5**
Total liabilities	**(16.5)**
Net liabilities acquired	**(10.2)**
Goodwill (provisional)	**264.8**
Total cash consideration	**254.6**
Less: Consideration unpaid as at 31 March 2021	**(0.3)**
Less: Cash and cash equivalents acquired	*****
Net outflow of cash	**254.3**

"" denotes amount of less than +/-S$0.05 million.*

(c) During the financial year, deferred payment of S$4.6 million (2020: S$4.2 million) was made in respect of the acquisition of Hivint Pty Limited.

The accompanying notes on pages 135 to 237 form an integral part of these financial statements.
Independent Auditors' Report – pages 116 to 123.

Notes to the Financial Statements

For the financial year ended 31 March 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Singtel is domiciled and incorporated in Singapore and is publicly traded on the Singapore Exchange Limited. The address of its registered office is 31 Exeter Road, Comcentre, Singapore 239732.

The principal activities of the Company consist of the operation and provision of telecommunications systems and services, and investment holding. The principal activities of the significant subsidiaries are disclosed in **Note 46**.

In Singapore, the Group has the rights to provide fixed national and international telecommunications services to 31 March 2037, and public cellular mobile telephone services to 31 March 2032. In addition, the Group is licensed to offer Internet services and has also obtained frequency spectrum and licence rights to install, operate and maintain mobile communication systems and services including wireless broadband systems and services. The Group also holds the requisite licence to provide nationwide subscription television services.

In Australia, Optus is granted telecommunication licences under the Telecommunications Act 1991. Pursuant to the Telecommunications (Transitional Provisions and Consequential Amendments) Act 1997, the licences continued to have effect after the deregulation of telecommunications in Australia in 1997. The licences do not have finite terms, but are of continuing operation until cancelled under the Telecommunications Act 1997.

These financial statements were authorised and approved for issue in accordance with a Directors' resolution dated 25 May 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") including related interpretations, and the provisions of the Singapore Companies Act. They have been prepared under the historical cost basis, except as disclosed in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement are disclosed in **Note 3**.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.2 Changes in significant accounting policies

The accounting policies have been consistently applied by the Group, and are consistent with those used in the previous financial year. The adoption of the new or revised SFRS(I)s and Interpretations to SFRS(I) ("**INT SFRS(I)**") which were mandatory from 1 April 2020 resulted in changes to the Group's accounting policies but have had no significant impact on the financial statements of the Group or the Company in the current financial year.

The following are the relevant new or revised SFRS(I)s, amendments and INT SFRS(I) adopted by the Group in the current financial year –

Amendments to References to Conceptual Framework in SFRS(I) Standards
Definition of a Business (Amendments to SFRS(I) 3)
Definition of Material (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)
Interest Rate Benchmark Reform (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7)

The Group has considered the transition disclosure requirements specified in Interest Rate Benchmark Reform (Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7) and the disclosure requirements in paragraph 28 of SFRS(I) 1-8. In determining the nature and extent of disclosure, the Group also considered its facts and circumstances and the extent to which it is affected by the amendments. Please refer to **Note 2.16.1** for the disclosures.

2.3 Foreign Currencies

2.3.1 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The statement of financial position and statement of changes in equity of the Company and consolidated financial statements of the Group are presented in Singapore Dollar, which is the functional and presentation currency of the Company and the presentation currency of the Group.

2.3.2 Transactions and balances

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at exchange rates ruling at that date. Foreign exchange differences arising from translation are recognised in the income statement.

2.3.3 Translation of foreign operations' financial statements

In the preparation of the consolidated financial statements, the assets and liabilities of foreign operations are translated to Singapore Dollar at exchange rates ruling at the end of the reporting period except for share capital and reserves which are translated at historical rates of exchange (see below for translation of goodwill and fair value adjustments).

Income and expenses in the consolidated income statement are translated using either the average exchange rates for the month or year, which approximate the exchange rates at the dates of the transactions. All resulting translation differences are taken directly to 'Other Comprehensive Income'.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.3.3 Translation of foreign operations' financial statements *(Cont'd)*

On loss of control of a subsidiary, loss of significant influence of an associate or loss of joint control of a joint venture, the accumulated translation differences relating to that foreign operation are reclassified from equity to the consolidated income statement as part of gain or loss on disposal.

On partial disposal where there is no loss of control of a subsidiary, the accumulated translation differences relating to the disposal are reclassified to non-controlling interests. For partial disposals of associates or joint ventures, the proportionate accumulated translation differences relating to the disposal are taken to the consolidated income statement.

2.3.4 Translation of goodwill and fair value adjustments

Goodwill and fair value adjustments arising on the acquisition of foreign entities completed on or after 1 April 2005 are treated as assets and liabilities of the foreign entities and are recorded in the functional currencies of the foreign entities and translated at the exchange rates prevailing at the end of the reporting period. However, for acquisitions of foreign entities completed prior to 1 April 2005, goodwill and fair value adjustments continue to be recorded at the exchange rates at the respective dates of the acquisitions.

2.3.5 Net investment in a foreign entity

The exchange differences on loans from the Company to its subsidiaries, associates or joint ventures which form part of the Company's net investment in the subsidiaries, associates or joint ventures are included in 'Currency Translation Reserve' in the consolidated financial statements. On disposal of the foreign entity, the accumulated exchange differences deferred in the 'Currency Translation Reserve' are reclassified to the consolidated income statement in a similar manner as described in **Note 2.3.3**.

2.4 Cash and Cash Equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, balances with banks and fixed deposits with original maturity of mainly three months or less, net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

Bank overdrafts are included under borrowings in the statement of financial position.

2.5 Contract Assets

Where revenue recognised for a customer contract exceeds the amount received or receivable from a customer, a contract asset is recognised. Contract assets arise from bundled telecommunications contracts where equipment delivered at a point in time are bundled with services delivered over time. Contract assets also arise from information technology contracts where performance obligations are delivered over time (see **Note 2.24**). Contract assets are transferred to trade receivables when the consideration for performance obligations are billed. Contract assets are included in 'Trade and other receivables' under current assets as they are expected to be realised in the normal operating cycle. Contract assets are subject to impairment review for credit risk in accordance with the expected loss model.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.6 Trade and Other Receivables

Trade and other receivables, including contract assets and receivables from subsidiaries, associates and joint ventures, are initially recognised at fair values and subsequently measured at amortised cost using the effective interest method, less an allowance for expected credit loss ("**ECL**").

The Group applied the 'simplified approach' for determining the allowance for ECL for trade receivables and contract assets, where lifetime ECL are recognised in the income statement at initial recognition of receivables and updated at each reporting date. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of the receivable. When determining the allowance for ECL, the Group considers reasonable and supportable information that is relevant and available for customer types. This includes both qualitative and quantitative information based on the Group's historical experience and forward looking information such as general economic factors as applicable. Loss events include financial difficulty or bankruptcy of the debtor, significant delay in payments and breaches of contracts.

Trade and other receivables are written off against the allowance for ECL when there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are recognised in the income statement.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

2.8 Contract Liabilities

Where the amounts received or receivable from customers exceed the revenues recognised for contracts, contract liabilities or advance billings are recognised in the statement of financial position. Contract liabilities or advance billings are recognised as revenues when services are provided to customers.

2.9 Trade and Other Payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2.10 Borrowings

Borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs. After initial recognition, borrowings are subsequently stated at amortised cost using the effective interest method.

2.11 Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. No provision is recognised for future operating losses.

For information technology contracts, a provision for expected project loss is made when it is probable that total contract costs will exceed total contract revenue.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.12 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which fair values can be reliably determined.

2.13 Group Accounting

The accounting policy for investments in subsidiaries, associates and joint ventures in the Company's financial statements is stated in **Note 2.14**. The Group's accounting policy on goodwill is stated in **Note 2.20.1**.

2.13.1 Subsidiaries

Subsidiaries are entities (including structured entities) controlled by the Group. Control exists when the Group has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the Group the ability to direct activities that significantly affect the entity's returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above. Subsidiaries are consolidated from the date that control commences until the date that control ceases. All significant inter-company balances and transactions are eliminated on consolidation.

2.13.2 Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Equity accounting involves recording the investment in associates initially at cost, and recognising the Group's share of the post-acquisition results of associates in the consolidated income statement, and the Group's share of post-acquisition reserve movements in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments in the consolidated statement of financial position.

Where the Group's interest in an associate reduces as a result of a deemed disposal, any gain or loss arising as a result of the deemed disposal is taken to the consolidated income statement.

Where the Group increases its interest in its existing associate and it remains as an associate, the incremental cost of investment is added to the existing carrying amount without considering the fair value of the associate's identifiable assets and liabilities.

In the consolidated statement of financial position, investments in associates include goodwill on acquisition identified on acquisitions completed on or after 1 April 2001, net of accumulated impairment losses. Goodwill is assessed for impairment as part of the investment in associates.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.13.2 Associates *(Cont'd)*

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including loans that are in fact extensions of the Group's investment, the Group does not recognise further losses, unless it has incurred or guaranteed obligations in respect of the associate.

Unrealised gains resulting from transactions with associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

If the share of the unrealised gain exceeds its interest in the associate, the unrealised gain is presented net of the Group's carrying amount of the associate.

2.13.3 Joint ventures

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing the control.

The Group's interest in joint ventures is accounted for in the consolidated financial statements using the equity method of accounting.

Where the Group's interest in a joint venture reduces as a result of a deemed disposal, any gain or loss arising as a result of the deemed disposal is taken to the consolidated income statement.

Where the Group increases its interest in its existing joint venture and it remains as a joint venture, the incremental cost of investment is added to the existing carrying amount without considering the fair value of the joint venture's identifiable assets and liabilities.

In the consolidated statement of financial position, investments in joint ventures include goodwill on acquisition identified on acquisitions completed on or after 1 April 2001, net of accumulated impairment losses. Goodwill is assessed for impairment as part of the investment in joint ventures.

The Group's interest in its unincorporated joint operations is accounted for by recognising the Group's share of assets and liabilities from the joint operations, as well as expenses incurred by the Group and the Group's share of income earned from the joint operations, in the consolidated financial statements.

Unrealised gains resulting from transactions with joint ventures are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.13.4 Dividends from associates and joint ventures

Dividends are recognised when the Group's rights to receive payment have been established. Dividends received from an associate or joint venture in excess of the Group's carrying value of the equity accounted investee are recognised as dividend income in the consolidated income statement where there is no legal or constructive obligation to refund the dividend nor is there any commitment to provide financial support to the investee. Equity accounting is then suspended until the investee has made sufficient profits to cover the income previously recognised for the excess cash distributions.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.13.5 Structured entity

The Trust has been consolidated in the consolidated financial statements under SFRS(I) 10, *Consolidated Financial Statements*.

2.13.6 Business combinations

Business combinations are accounted for using the acquisition method on and after 1 April 2010. The consideration for each acquisition is measured at the aggregate of the fair values of assets given, liabilities incurred and equity interests issued by the Group and any contingent consideration arrangement at acquisition date. Acquisition-related costs, other than those associated with the issue of debt or equity, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the consolidated income statement.

For business combinations that are achieved in stages, any existing equity interests in the acquiree entity are re-measured to their fair values at acquisition date and any changes are taken to the consolidated income statement.

Non-controlling interests in subsidiaries represent the equity in subsidiaries which are not attributable, directly or indirectly, to the shareholders of the Company, and are presented separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and within equity in the consolidated statement of financial position. The Group elects for each individual business combination whether non-controlling interests in the acquiree entity are recognised at fair value, or at the non-controlling interests' proportionate share of the fair value of the acquiree entity's identifiable net assets, at the acquisition date.

Total comprehensive income is attributed to non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a debit balance.

Changes in the Group's interest in subsidiaries that do not result in loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, any interest retained in the former subsidiary is recorded at fair value with the re-measurement gain or loss recognised in the consolidated income statement.

2.14 Investments in Subsidiaries, Associates and Joint Ventures

In the Company's statement of financial position, investments in subsidiaries, associates and joint ventures, including loans that meet the definition of equity instruments, are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable value. On disposal of investments in subsidiaries, associates and joint ventures, the difference between the net disposal proceeds and the carrying amount of the investment is recognised in the income statement of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.15 Fair Value Through Other Comprehensive Income ("FVOCI") Investments

On initial recognition, the Group has made an irrevocable election to designate all equity investments (other than investments in subsidiaries, associates or joint ventures) as FVOCI investments as these are strategic investments held for the long term. They are initially recognised at fair value plus directly attributable transaction costs, with subsequent changes in fair value and translation differences recognised in 'Other Comprehensive Income' and accumulated within 'Fair Value Reserve' in equity. Upon disposal, the gain or loss accumulated in equity is transferred to retained earnings and is not reclassified to the income statement. Dividends are recognised in the income statement when the Group's right to receive payments is established.

Purchases and sales of investments are recognised on trade date, which is the date that the Group commits to purchase or sell the investment.

2.16 Derivative Financial Instruments and Hedging Activities

The Group enters into the following derivative financial instruments to hedge its risks, namely –

> Cross currency swaps and interest rate swaps as fair value hedges for interest rate risk and cash flow hedges for currency risk arising from the Group's issued bonds. The swaps involve the exchange of principal and floating or fixed interest receipts in the foreign currency in which the issued bonds are denominated, for principal and floating or fixed interest payments in the entities' functional currencies.
>
> Forward foreign exchange contracts as cash flow hedges for the Group's exposure to foreign currency exchange risks arising from forecasted or committed expenditure.

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair values at the end of each reporting period.

A derivative financial instrument is carried as an asset when the fair value is positive and as a liability when the fair value is negative.

Any gains or losses arising from changes in fair value are recognised immediately in the income statement, unless they qualify for hedge accounting.

2.16.1 Hedge accounting

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and strategy for undertaking various hedge transactions. At inception and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting the changes in fair values or cash flows of the hedged item attributable to the hedged risk. To be effective, the hedging relationships are to meet all of the following requirements:

(i) there is an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk does not dominate the fair value changes that result from that economic relationship; and

(iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group hedges and the quantity of the hedging instrument that the Group uses to hedge that quantity of the hedged item.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.16.1 Hedge accounting *(Cont'd)*

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward currency contract (i.e. including the forwards elements) as the hedged risk for all its hedging relationships involving forward currency contracts.

Note 18.1 sets out the details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedge

Designated derivative financial instruments that qualify for fair value hedge accounting are initially recognised at fair value on the date that the contract is entered into. Changes in fair value of derivatives are recorded in the income statement together with any changes in the fair value of the hedged items that are attributable to the hedged risks.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised in the income statement from that date.

Cash flow hedge

The effective portion of changes in the fair value of the designated derivative financial instruments that qualify as cash flow hedges are recognised in 'Other Comprehensive Income'. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in the 'Hedging Reserve' within equity are transferred to the income statement in the periods when the hedged items affect the income statement.

However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gain or loss previously recognised in 'Other Comprehensive Income' and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect 'Other Comprehensive Income'. Furthermore, if the Group expects some or all the loss accumulated in 'Other Comprehensive Income' will not be recovered in the future, that amount is immediately reclassified to the income statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is transferred to the income statement when the forecast transaction is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the income statement.

Hedges directly affected by interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally to replace some of the interbank offered rates ("**IBORs**") with alternative risk-free rates. The Group has exposure to IBORs on its loans and derivatives that will be replaced or reformed as part of these market-wide initiatives. There is uncertainty over the timing and the methods of transition in some jurisdictions that the Group operates in. The Group anticipates that IBOR reform may have some impact on its risk management and hedge accounting and has started to engage the existing lenders to plan the transition of the affected loans and derivatives. The impact to the Group will be assessed once there is clarity to the timing and methods of transition for the IBORs.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.16.1 Hedge accounting *(Cont'd)*

Hedges directly affected by interest rate benchmark reform *(Cont'd)*

The Group's exposure to London Interbank Offered Rate and Swap Offered Rate ("**SOR**") designated in hedging relationships that may be affected by the interest rate benchmark reform approximates S$5.29 billion and US$600 million as at 31 March 2021 (2020: S$5.29 billion and US$600 million), representing the notional amount of the hedging interest rate and cross currency swaps maturing in 2021 to 2031.

For cash flow hedging relationships impacted by the interest rate benchmark reform, the Group assumes that the cash flows of the hedged item and hedging instrument will not be altered.

In Singapore, Singapore Interbank Offered Rate ("**SIBOR**") and SOR continue to be used as reference rates in financial markets and are used in the valuation of instruments with maturities that exceed the expected end date for SIBOR and SOR. The Group believes the current market structure supports the continuation of hedge accounting as at 31 March 2021.

2.17 Fair Value Estimation of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

The following methods and assumptions are used to estimate the fair value of each class of financial instrument –

Bank balances, receivables and payables, current borrowings

The carrying amounts approximate fair values due to the relatively short maturity of these instruments.

Quoted and unquoted investments

The fair values of investments traded in active markets are based on the market quoted price or the price quoted by the market maker at the close of business at the end of the reporting period.

The fair values of unquoted investments are determined primarily using recent arm's length transactions.

Cross currency and interest rate swaps

The fair value of a cross currency or an interest rate swap is the estimated amount that the swap contract can be exchanged for or settled with under normal market conditions. This fair value can be estimated using the discounted cash flow method where the future cash flows of the swap contract are discounted at the prevailing market foreign exchange rates and interest rates. Market interest rates are actively quoted interest rates or interest rates computed by applying techniques to these actively quoted interest rates.

Forward foreign currency contracts

The fair value of forward foreign exchange contracts is determined using forward exchange market rates for contracts with similar maturity profiles at the end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.17 Fair Value Estimation of Financial Instruments *(Cont'd)*

Non-current borrowings

For disclosure purposes, the fair values of non-current borrowings which are traded in active markets are based on the quoted market ask price. For other non-current borrowings, the fair values are based on valuations provided by service providers or estimated by discounting the future contractual cash flows using discount rates based on the borrowing rates which the Group expects would be available at the end of the reporting period.

2.18 Financial Guarantee Contracts

Financial guarantees issued by the Company prior to 1 April 2010 are recorded initially at fair values plus transaction costs and amortised in the income statement over the period of the guarantee. Financial guarantees issued by the Company on or after 1 April 2010 are directly charged to the subsidiary as guarantee fees based on fair values.

2.19 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, where applicable. The cost of self-constructed assets includes the cost of material, direct labour, capitalised borrowing costs and an appropriate proportion of production overheads.

Depreciation is calculated on a straight-line basis to write off the cost of the property, plant and equipment over its expected useful life. The estimated useful lives are as follows –

	No. of years
Buildings	5 – 40
Transmission plant and equipment	5 – 25
Switching equipment	3 – 15
Other plant and equipment	2 – 20

Other plant and equipment consist mainly of motor vehicles, office equipment, and furniture and fittings.

No depreciation is provided on freehold land, long-term leasehold land with a remaining lease period of more than 100 years and capital work-in-progress. Leasehold land with a remaining lease period of 100 years or less is depreciated in equal instalments over its remaining lease period.

In respect of capital work-in-progress, assets are depreciated from the month the asset is completed and ready for use.

Costs of computer software which are an integral part of the related hardware are capitalised and recognised as assets and included in property, plant and equipment when it is probable that the costs will generate economic benefits beyond one year and the costs are associated with identifiable software products which can be reliably measured by the Group.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Costs may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Subsequent expenditure is included in the carrying amount of an asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.19 Property, Plant and Equipment *(Cont'd)*

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

On disposal of property, plant and equipment, the difference between the disposal proceeds and its carrying value is taken to the income statement.

2.20 Intangible Assets

2.20.1 Goodwill

Goodwill on acquisition of subsidiaries on and after 1 April 2010 represents the excess of the consideration transferred, the recognised amount of any non-controlling interest in the acquiree entity and the fair value of any previous equity interest in the acquiree entity over the fair value of the net identifiable assets acquired, including contingent liabilities, at the acquisition date. Such goodwill is recognised separately as intangible asset and stated at cost less accumulated impairment losses.

Acquisitions completed prior to 1 April 2001

Goodwill on acquisitions of subsidiaries, associates and joint ventures completed prior to 1 April 2001 had been adjusted in full against 'Other Reserves' within equity. Such goodwill has not been retrospectively capitalised and amortised.

The Group also had acquisitions where the costs of acquisition were less than the fair value of identifiable net assets acquired. Such differences (negative goodwill) were adjusted against 'Other Reserves' in the year of acquisition.

Goodwill which has been previously taken to 'Other Reserves', is not taken to the consolidated income statement when the entity is disposed of or when the goodwill is impaired.

Acquisitions completed on or after 1 April 2001

Prior to 1 April 2004, goodwill on acquisitions of subsidiaries, associates and joint ventures completed on or after 1 April 2001 was capitalised and amortised on a straight-line basis in the consolidated income statement over its estimated useful life of up to 20 years. In addition, goodwill was assessed for indications of impairment at the end of each reporting period.

Since 1 April 2004, goodwill is no longer amortised but is tested annually for impairment or whenever there is an indication of impairment (see **Note 2.21**). The accumulated amortisation for goodwill as at 1 April 2004 had been eliminated with a corresponding decrease in the capitalised goodwill.

When there is negative goodwill, a bargain purchase gain is recognised directly in the consolidated income statement.

Gains or losses on disposal of subsidiaries, associates and joint ventures include the carrying amount of capitalised goodwill relating to the entity sold.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.20.2 Other intangible assets

Expenditure on telecommunication and spectrum licences are capitalised and amortised using the straight-line method over their estimated useful lives of 11 to 16 years.

Other intangible assets which are acquired in business combinations are carried at fair values at the date of acquisition, and amortised on a straight-line basis over the period of the expected benefits. Customer relationships or customer contracts, brand, and technology have estimated useful lives of 3 to 10 years. Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

2.21 Impairment of Non-Financial Assets

Goodwill on acquisition of subsidiaries is subject to an annual impairment test or is more frequently tested for impairment if events or changes in circumstances indicate that it might be impaired. Goodwill is not amortised (see **Note 2.20.1**).

Other intangible assets of the Group, which have finite useful lives and are subject to amortisation, as well as property, plant and equipment and investments in subsidiaries, associates and joint ventures, are reviewed at the end of each reporting period to determine whether there is any indicator for impairment, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the assets' recoverable amounts are estimated.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and its value-in-use.

An impairment loss for an asset, other than goodwill on acquisition of subsidiaries, is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. Impairment loss on goodwill on acquisition of subsidiaries is not reversed.

2.22 Non-current Assets (or Disposal Groups) Held For Sale

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of their carrying amounts and fair value less costs to sell if their carrying amounts are recovered principally through sale transactions rather than through continuing use.

2.23 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity shares are taken to equity as a deduction, net of tax, from the proceeds.

When the Company purchases its own equity share capital, the consideration paid, including any directly attributable costs, is recognised as 'Treasury Shares' within equity. When the shares are subsequently disposed, the realised gains or losses on disposal of the treasury shares are included in 'Other Reserves' of the Company.

The Trust acquires shares in the Company from the open market for delivery to employees upon vesting of performance shares awarded under Singtel performance share plans. Such shares are designated as 'Treasury Shares'. In the consolidated financial statements, the cost of unvested shares, including directly attributable costs, is recognised as 'Treasury Shares' within equity.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.23 Share Capital *(Cont'd)*

Upon vesting of the performance shares, the weighted average costs of the shares delivered to employees, whether held by the Company or the Trust, are transferred to 'Capital Reserve' within equity in the financial statements.

2.24 Revenue Recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring control of a promised good or service to the customer. It is measured based on the amount of the transaction price allocated to the satisfied performance obligation, and are net of goods and services tax, rebates, discounts and sales within the Group.

Revenue from service contracts (e.g. telecommunications or pay TV) are recognised ratably over the contract periods as control over the services passes to the customers as services are provided. Service revenue is also recognised based on usage (e.g. minutes of traffic/ bytes of data).

For prepaid cards which have been sold, revenue is recognised based on usage. A contract liability is recognised for advance payments received from customers where services have not been rendered as at the end of the reporting period. Expenses directly attributable to the unearned revenue are deferred until the revenue is recognised.

Revenue from the sale of equipment (primarily handsets and accessories) is recognised upon the transfer of control to the customer or third party dealer which generally coincides with delivery and acceptance of the equipment sold.

Goods and services deliverable under bundled telecommunication contracts are identified as separate performance obligations to the extent that the customer can benefit from the goods or services on their own. The transaction price is allocated between goods and services based on their relative standalone selling prices. Standalone selling prices are determined by assessing prices paid for standalone equipment and for service-only contracts (e.g. arrangements where customers bring their own equipment). Where standalone selling prices are not directly observable, estimation techniques are used.

Contracts with customers generally do not include a material right. In cases where material rights are granted such as the award of mobile price plan discount vouchers, a portion of the transaction price is deferred as a contract liability (see **Note 2.8**) and is not recognised as revenue until this additional performance obligation has been satisfied or has lapsed.

Incentives given to customers are recognised as a reduction from revenue in accordance with the specific terms and conditions of each contract.

Non-refundable, upfront service activation and setup fees associated with service arrangements are deferred and recognised over the associated service contract period or customer life.

The Group may exchange network capacity with other capacity or service providers. The exchange is regarded as a transaction which generates revenue unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given up is reliably measurable.

When the Group has control of goods or services prior to delivery to a customer, the Group is the principal in the sale to the customer. If another party has control of goods and services prior to transfer to a customer, then the Group is acting as an agent for the other party and revenue is recognised net of any related payments. The Group typically acts as an agent for digital mobile content such as music and video.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.24 Revenue Recognition *(Cont'd)*

For information technology projects, revenue is recognised over time based on the cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, while invoicing is typically based on milestones. A contract asset is recognised for work performed. Any amount previously recognised as a contract asset is transferred to trade receivable upon invoicing to the customer. If the milestone payment exceeds the revenue recognised to date, then the Group recognises a contract liability for the difference.

Revenues from sale of perpetual software licences and the related hardware are recognised when title passes to the customer, generally upon delivery.

Revenues from digital advertising services and solutions are recognised when advertising services are delivered, and when digital advertising impressions are delivered or click-throughs occur. Revenue from sale of advertising space is recognised when the advertising space is filled and sold to customers. The Group is generally the principal in transactions carried out through Amobee's advertising platforms and therefore reports gross revenue based on the amount billed to customers.

Dividend income is recorded gross in the income statement when the right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

Revenue recognition for leases is described in **Note 2.25.2**.

2.25 Leases

2.25.1 Lessee accounting

The Group is a lessee mainly for central offices, data centres, corporate offices, retail stores, network equipment, ducts and manholes.

The Group implements a single accounting model where lessees recognise right-of-use assets and liabilities for all leases. The Group accounts for short term leases, i.e. leases with terms of 12 months or less, as well as low-valued assets as operating expenses in the income statement over the lease term.

A right-of-use asset and a lease liability are recognised at commencement date of the contract for all leases conveying the right to control the use of identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

Renewal and termination options exercisable by the Group are included in lease terms across the Group if the Group is reasonably certain that they are to be extended (or not terminated).

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Depreciation is calculated using the straight-line method over the shorter of the asset's useful life or the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Group's incremental borrowing rate or the rate implicit in the lease.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.25.1 Lessee accounting *(Cont'd)*

After the commencement date, the Group measures the lease liability by:
- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect lease payments made, and
- re-measuring the carrying amount to reflect any reassessment or lease modifications.

2.25.2 Lessor accounting

The Group is a lessor mainly for data centres, ducts and fibres, as well as handsets.

Operating leases are leases where the Group retains substantially all the risks and rewards of ownership of the assets. Income from operating leases are recognised on a straight-line basis over the lease terms as the entitlement to the fees accrues. The leased assets are included in the statement of financial position as property, plant and equipment.

Finance leases are leases of assets where substantially all the risks and rewards incidental to ownership of the assets are transferred by the Group to the lessees. Receivables under finance leases are presented in the statement of financial position at an amount equal to the net investment in the leases and the leased assets are derecognised. Finance income is allocated using a constant periodic rate of return on the net investment over the lease term.

2.25.3 Intermediate lessor

The Group as an intermediate lessor accounts for a head lease and a sublease as two separate contracts. The sublease transaction is accounted as either finance lease or operating lease by reference to the right-of-use asset arising from the head lease. Leasing transactions with customers are accounted as operating or finance leases by reference to the head lease.

2.25.4 Sales of network capacity

Sales of network capacity are accounted as finance leases where –

(i) the purchaser's right of use is exclusive and irrevocable;
(ii) the asset is specific and separable;
(iii) the terms of the contract are for the major part of the asset's economic useful life;
(iv) the attributable costs or carrying value can be measured reliably; and
(v) no significant risks are retained by the Group.

Sales of network capacity that do not meet the above criteria are accounted for as operating leases.

2.26 Contract Costs

Sales commission and the costs of customer premise equipment directly attributable to obtaining and fulfilling a customer's contract are capitalised in the statement of financial position and amortised as operating expenses over the contract period or expected customer relationship period.

Costs to obtain contracts in the form of handset subsidies given to mobile customers via indirect channels are also capitalised in the statement of financial position but are amortised as a reduction of mobile service revenue over the contract period or expected customer relationship period. The contract period or expected customer relationship period typically ranges from 1 year to 5 years.

Capitalised contract costs are included in 'Other Assets' under non-current assets.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.27 Employees' Benefits

2.27.1 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund. The Group has no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

The Group's contributions to the defined contribution plans are recognised in the income statement as expenses in the financial year to which they relate.

2.27.2 Employees' leave entitlements

Employees' entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability of annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

2.27.3 Share-based compensation

Performance shares and share options

The performance share plans of the Group are accounted for either as equity-settled share-based payments or cash-settled share-based payments. The share option plans of the subsidiaries are accounted for as equity-settled share-based payments.

Equity-settled share-based payments are measured at fair value at the date of grant, whereas cash-settled share-based payments are measured at current fair value at the end of each reporting period. The share-based payment expense is amortised and recognised in the income statement on a straight-line basis over the vesting period.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that the participants are expected to receive based on non-market vesting conditions. The difference is charged or credited to the income statement, with a corresponding adjustment to equity or liability for equity-settled and cash-settled share-based payments respectively.

The dilutive effects of the Singtel performance share plans are reflected as additional share dilution in the computation of diluted earnings per share.

2.28 Borrowing Costs

Borrowing costs comprise interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in arranging the borrowings, and lease charges. Borrowing costs are generally expensed as incurred, except to the extent that they are capitalised if they are directly attributable to the acquisition, construction, or production of a qualifying asset.

2.29 Pre-incorporation Expenses

Pre-incorporation expenses are expensed as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.30 Government Grants

Grants in recognition of specific expenses are recognised in the income statement over the periods necessary to match them with the relevant expenses they are intended to compensate. Grants related to depreciable assets are deferred and recognised in the income statement over the period in which such assets are depreciated and used in the projects subsidised by the grants.

2.31 Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity or in 'Other Comprehensive Income'.

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate, at the end of the reporting period.

Deferred taxation is provided in full, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/ loss, it is not recognised. Deferred income tax is also not recognised for goodwill which is not deductible for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates (and tax laws) enacted or substantively enacted in countries where the Company and its subsidiaries operate, at the end of the reporting period.

Deferred tax liabilities are provided on all taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unutilised tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carry forward of unused losses can be utilised.

At the end of each reporting period, the Group re-assesses unrecognised deferred tax assets and the carrying amount of deferred tax assets. The Group recognises a previously unrecognised deferred tax asset to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered. The Group conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable profit will be available to allow the benefit of all or part of the deferred tax asset to be utilised.

Current and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or different period, directly to equity.

2.32 Dividends

Interim and special dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

2. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

2.33 Segment Reporting

An operating segment is identified as the component of the Group that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

2.34 Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the financial year.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be equal to the future actual results. As accounting standards are principles-based, professional judgement is required under certain circumstances. The estimates, assumptions and judgements that bear a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

3.1 Impairment Reviews

The accounting policies for impairment of non-financial assets are stated in **Note 2.21**.

During an impairment review, the Group assesses whether the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is defined as the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value-in-use. In making this judgement, the Group evaluates the fair value less costs of disposal or value-in-use which is supported by the net present value of future cash flows derived from such assets or cash-generating units using cash flow projections which have been discounted at an appropriate rate. Forecasts of future cash flows are based on the Group's estimates using historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

Goodwill recorded by associates and joint ventures is required to be tested for impairment at least annually. The impairment assessment requires the exercise of significant judgement about future market conditions, including growth rates and discount rates applicable in a number of markets where the associates and joint ventures operate.

The assumptions used by management to determine the fair value less costs of disposal and value-in-use calculations of goodwill on acquisition of subsidiaries are disclosed in **Note 25**. The carrying values of joint ventures and associates including goodwill capitalised are stated in **Note 23** and **Note 24** respectively.

3.2 Expected Credit Loss ("ECL") of Receivables

At each reporting date, the Group assesses whether trade and other receivables are credit-impaired. The allowance for ECL is based on management's assessment of the collectability of individual customer accounts taking into consideration the credit worthiness and financial condition of those customers. The Group also records an allowance for all other receivables based on management's collective assessment of their collectability taking into consideration multiple factors including historical experience of credit losses, forward looking information as applicable and the aging of the receivables with allowances generally increasing as the receivable ages. If there is a deterioration of customers' financial condition or if future default rates in general differ from those currently anticipated, the Group may have to adjust the allowance for credit losses, which would affect earnings in the period that adjustments are made.

The exposure to credit risk for receivables is disclosed in **Note 16**.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS *(Cont'd)*

3.3 Estimated Useful Lives of Property, Plant and Equipment

Property, plant and equipment balances represent a significant component of the Group's assets. Property, plant and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives of property, plant and equipment on an annual basis based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives would increase the recorded depreciation and decrease the carrying value of property, plant and equipment.

3.4 Taxation

3.4.1 Deferred tax asset

The Group reviews the carrying amount of deferred tax assets at each reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular legal entity or tax group for which the deferred tax asset has been recognised.

3.4.2 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business, including the tax matters disclosed in **Note 42(b)**. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

3.5 Fair values of derivative financial instruments

The Group uses valuation techniques to determine the fair values of financial instruments. The valuation techniques used for different financial instruments are selected to reflect how the market would be expected to price the instruments, using inputs that reasonably reflect the risk-return factors inherent in the instruments. Depending on the characteristics of the financial instruments, observable market factors are available for use in most valuations, while others involve a greater degree of judgement and estimation.

3.6 Share-based Payments

Equity-settled share-based payments are measured at fair value at the date of grant, whereas cash-settled share-based payments are measured at current fair value at the end of each reporting period. In addition, the Group revises the estimated number of equity instruments that participants are expected to receive based on non-market vesting conditions at the end of each reporting period.

The Group uses expert valuation services to determine the fair values. The assumptions of the valuation model used to determine the fair values are set out in **Note 5.3**.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS *(Cont'd)*

3.7 Contingent Liabilities

The Group consults with its legal counsel on matters related to litigation, and other experts both within and outside the Group with respect to matters in the ordinary course of business. As at 31 March 2021, the Group was involved in various legal proceedings where it has been vigorously defending its claims as disclosed in **Note 42**. Assessment on whether the risk of loss is remote, possible or probable requires significant judgement given the complexities involved.

The Group's associates and joint ventures also report significant contingent liabilities. The significant contingent liabilities of the Group's associates and joint ventures are disclosed in **Note 43**.

3.8 Revenue Recognition

The accounting policies for revenue recognition are stated in **Note 2.24**.

The application of SFRS(I) 15 requires the Group to exercise judgement in identifying distinct or non-distinct performance obligations. For bundled telecommunications contracts, the Group is required to estimate the standalone selling prices of performance obligations, which materially impacts the allocation of revenue between performance obligations. Where the Group does not sell equivalent goods or services in similar circumstances on a standalone basis, it is necessary to estimate the standalone selling price. Changes in estimates of standalone selling prices can significantly influence the allocation of the transaction price between performance obligations. When estimating the standalone selling price, the Group maximises the use of observable inputs.

The assessment of whether the Group presents operating revenue as the principal, or net after deduction of costs as an agent, is a matter of judgement which requires an analysis of both the legal form and the substance of contracts. Depending on the conclusion reached, there may be material differences in the amounts of revenues and expenses, though there is no impact on profit.

3.9 Leases

The application of SFRS(I) 16 requires the Group to exercise judgement and estimates in the determination of key assumptions used in measuring the lease liabilities. Key assumptions include lease terms and discount rates on the lease payments.

In determining the lease term, the Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the Group is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

The lease payments are discounted using the rate implicit in the lease or the Group's incremental borrowing rate. This requires the Group to estimate the rate of interest that it would have to pay to borrow the funds to obtain a similar asset over a similar term.

Changes in these assumptions may significantly impact the measurement of the lease liabilities.

The accounting policies for leases are stated in **Note 2.25**.

4. OPERATING REVENUE

	Group	
	2021 **S$ Mil**	**2020** **S$ Mil**
Mobile service [1]	**4,657.6**	4,854.5
Sale of equipment	**2,360.5**	2,567.5
Handset operating lease income [2]	**133.9**	200.4
Mobile	**7,152.0**	7,622.4
Data and Internet	**3,404.9**	3,611.9
Managed services	**1,949.9**	1,777.1
Cyber security	**564.4**	565.8
Business application services	**592.3**	564.1
Communication engineering	**152.7**	145.4
Infocomm Technology ("**ICT**") [3]	**3,259.3**	3,052.4
Digital businesses [4]	**937.8**	1,168.6
Fixed voice	**546.6**	705.2
Pay television	**285.6**	313.5
Others [5]	**57.8**	68.3
Operating revenue	**15,644.0**	16,542.3
Operating revenue	**15,644.0**	16,542.3
Other income	**141.5**	178.8
Interest and investment income (see **Note 10**)	**2.9**	180.0
Total	**15,788.4**	16,901.1

Notes:

(1) Included revenues from subscription (prepaid/postpaid), interconnect, outbound and inbound roaming, wholesale revenue from MVNOs (Mobile Virtual Network Operators) and mobile content services such as music and video.

(2) Comprised revenue from lease of handsets to mobile customers. Handset leasing plans in Australia ceased from July 2019.

(3) Included equipment sales related to ICT services.

(4) Mainly from provisions of digital marketing and advertising services.

(5) Included energy reselling fees.

As at 31 March 2021, the transaction price attributable to unsatisfied performance obligations for ICT services rendered by NCS Pte. Ltd. was approximately S$3 billion (31 March 2020: S$3 billion) which would substantially be recognised as operating revenue over the next 5 years.

Service contracts with consumers typically range from a month to 3 years, and contracts with enterprises typically range from 1 to 3 years.

5. OPERATING EXPENSES

	Group	
	2021 **S$ Mil**	**2020** **S$ Mil**
Cost of equipment sold [1]	**2,942.4**	3,060.9
Other cost of sales	**2,414.9**	2,622.3
Staff costs	**2,466.4**	2,426.1
Selling and administrative costs [2]	**2,013.8**	2,087.0
Traffic expenses	**1,679.4**	1,593.3
Repair and maintenance	**437.0**	390.1
	11,953.9	12,179.7

Notes:

(1) Included equipment costs related to ICT services.

(2) Included supplies and services.

5.1 Staff Costs

	Group	
	2021 **S$ Mil**	**2020** **S$ Mil**
Staff costs included the following –		
Contributions to defined contribution plans	**215.7**	203.6
Jobs Support Scheme credits from Singapore government	**(107.1)**	(49.5)
Performance share and share option expenses		
– equity-settled arrangements	**34.1**	31.5
– cash-settled arrangements	**6.3**	7.5

5. OPERATING EXPENSES *(Cont'd)*

5.2 Key Management Personnel Compensation

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Key management personnel compensation [(1)]		
Executive director [(2)]	**3.2**	3.1
Other key management personnel [(3)]	**17.8**	13.0
	21.0	16.1
Directors' remuneration [(4)]	**2.0**	3.0
	23.0	19.1

Notes:

(1) Comprise base salary, bonus, contributions to defined contribution plans and other benefits, but exclude performance share and share option expenses disclosed below.

(2) Yuen Kuan Moon, the former Chief Executive Officer of Consumer Singapore, was appointed as Executive director and Group Chief Executive Officer of the Company on 1 January 2021. For the current financial year ended 31 March 2021, the compensation of the Executive director comprised Chua Sock Koong's compensation from 1 April 2020 to 31 December 2020 as well as Yuen Kuan Moon's compensation from 1 January 2021 to 31 March 2021. Chua Sock Koong was the only Executive director of the Company during the financial year ended 31 March 2020.

During the current financial year, Yuen Kuan Moon and Chua Sock Koong were awarded up to 1,723,680 (2020: 1,062,602) ordinary shares of Singtel pursuant to Singtel performance share plans, subject to certain performance criteria including other terms and conditions being met. The performance share expense computed in accordance with SFRS(I) 2, *Share-based Payment*, was S$1.7 million (2020: S$1.6 million).

(3) The other key management personnel of the Group comprise the Chief Executive Officers of Consumer Australia, Consumer Singapore, Group Enterprise, NCS, Strategic Portfolio (formerly Chief Executive Officer of Group Digital Life), Group Chief Corporate Officer (formerly Group Chief Financial Officer), Group Chief Financial Officer (formerly Chief Executive Officer of International Group), Group Chief Human Resources Officer, Group Chief Information Officer, and Group Chief Technology Officer/ Chief Digital Officer, as well as former Chief Executive Officer of Group Strategy and Business Development and former Group Chief Corporate Officer.

The other key management personnel were awarded up to 3,395,484 (2020: 3,612,224) ordinary shares of Singtel pursuant to Singtel performance share plans, subject to certain performance criteria including other terms and conditions being met. The performance share expense computed in accordance with SFRS(I) 2 was S$6.2 million (2020: S$6.2 million).

(4) Directors' remuneration comprised the following:

(i) Directors' fees of S$2.0 million (2020: S$3.0 million), including fees paid to certain directors in their capacities as members of the Optus Advisory Committee and the Technology Advisory Panel, and as directors of Singtel Innov8 Pte. Ltd. and Amobee, Inc.

(ii) Car-related benefits of the Chairman of S$9,537 (2020: S$37,679).

In addition to the Directors' remuneration, Venkataraman Vishnampet Ganesan, a non-executive director of Singtel, was previously awarded share options pursuant to the Amobee Long-Term Incentive Plan. The share option expense computed in accordance with SFRS(I) 2 was S$30,743 (2020: S$68,585).

5.3 Share-based Payments

5.3.1 Performance share plans

With effect from 1 April 2012, Restricted Share Awards and Performance Share Awards are granted to selected employees of Singtel and its subsidiaries. The awards are conditional upon the achievement of predetermined performance targets or vesting conditions over the performance period, which is two and three years for the Restricted Share Awards, and three years for the Performance Share Awards. Both awards are generally settled by delivery of Singtel shares, with the awards for certain senior executives to be settled by Singtel shares or cash, at the option of the recipient.

Additionally, early vesting of the performance shares can also occur under special circumstances as approved by the Executive Resource and Compensation Committee such as retirement, redundancy, illness and death while in employment.

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Though the performance shares are awarded by Singtel, the respective subsidiaries bear all costs and expenses in any way arising out of, or connected with, the grant and vesting of the awards to their employees.

The fair values of the performance shares are estimated using a Monte-Carlo simulation methodology at the measurement dates, which are the grant value dates for equity-settled awards, and at the end of the reporting period for cash-settled awards.

Restricted Share Awards

The movements of the number of performance shares for the Restricted Share Awards during the financial year were as follows –

Group and Company 2021	Outstanding as at 1 April 2020 '000	Granted '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2021 '000
Date of grant					
FY2018 [(1)]					
19 June 2017	3,563	–	(3,548)	(15)	–
September 2017 to March 2018	43	–	(43)	–	–
FY2019					
19 June 2018	7,841	–	(3,886)	(219)	3,736
September 2018 to March 2019	288	–	(144)	(18)	126
FY2020					
20 June 2019	7,778	–	(17)	(496)	7,265
September 2019 to March 2020	223	–	–	(16)	207
FY2021					
23 June 2020	–	10,005	–	(553)	9,452
September 2020 to March 2021	–	188	–	–	188
	19,736	10,193	(7,638)	(1,317)	20,974

Note:

(1) "FY2018" denotes financial year ended 31 March 2018.

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Group and Company 2020	Outstanding as at 1 April 2019 '000	Granted '000	Awarded from targets exceeded '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2020 '000
Date of grant						
FY2017						
20 June 2016	3,052	–	–	(3,013)	(39)	–
September 2016 to March 2017	14	–	–	(14)	–	–
FY2018						
19 June 2017	6,618	–	1,053	(3,879)	(229)	3,563
September 2017 to March 2018	234	–	23	(82)	(132)	43
FY2019						
19 June 2018	8,820	–	–	(106)	(873)	7,841
September 2018 to March 2019	306	–	–	–	(18)	288
FY2020						
20 June 2019	–	8,556	–	(11)	(767)	7,778
September 2019 to March 2020	–	223	–	–	–	223
	19,044	8,779	1,076	(7,105)	(2,058)	19,736

The fair values of the Restricted Share Awards and the assumptions of the fair value model for the grants were as follows –

	Date of grant		
Equity-settled	**19 June 2018**	**20 June 2019**	**23 June 2020**
Fair value at grant date	S$2.85	S$2.85	S$2.27
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.6%	11.8%	19.6%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2018	36 months historical volatility preceding May 2019	36 months historical volatility preceding May 2020
Risk free interest rates			
Yield of Singapore Government Securities on	7 June 2018	6 June 2019	17 June 2020

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Cash-settled	Date of grant		
2021	**19 June 2018**	**20 June 2019**	**23 June 2020**
Fair value at 31 March 2021	S$2.42	S$2.37	S$2.26
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	22.3%	22.3%	22.3%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2021		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2021	31 March 2021	31 March 2021

Cash-settled	Date of grant		
2020	**19 June 2017**	**19 June 2018**	**20 June 2019**
Fair value at 31 March 2020	S$2.54	S$2.46	S$2.30
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	17.0%	17.0%	17.0%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2020		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2020	31 March 2020	31 March 2020

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Performance Share Awards

The movements of the number of performance shares for the Performance Share Awards during the financial year were as follows –

Group and Company 2021	Outstanding as at 1 April 2020 '000	Granted '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2021 '000
Date of grant					
FY2018					
19 June 2017	4,486	–	(7)	(4,479)	–
September 2017 to March 2018	17	–	–	(17)	–
FY2019					
19 June 2018	3,845	–	(6)	(52)	3,787
September 2018 to March 2019	36	–	–	(16)	20
FY2020					
20 June 2019	5,969	–	(5)	(113)	5,851
September 2019 to March 2020	129	–	–	–	129
FY2021					
23 June 2020	–	5,873	–	(66)	5,807
September 2020 to March 2021	–	45	–	–	45
	14,482	5,918	(18)	(4,743)	15,639

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Group and Company 2020	Outstanding as at 1 April 2019 '000	Granted '000	Cancelled '000	Outstanding as at 31 March 2020 '000
Date of grant				
FY2017				
20 June 2016	8,275	–	(8,275)	–
September 2016 to March 2017	91	–	(91)	–
FY2018				
19 June 2017	4,540	–	(54)	4,486
September 2017 to March 2018	120	–	(103)	17
FY2019				
19 June 2018	4,008	–	(163)	3,845
September 2018 to March 2019	36	–	–	36
FY2020				
20 June 2019	–	6,181	(212)	5,969
September 2019 to March 2020	–	129	–	129
	17,070	6,310	(8,898)	14,482

The fair values of the Performance Share Awards and the assumptions of the fair value model for the grants were as follows –

	Date of grant		
Equity-settled	**19 June 2018**	**20 June 2019**	**23 June 2020**
Fair value at grant date	S$1.77	S$1.77	S$1.36
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.6%	11.8%	19.6%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2018	36 months historical volatility preceding May 2019	36 months historical volatility preceding May 2020
Risk free interest rates			
Yield of Singapore Government Securities on	7 June 2018	6 June 2019	17 June 2020

5. OPERATING EXPENSES *(Cont'd)*

5.3.1 Performance share plans *(Cont'd)*

Cash-settled	**Date of grant**		
2021	**19 June 2018**	**20 June 2019**	**23 June 2020**
Fair value at 31 March 2021	S$0.97	S$1.11	S$1.19
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	22.3%	22.3%	22.3%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2021		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2021	31 March 2021	31 March 2021

Cash-settled	**Date of grant**		
2020	**19 June 2017**	**19 June 2018**	**20 June 2019**
Fair value at 31 March 2020	–	S$1.17	S$1.54
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	17.0%	17.0%	17.0%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2020		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2020	31 March 2020	31 March 2020

5.3.2 Amobee's share options – equity-settled arrangement

In April 2015, Amobee Group Pte. Ltd. ("**Amobee**"), a wholly-owned subsidiary of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Selected employees (including executive directors) and non-executive directors of Amobee and/or its subsidiaries are granted options to purchase ordinary shares of Amobee.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant. Options for employees are scheduled to be fully vested in either 3 years or 3.5 years from the vesting commencement date.

5. OPERATING EXPENSES *(Cont'd)*

5.3.2 Amobee's share options – equity-settled arrangement *(Cont'd)*

The grant dates, exercise prices and fair values of the share options were as follows –

Equity-settled Date of grant	Exercise price US$	Fair value at grant/ repriced date US$
For employees		
13 April 2015	0.79	0.224 to 0.261
14 October 2015	0.54 to 0.79	0.217 to 0.287
20 January 2016, 10 May 2016, 24 August 2016	0.54	0.287
23 June 2016	0.54	0.273 to 0.287
19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	0.54	0.260 to 0.268
21 August 2018, 25 March 2019	0.55 to 0.58	0.259 to 0.266
15 August 2019, 29 October 2019	0.58	0.248 to 0.287
For non-executive directors		
21 August 2018	0.55	0.181
1 October 2019	0.58	0.215

The terms of the options granted to employees and non-executive directors are 10 years and 5 years from the date of grant respectively.

The fair values for the share options granted were estimated using the Black-Scholes pricing model.

From 1 April 2020 to 31 March 2021,

(a) no options in respect of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries.

(b) 609,304 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan.

As at 31 March 2021, options in respect of an aggregate of 66.2 million of ordinary shares in Amobee were outstanding.

5.3.3 Trustwave's share options – equity-settled arrangement

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a wholly-owned subsidiary of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Selected employees (including executive directors) and non-executive directors of Trustwave and/or its subsidiaries are granted options to purchase common stock of Trustwave.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustwave on the date of grant, and are scheduled to be fully vested 4 years from the vesting commencement date.

Notes to the Financial Statements

For the financial year ended 31 March 2021

5. OPERATING EXPENSES *(Cont'd)*

5.3.3 Trustwave's share options – equity-settled arrangement *(Cont'd)*

The grant dates, exercise prices and fair values of the stock options were as follows –

Equity-settled Date of grant	Exercise price US$	Fair value at grant date US$
1 December 2015	16.79	6.57
22 January 2016	16.79	6.28
19 May 2016	16.79	6.16 to 6.27
12 September 2016	16.79	6.03 to 6.10
20 January 2017	16.24	5.93 to 6.57
15 March 2018	15.37	6.71 to 6.92
23 May 2018	15.37	6.80 to 7.05
12 July 2018	15.37	6.97
31 August 2018	15.37	6.17

The term of each option granted is 10 years from the date of grant.

The fair values for the stock options granted were estimated using the Black-Scholes pricing model.

From 1 April 2020 to 31 March 2021, no options in respect of common stock in Trustwave have been granted. As at 31 March 2021, no options in respect of common stock in Trustwave are outstanding due to an option exchange programme where existing options granted under the Trustwave ESOP were exchanged for options granted by Singtel Enterprise Security Pte. Ltd.

5.3.4 Singtel Enterprise Security's share options – equity-settled arrangement

In August 2020, Singtel Enterprise Security Pte. Ltd. ("**SES**"), a wholly-owned subsidiary of the Company, implemented an option exchange programme pursuant to which employees of Trustwave and its subsidiaries who were granted stock options under the Trustwave ESOP were given a one-time opportunity to elect to cancel their outstanding and unexercised stock options under the Trustwave ESOP in exchange for options granted by SES under the Singtel Enterprise Security Pte. Ltd. 2020 Long-Term Incentive Plan ("**SES LTI Plan**") to purchase ordinary shares of SES. Selected employees (including executive directors) and non-executive directors of SES and/or its subsidiaries are granted options to purchase ordinary shares of SES.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of SES on the date of grant, and are scheduled to be fully vested 4 years from the vesting commencement date.

5. OPERATING EXPENSES *(Cont'd)*

5.3.4 Singtel Enterprise Security's share options – equity-settled arrangement *(Cont'd)*

The grant date, exercise price and fair value of the stock options were as follows –

Equity-settled Date of grant	Exercise price US$	Fair value at grant date US$
1 August 2020	7.39	2.84

The term of each option granted is 10 years from the date of grant.

The fair values for the stock options granted were estimated using the Black-Scholes pricing model.

From 1 April 2020 to 31 March 2021,

(a) options in respect of an aggregate of 4.2 million of ordinary shares in SES have been granted to the employees and non-executive directors of SES and/or its subsidiaries.

(b) no ordinary shares of SES were issued during the financial year pursuant to the exercise of options granted under the SES LTI Plan.

As at 31 March 2021, options in respect of an aggregate of 1.9 million of ordinary shares in SES are outstanding.

5.4 Structured Entity

The Trust's purpose is to purchase the Company's shares from the open market for delivery to the recipients upon vesting of the share-based payments awards.

As at the end of the reporting period, the Trust held the following assets –

	Group		Company	
	2021 S$ Mil	2020 S$ Mil	2021 S$ Mil	2020 S$ Mil
Cost of Singtel shares, net of vesting	**18.3**	26.8	**16.8**	24.6
Cash at bank	**0.3**	0.4	**0.3**	0.4
	18.6	27.2	**17.1**	25.0

5. OPERATING EXPENSES *(Cont'd)*

5.4 Structured Entity *(Cont'd)*

The details of Singtel shares held by the Trust were as follows –

Group	Number of shares 2021 '000	Number of shares 2020 '000	Amount 2021 S$ Mil	Amount 2020 S$ Mil
Balance as at 1 April	**8,001**	8,231	**26.8**	28.0
Purchase of Singtel shares	**3,941**	4,506	**9.5**	14.8
Vesting of shares	**(5,451)**	(4,736)	**(18.0)**	(16.0)
Balance as at 31 March	**6,491**	8,001	**18.3**	26.8

Upon consolidation of the Trust in the consolidated financial statements, the weighted average cost of vested Singtel shares is taken to 'Capital Reserve' whereas the weighted average cost of unvested shares is taken to 'Treasury Shares' within equity. See **Note 2.23**.

5.5 Other Operating Expense Items

	Group 2021 S$ Mil	Group 2020 S$ Mil
Operating expenses included the following –		
Auditors' remuneration		
– KPMG LLP, Singapore	**2.3**	2.4
– KPMG, Australia	**1.3**	1.2
– Other KPMG offices	**1.2**	1.2
Non-audit fees paid to		
– KPMG LLP, Singapore	**0.6**	0.5
– KPMG, Australia	**0.1**	0.2
– Other KPMG offices	**0.1**	0.1
Impairment of trade receivables	**155.3**	191.5
Allowance for inventory obsolescence	**12.2**	1.6
Lease expenses for short term leases	**16.8**	27.0

The Audit Committee had undertaken a review of the non-audit services provided by the auditors, KPMG LLP, and in the opinion of the Audit Committee, these services did not affect the independence of the auditors.

6. OTHER INCOME

Other income included the following items –

	Group 2021 S$ Mil	Group 2020 S$ Mil
Rental income	**3.1**	3.2
Net (losses)/ gains on disposal of property, plant and equipment	**(6.1)**	3.6
Net foreign exchange (losses)/ gains	**(4.8)**	5.2

7. DEPRECIATION AND AMORTISATION

	Group 2021 S$ Mil	Group 2020 S$ Mil
Depreciation of property, plant and equipment	**1,896.9**	1,825.6
Depreciation of right-of-use assets	**427.4**	403.0
Amortisation of intangible assets	**360.5**	351.7
	2,684.8	2,580.3

8. EXCEPTIONAL ITEMS

	Group 2021 S$ Mil	Group 2020 S$ Mil
Exceptional gains		
Gain on dilution of interest in joint ventures	**647.6**	671.6
Gain on disposal of property	**5.8**	96.6
	653.4	768.2
Exceptional losses		
Impairment of goodwill of subsidiaries [1]	**(840.5)**	(194.8)
Impairment of other intangibles [1]	**(84.0)**	(1.9)
Impairment of property, plant and equipment	**(166.9)**	–
Write-off of property, plant and equipment	**(44.5)**	–
Payroll review programme and other charges [2]	**(102.0)**	(20.2)
Staff restructuring costs	**(17.8)**	(50.1)
Impairment of investment in an associate	**(2.0)**	–
Deconsolidation of subsidiary	**–**	(85.5)
	(1,257.7)	(352.5)
	(604.3)	415.7

Notes:

(1) The Group recorded impairment charges to the goodwill and other intangibles of Amobee and Global Cyber Security Business during the current financial year.

(2) Comprised staff payroll adjustments, professional fees as well as remediation of systems and processes by Optus in the current financial year.

9. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	Group	
	2021 **S$ Mil**	**2020** **S$ Mil**
Share of ordinary results		
– joint ventures	**1,628.1**	1,553.5
– associates	**170.0**	190.8
	1,798.1	1,744.3
Share of net exceptional losses of associates and joint ventures (post-tax)(1)(2)(3)	**(670.2)**	(1,807.9)
Share of tax of ordinary results		
– joint ventures	**(497.4)**	(435.1)
– associates	**(23.8)**	(30.9)
	(521.2)	(466.0)
	606.7	(529.6)

Notes:

(1) Comprised share of exceptional items from Airtel, Telkomsel, Globe and Intouch.

(2) Airtel's exceptional items included additional provisions for regulatory costs on account of the Supreme Court of India's decision on the Adjusted Gross Revenue matter, tax charges from a re-assessment of the carrying amounts of deferred tax balances (including minimum alternate tax credits), asset impairments as well as other provisions partly mitigated by a gain on deemed disposal of a subsidiary. Airtel's exceptional items in the previous financial year included provisions made for regulatory costs arising from an adverse ruling on the definition of Adjusted Gross Revenue and one time spectrum charge.

(3) Telkomsel's exceptional items in the current financial year included mainly a gain from the first phase of its sale of telecommunication towers.

10. INTEREST AND INVESTMENT INCOME (NET)

	Group 2021 S$ Mil	Group 2020 S$ Mil
Interest income from		
– bank deposits	**2.2**	6.5
– others	**1.2**	1.2
	3.4	7.7
Dividends from joint ventures	**–**	10.8
Gross dividends and income from FVOCI investments	**13.6**	148.4
	17.0	166.9
Other foreign exchange (losses)/ gains	**(6.8)**	11.2
Other fair value (losses)/ gains	**(5.4)**	1.5
Fair value gains/ (losses) on fair value hedges		
– hedged items	**140.2**	(149.5)
– hedging instruments	**(142.1)**	149.9
	(1.9)	0.4
Fair value gains/ (losses) on cash flow hedges		
– hedged items	**555.0**	(431.8)
– hedging instruments	**(555.0)**	431.8
	–	–
	2.9	180.0

11. FINANCE COSTS

	Group 2021 S$ Mil	Group 2020 S$ Mil
Interest expense on		
– bonds	**289.9**	309.6
– bank loans	**22.5**	51.1
– lease liabilities	**77.9**	81.7
	390.3	442.4
Less: Amounts capitalised	**(0.4)**	–
	389.9	442.4
Financing related costs	**24.4**	16.8
Effects of hedging using interest rate swaps	**(16.2)**	2.6
	398.1	461.8

12. TAXATION

12.1 Tax Expense

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Current income tax		
– Singapore	**142.9**	207.5
– Overseas	**(48.5)**	110.5
	94.4	318.0
Deferred tax (credit)/ expense	**(49.7)**	47.0
Tax expense attributable to current year's profit	**44.7**	365.0
Adjustments in respect of prior years –		
Current income tax	**(24.6)**	9.5
Deferred income tax	**28.3**	(10.7)
Withholding taxes on dividend income from associates and joint ventures	**145.7**	149.4
	194.1	513.2

The tax expense on profits was different from the amount that would arise using the Singapore standard rate of income tax due to the following –

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Profit before tax	**754.0**	1,565.4
Less: Share of results of associates and joint ventures	**(606.7)**	529.6
	147.3	2,095.0
Tax calculated at tax rate of 17 per cent (2020: 17 per cent)	**25.0**	356.2
Effects of –		
Different tax rates of other countries	**(106.0)**	3.8
Income not subject to tax	**(140.0)**	(159.2)
Expenses not deductible for tax purposes	**216.3**	84.5
Deferred tax asset not recognised	**59.4**	82.9
Others	**(10.0)**	(3.2)
Tax expense attributable to current year's profit	**44.7**	365.0

12. TAXATION *(Cont'd)*

12.2 Deferred Taxes

The movements of the deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year were as follows –

Group – 2021 **Deferred tax assets**	**Provisions** **S$ Mil**	**TWDV[1] in excess of NBV[2] of depreciable assets** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2020	30.2	21.9	301.2	353.3
(Charged)/ Credited to income statement	(19.0)	(34.3)	73.1	19.8
Credited to other comprehensive income	–	–	7.5	7.5
Transfer from/ (to) current tax	31.0	–	(2.1)	28.9
Translation differences	4.3	3.7	15.3	23.3
Balance as at 31 March 2021	46.5	(8.7)	395.0	432.8

Group – 2021 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Offshore interest and dividend not remitted** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2020	(485.3)	(5.3)	(154.0)	(644.6)
(Charged)/ Credited to income statement	(23.6)	(0.1)	22.3	(1.4)
Transfer to current tax	–	–	10.5	10.5
Translation differences	0.5	–	5.4	5.9
Balance as at 31 March 2021	(508.4)	(5.4)	(115.8)	(629.6)

12. TAXATION *(Cont'd)*

12.2 Deferred Taxes *(Cont'd)*

Group – 2020 **Deferred tax assets**	**Provisions** **S$ Mil**	**TWDV[1] in excess of NBV[2] of depreciable assets** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2019	37.4	50.7	330.0	418.1
Credited/ (Charged) to income statement	14.2	(26.1)	(19.0)	(30.9)
Charged to other comprehensive income	–	–	(0.1)	(0.1)
Transfer to current tax	(19.1)	–	(0.1)	(19.2)
Translation differences	(2.3)	(2.7)	(9.6)	(14.6)
Balance as at 31 March 2020	30.2	21.9	301.2	353.3

Group – 2020 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Offshore interest and dividend not remitted** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2019	(459.9)	(5.3)	(170.5)	(635.7)
(Charged)/ Credited to income statement	(23.8)	–	15.4	(8.4)
Transfer (from)/ to current tax	(1.2)	–	1.7	0.5
Translation differences	(0.4)	–	(0.6)	(1.0)
Balance as at 31 March 2020	(485.3)	(5.3)	(154.0)	(644.6)

Company – 2021 **Deferred tax assets**	**Provisions** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2020	**0.4**	**122.1**	**122.5**
Credited/ (Charged) to income statement	**0.2**	**(11.8)**	**(11.6)**
Balance as at 31 March 2021	**0.6**	**110.3**	**110.9**

Company – 2021 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2020	**(309.4)**	**(88.6)**	**(398.0)**
(Charged)/ Credited to income statement	**(22.9)**	**9.0**	**(13.9)**
Balance as at 31 March 2021	**(332.3)**	**(79.6)**	**(411.9)**

12. TAXATION *(Cont'd)*

12.2 Deferred Taxes *(Cont'd)*

Company – 2020 Deferred tax assets	Provisions S$ Mil	Others S$ Mil	Total S$ Mil
Balance as at 1 April 2019	0.4	128.6	129.0
Charged to income statement	–	(6.5)	(6.5)
Balance as at 31 March 2020	0.4	122.1	122.5

Company – 2020 Deferred tax liabilities	Accelerated tax depreciation S$ Mil	Others S$ Mil	Total S$ Mil
Balance as at 1 April 2019	(286.8)	(95.8)	(382.6)
(Charged)/ Credited to income statement	(22.6)	7.2	(15.4)
Balance as at 31 March 2020	(309.4)	(88.6)	(398.0)

Notes:
(1) TWDV – Tax written down value
(2) NBV – Net book value

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities, and when deferred income taxes relate to the same fiscal authority.

The amounts, determined after appropriate offsetting, were shown in the statements of financial position as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Deferred tax assets	**302.1**	234.2	**–**	–
Deferred tax liabilities	**(498.9)**	(525.5)	**(301.0)**	(275.5)
	(196.8)	(291.3)	**(301.0)**	(275.5)

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

As at 31 March 2021, the subsidiaries of the Group had estimated unutilised income tax losses of approximately S$1.73 billion (31 March 2020: S$1.61 billion), of which S$103 million (31 March 2020: S$81 million) will expire in the next five years and S$871 million (31 March 2020: S$952 million) will expire from 2026 to 2040.

As at 31 March 2021, the subsidiaries of the Group also had estimated unutilised investment allowances of S$41 million (31 March 2020: S$43 million) and unutilised capital tax losses of S$65 million (31 March 2020: S$57 million).

12. TAXATION *(Cont'd)*

12.2 Deferred Taxes *(Cont'd)*

These unutilised income tax losses and investment allowances, and unabsorbed capital allowances are available for set-off against future taxable profits, subject to the agreement of the relevant tax authorities and compliance with certain provisions of the income tax regulations of the respective countries in which the subsidiaries operate. The unutilised capital tax losses are available for set-off against future capital gains of a similar nature subject to compliance with certain statutory tests in Australia.

As at the end of the reporting period, the potential tax benefits arising from the following items were not recognised in the financial statements due to uncertainty on their recoverability –

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Unutilised income tax losses and investment allowances	**1,774.1**	1,653.8
Unutilised capital tax losses	**65.0**	56.5

13. EARNINGS PER SHARE

	Group	
	2021 '000	**2020 '000**
Weighted average number of ordinary shares in issue for calculation of basic earnings per share [(1)]	**16,361,860**	16,322,412
Adjustment for dilutive effects of performance share plans	**24,666**	26,816
Weighted average number of ordinary shares for calculation of diluted earnings per share	**16,386,526**	16,349,228

Note:

(1) Adjusted to exclude the number of performance shares held by the Trust and the Company.

'Basic earnings per share' is calculated by dividing the Group's profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year.

For 'Diluted earnings per share', the weighted average number of ordinary shares in issue includes the number of additional shares outstanding if the potential dilutive ordinary shares arising from the performance shares granted by the Group were issued. Adjustment is made to earnings for the dilutive effect arising from the associates and joint ventures' dilutive shares.

Notes to the Financial Statements

For the financial year ended 31 March 2021

14. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the Group had the following significant transactions and balances with related parties –

	Group	
	2021 S$ Mil	2020 S$ Mil
Income		
Subsidiaries of ultimate holding company		
Telecommunications	**90.2**	86.8
Rental and maintenance	*	30.2
Associates		
Telecommunications	**3.7**	5.7
Joint ventures		
Telecommunications	**11.4**	38.1
Expenses		
Subsidiaries of ultimate holding company		
Telecommunications	**40.9**	40.8
Utilities	**66.8**	89.8
Depreciation of right-of-use assets	**53.9**	34.5
Interest expense on lease liabiltiies	**9.0**	10.2
Associates		
Telecommunications	**130.6**	130.7
Postal	**10.0**	6.7
Maintenance	**7.6**	8.0
Joint ventures		
Telecommunications	**7.3**	9.7
Transmission capacity	**22.7**	7.9
Others		
Subsidiaries of ultimate holding company		
Right-of-use assets	**148.0**	201.2
Lease liabilities	**242.9**	278.4
Associates		
Investment in associate	**6.3**	–
Due from subsidiaries of ultimate holding company	**24.0**	18.3
Due to subsidiaries of ultimate holding company	**8.9**	10.7

"" denotes amount of less than S$0.05 million.*

All the above transactions were on normal commercial terms and conditions and at market rates.

Please refer to **Note 5.2** for information on key management personnel compensation.

15. CASH AND CASH EQUIVALENTS

	Group		Company	
	31 March 2021 S$ Mil	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
Fixed deposits	**155.6**	152.0	**48.2**	65.7
Cash and bank balances	**599.1**	847.6	**78.0**	31.6
Cash and cash equivalents in the Statement of Financial Position	**754.7**	999.6	**126.2**	97.3
Less: Restricted cash	**(14.2)**	(9.8)	**(0.2)**	(0.6)
Cash and cash equivalents in the Consolidated Statement of Cash Flows	**740.5**	989.8	**126.0**	96.7

Cash and cash equivalents in the Consolidated Statement of Financial Position included restricted cash relating to the provision of mobile money remittance and payment services in Singapore.

The carrying amounts of the cash and cash equivalents approximate their fair values.

Cash and cash equivalents denominated in currencies other than the respective functional currencies of the Group's entities were as follows –

	Group		Company	
	31 March 2021 S$ Mil	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
USD	**138.5**	131.0	**67.1**	69.8
EUR	**37.4**	15.1	**9.6**	5.7
HKD	**24.4**	21.8	**2.9**	1.8

The maturities of the fixed deposits were as follows –

	Group		Company	
	31 March 2021 S$ Mil	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
Less than three months	**136.3**	137.2	**48.2**	65.7
Over three months	**19.3**	14.8	**–**	–
	155.6	152.0	**48.2**	65.7

As at 31 March 2021, the weighted average effective interest rate of the fixed deposits of the Group and the Company were 0.2% (31 March 2020: 0.8%) per annum and 0.06% (31 March 2020: 0.5%) per annum respectively.

The exposure of cash and cash equivalents to interest rate risks is disclosed in **Note 37.3**.

Notes to the Financial Statements

For the financial year ended 31 March 2021

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
Current	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Trade receivables	**1,919.9**	2,126.2	**335.1**	423.1
Contract assets	**2,690.0**	2,555.6	**13.5**	16.9
	4,609.9	4,681.8	**348.6**	440.0
Less: Allowance for ECL	**(290.6)**	(310.8)	**(92.3)**	(93.5)
	4,319.3	4,371.0	**256.3**	346.5
Other receivables	**302.0**	399.7	**32.0**	34.3
Loans to subsidiaries	**–**	–	**112.6**	116.1
Amount due from subsidiaries				
– trade	**–**	–	**934.3**	879.1
– non-trade	**–**	–	**811.5**	691.3
Less: Allowance for ECL	**–**	–	**(46.2)**	(70.1)
	–	–	**1,699.6**	1,500.3
Amount due from associates and joint ventures				
– trade	**10.8**	17.2	**1.7**	1.7
– non-trade	**144.4**	142.3	**–**	2.4
	155.2	159.5	**1.7**	4.1
Prepayments	**610.1**	545.8	**44.8**	46.5
Interest receivable	**43.4**	66.0	**16.5**	17.5
Others	**13.7**	17.4	**–**	–
	5,443.7	5,559.4	**2,163.5**	2,065.3

"ECL" denotes expected credit loss.

Trade receivables are non-interest bearing and are generally on 14-day or 30-day terms, while balances due from carriers are on 60-day terms. There was no significant change in contract assets during the year.

As at 31 March 2021, the effective interest rate of an amount due from a subsidiary of S$216.2 million (31 March 2020: S$387.1 million) was 0.0001% (31 March 2020: 0.004%) per annum. The loans to subsidiaries and amounts due from other subsidiaries, associates and joint ventures were unsecured, interest-free and repayable on demand.

16. TRADE AND OTHER RECEIVABLES *(Cont'd)*

The age analysis of trade receivables and contract assets (before allowance for expected credit loss) was as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Less than 60 days	**4,214.7**	4,189.7	**232.8**	292.3
61 to 120 days	**134.9**	144.2	**29.8**	38.9
More than 120 days	**260.3**	347.9	**86.0**	108.8
	4,609.9	4,681.8	**348.6**	440.0

The movements in the allowance for expected credit losses of trade receivables and contract assets were as follows –

	Group		Company	
	2021 S$ Mil	2020 S$ Mil	2021 S$ Mil	2020 S$ Mil
Balance as at 1 April	**310.8**	259.7	**93.5**	94.3
Acquisition of a subsidiary	**0.3**	–	**–**	–
Allowance	**181.4**	203.8	**32.4**	27.0
Utilisation of allowance	**(212.4)**	(120.9)	**(26.8)**	(26.9)
Write-back of allowance	**(26.1)**	(12.3)	**(6.8)**	(0.9)
Translation differences	**36.6**	(19.5)	**–**	–
Balance as at 31 March	**290.6**	310.8	**92.3**	93.5

The maximum exposure to credit risk for trade receivables and contract assets were as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Individuals	**2,289.6**	2,195.9	**93.6**	114.5
Corporations and others	**2,029.7**	2,175.1	**162.7**	232.0
	4,319.3	4,371.0	**256.3**	346.5

The expected credit losses for debts which are collectively assessed are estimated based on a provision matrix by reference to historical credit loss experience of the different segments, adjusted as appropriate to reflect current conditions and estimates of future economic conditions as applicable. The expected credit losses for debts which are individually assessed are based on an analysis of the debtor's current financial position and are adjusted for factors that are specific to the debtors.

17. INVENTORIES

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Equipment held for resale	**238.8**	251.9	**4.4**	0.2
Maintenance and capital works' inventories	**32.8**	27.7	**31.2**	26.1
	271.6	279.6	**35.6**	26.3

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2021 S$ Mil	2020 S$ Mil	2021 S$ Mil	2020 S$ Mil
Balance as at 1 April	**717.8**	280.0	**94.4**	(65.7)
Fair value (losses)/ gains				
– included in income statement	**(696.0)**	585.8	**(143.6)**	155.6
– included in 'Hedging Reserve'	**(163.7)**	60.8	**(26.7)**	4.5
Settlement of swaps for bonds repaid	**(196.8)**	(173.9)	**–**	–
Translation differences	**56.8**	(34.9)	**–**	–
Balance as at 31 March	**(281.9)**	717.8	**(75.9)**	94.4

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Disclosed as –				
Current asset	**62.2**	337.2	**1.2**	5.3
Non-current asset	**23.9**	517.5	**3.7**	134.2
Current liability	**(29.5)**	(14.0)	**(4.1)**	–
Non-current liability	**(338.5)**	(122.9)	**(76.7)**	(45.1)
	(281.9)	717.8	**(75.9)**	94.4

18. DERIVATIVE FINANCIAL INSTRUMENTS *(Cont'd)*

18.1 Fair Values

The fair values of the currency and interest rate swap contracts excluded accrued interest of S$6.0 million (31 March 2020: S$10.6 million). The accrued interest is separately disclosed in **Note 16** and **Note 28**.

The fair values of the derivative financial instruments were as follows –

	Group		Company	
	Fair values		Fair values	
2021	**Assets S$ Mil**	**Liabilities S$ Mil**	**Assets S$ Mil**	**Liabilities S$ Mil**
Fair value and cash flow hedges				
Cross currency swaps	**70.9**	**270.6**	**3.7**	**54.3**
Interest rate swaps	**5.9**	**41.6**	**–**	**22.2**
Forward foreign exchange contracts	**9.3**	**55.8**	**1.2**	**4.3**
	86.1	**368.0**	**4.9**	**80.8**
Disclosed as –				
Current	**62.2**	**29.5**	**1.2**	**4.1**
Non-current	**23.9**	**338.5**	**3.7**	**76.7**
	86.1	**368.0**	**4.9**	**80.8**

	Group		Company	
	Fair values		Fair values	
2020	**Assets S$ Mil**	**Liabilities S$ Mil**	**Assets S$ Mil**	**Liabilities S$ Mil**
Fair value and cash flow hedges				
Cross currency swaps	792.9	15.4	123.2	15.4
Interest rate swaps	17.9	121.5	–	29.7
Forward foreign exchange contracts	43.9	–	16.3	–
	854.7	136.9	139.5	45.1
Disclosed as –				
Current	337.2	14.0	5.3	–
Non-current	517.5	122.9	134.2	45.1
	854.7	136.9	139.5	45.1

The cash flow hedges are designated for foreign currency commitments and repayments of principal and interest of foreign currency denominated bonds.

18. DERIVATIVE FINANCIAL INSTRUMENTS *(Cont'd)*

18.1 Fair Values *(Cont'd)*

The forecast transactions for the foreign currency commitments are expected to occur in the financial year ending 31 March 2022, while the forecast transactions for the repayment of principal and interest of the foreign currency denominated bonds will occur according to the timing disclosed in **Note 29**.

As at 31 March 2021, the details of the outstanding derivative financial instruments were as follows –

	Group		Company	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest rate swaps				
Notional principal (S$ million equivalent)	**3,220.1**	3,832.4	**703.4**	703.4
Fixed interest rates	**1.6% – 5.4%**	1.6% – 5.4%	**1.9% – 3.9%**	1.9% – 3.9%
Floating interest rates	**0.1% – 1.1%**	0.2% – 1.9%	**–**	–
Cross currency swaps				
Notional principal (S$ million equivalent)	**6,977.2**	5,891.5	**672.1**	712.7
Fixed interest rates	**1.8% – 5.2%**	2.6% – 7.5%	**5.2%**	5.2%
Floating interest rates	**0.7% – 2.2%**	1.3% – 3.5%	**1.7% – 2.2%**	3.0% – 3.5%
Forward foreign exchange				
Notional principal (S$ million equivalent)	**2,340.4**	604.6	**1,130.5**	242.2

The interest rate swaps entered into by the Group are re-priced at intervals ranging from quarterly to six-monthly periods. The interest rate swaps entered into by the Company are re-priced every six months.

19. PROPERTY, PLANT AND EQUIPMENT

Group – 2021	Freehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost							
Balance as at 1 April 2020	19.7	883.5	19,733.0	2,676.1	6,516.7	1,561.9	31,390.9
Additions (net of rebates)	–	0.5	62.2	21.1	77.8	1,948.7	2,110.3
Disposals/ Write-offs	–	(21.5)	(1,270.9)	(244.4)	(717.0)	–	(2,253.8)
Acquisition of a subsidiary	–	–	–	–	2.6	–	2.6
Reclassifications/ Adjustments	–	*	989.0	609.6	392.4	(2,020.4)	(29.4)
Translation differences	3.3	46.3	2,551.8	223.3	512.5	125.3	3,462.5
Balance as at 31 March 2021	23.0	908.8	22,065.1	3,285.7	6,785.0	1,615.5	34,683.1
Accumulated depreciation							
Balance as at 1 April 2020	–	416.1	13,905.4	1,839.8	4,841.0	–	21,002.3
Depreciation charge for the year	–	54.3	1,035.7	112.7	694.2	–	1,896.9
Disposals/ Write-offs	–	(21.2)	(1,221.2)	(244.4)	(714.7)	–	(2,201.5)
Reclassifications/ Adjustments	–	(4.7)	–	–	(15.3)	–	(20.0)
Translation differences	–	6.0	1,772.1	92.6	408.6	–	2,279.3
Balance as at 31 March 2021	–	450.5	15,492.0	1,800.7	5,213.8	–	22,957.0
Accumulated impairment							
Balance as at 1 April 2020	–	0.4	5.4	0.3	18.7	–	24.8
Impairment charge for the year	–	–	146.3	–	–	20.6	166.9
Translation differences	–	–	(1.5)	–	1.8	–	0.3
Balance as at 31 March 2021	–	0.4	150.2	0.3	20.5	20.6	192.0
Net Book Value as at 31 March 2021	23.0	457.9	6,422.9	1,484.7	1,550.7	1,594.9	11,534.1

"" denotes amount of less than S$0.05 million.*

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Group – 2020	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2019	20.3	252.5	910.2	20,037.4	2,522.8	7,537.0	1,662.0	32,942.2
Additions (net of rebates)	–	–	5.1	84.4	14.9	198.4	1,748.4	2,051.2
Disposals/ Write-offs	–	–	(11.9)	(113.0)	(172.3)	(998.6)	(41.2)	(1,337.0)
Reclassifications/ Adjustments	1.3	(252.5)	6.8	1,158.6	420.3	106.0	(1,730.7)	(290.2)
Translation differences	(1.9)	–	(26.7)	(1,434.4)	(109.6)	(326.1)	(76.6)	(1,975.3)
Balance as at 31 March 2020	19.7	–	883.5	19,733.0	2,676.1	6,516.7	1,561.9	31,390.9
Accumulated depreciation								
Balance as at 1 April 2019	–	72.2	380.7	14,005.6	1,951.4	5,447.1	–	21,857.0
Depreciation charge for the year	–	–	42.6	1,010.4	117.2	655.4	–	1,825.6
Disposals/ Write-offs	–	–	(4.8)	(111.9)	(171.3)	(998.3)	–	(1,286.3)
Reclassifications/ Adjustments	–	(72.2)	–	–	–	(8.5)	–	(80.7)
Translation differences	–	–	(2.4)	(998.7)	(57.5)	(254.7)	–	(1,313.3)
Balance as at 31 March 2020	–	–	416.1	13,905.4	1,839.8	4,841.0	–	21,002.3
Accumulated impairment								
Balance as at 1 April 2019	–	2.0	7.3	5.4	0.3	19.8	–	34.8
Disposals/ Write-offs	–	–	(6.9)	–	–	–	–	(6.9)
Reclassifications/ Adjustments	–	(2.0)	–	–	–	–	–	(2.0)
Translation differences	–	–	–	–	–	(1.1)	–	(1.1)
Balance as at 31 March 2020	–	–	0.4	5.4	0.3	18.7	–	24.8
Net Book Value as at 31 March 2020	19.7	–	467.0	5,822.2	836.0	1,657.0	1,561.9	10,363.8

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Company – 2021	Freehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost							
Balance as at 1 April 2020	0.4	521.1	3,181.7	561.6	2,109.1	610.2	6,984.1
Additions (net of rebates)	–	0.1	35.4	4.3	21.0	370.1	430.9
Disposals/ Write-offs	–	(2.9)	(118.6)	(6.2)	(14.1)	–	(141.8)
Reclassifications	–	4.0	75.1	47.3	258.3	(384.7)	–
Balance as at 31 March 2021	0.4	522.3	3,173.6	607.0	2,374.3	595.6	7,273.2
Accumulated depreciation							
Balance as at 1 April 2020	–	323.1	2,478.9	496.1	1,475.8	–	4,773.9
Depreciation charge for the year	–	16.7	101.2	34.8	186.6	–	339.3
Disposals/ Write-offs	–	(2.8)	(111.6)	(6.2)	(13.8)	–	(134.4)
Balance as at 31 March 2021	–	337.0	2,468.5	524.7	1,648.6	–	4,978.8
Accumulated impairment							
Balance as at 1 April 2020	–	0.3	4.1	–	–	–	4.4
Impairment charge of the year	–	–	7.3	–	–	–	7.3
Balance as at 31 March 2021	–	0.3	11.4	–	–	–	11.7
Net Book Value as at 31 March 2021	0.4	185.0	693.7	82.3	725.7	595.6	2,282.7

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Company – 2020	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2019	0.4	229.4	524.4	3,120.4	688.2	1,972.1	529.3	7,064.2
Additions (net of rebates)	–	–	4.3	26.0	1.2	107.5	325.9	464.9
Disposals/ Write-offs	–	–	(10.1)	(54.7)	(154.9)	(54.7)	(41.2)	(315.6)
Reclassifications	–	(229.4)	2.5	90.0	27.1	84.2	(203.8)	(229.4)
Balance as at 31 March 2020	0.4	–	521.1	3,181.7	561.6	2,109.1	610.2	6,984.1
Accumulated depreciation								
Balance as at 1 April 2019	–	62.7	310.4	2,429.8	619.5	1,378.5	–	4,800.9
Depreciation charge for the year	–	–	15.8	102.7	30.7	151.8	–	301.0
Disposals/ Write-offs	–	–	(3.1)	(53.6)	(154.1)	(54.5)	–	(265.3)
Reclassifications	–	(62.7)	–	–	–	–	–	(62.7)
Balance as at 31 March 2020	–	–	323.1	2,478.9	496.1	1,475.8	–	4,773.9
Accumulated impairment								
Balance as at 1 April 2019	–	2.0	7.2	4.1	–	–	–	13.3
Disposals/ Write-offs	–	–	(6.9)	–	–	–	–	(6.9)
Reclassifications	–	(2.0)	–	–	–	–	–	(2.0)
Balance as at 31 March 2020	–	–	0.3	4.1	–	–	–	4.4
Net Book Value as at 31 March 2020	0.4	–	197.7	698.7	65.5	633.3	610.2	2,205.8

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Property, plant and equipment included the following –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Net book value of property, plant and equipment				
Staff costs capitalised	**210.3**	200.2	**36.2**	31.4

During the financial year, the Group recorded impairment charges of S$167 million (2020: Nil) mainly for legacy fixed access networks that will no longer be used in Australia.

20. RIGHT-OF-USE ASSETS

Group – 2021	Mobile base stations/ Central offices S$ Mil	Other properties S$ Mil	Equipment S$ Mil	Others S$ Mil	Total S$ Mil
Cost					
Balance as at 1 April 2020	**1,496.1**	**798.7**	**528.4**	**10.4**	**2,833.6**
Additions (net of rebates)	**131.5**	**80.5**	**10.9**	**2.5**	**225.4**
Disposals/ Write-offs	**(23.4)**	**(5.0)**	**–**	**(0.4)**	**(28.8)**
Acquisition of a subsidiary	**–**	**0.2**	**–**	**–**	**0.2**
Reclassifications/ Adjustments	**–**	**22.4**	**–**	**–**	**22.4**
Translation differences	**246.0**	**8.1**	**(3.5)**	**1.6**	**252.2**
Balance as at 31 March 2021	**1,850.2**	**904.9**	**535.8**	**14.1**	**3,305.0**
Accumulated depreciation					
Balance as at 1 April 2020	**254.2**	**319.5**	**195.4**	**4.0**	**773.1**
Depreciation charge for the year	**279.8**	**107.8**	**35.2**	**4.6**	**427.4**
Disposals/ Write-offs	**(22.7)**	**(5.0)**	**–**	**(0.3)**	**(28.0)**
Reclassifications/ Adjustments	**–**	**19.6**	**–**	**–**	**19.6**
Translation differences	**52.6**	**4.8**	**(1.0)**	**0.8**	**57.2**
Balance as at 31 March 2021	**563.9**	**446.7**	**229.6**	**9.1**	**1,249.3**
Net Book Value as at 31 March 2021	**1,286.3**	**458.2**	**306.2**	**5.0**	**2,055.7**

20. RIGHT-OF-USE ASSETS *(Cont'd)*

Group – 2020	Mobile base stations/ Central offices S$ Mil	Other properties S$ Mil	Equipment S$ Mil	Others S$ Mil	Total S$ Mil
Cost					
Balance as at 1 April 2019	1,518.3	577.1	458.3	9.4	2,563.1
Additions (net of rebates)	112.3	62.8	41.7	2.0	218.8
Disposals/ Write-offs	(2.4)	(81.5)	–	–	(83.9)
Reclassifications/ Adjustments	6.0	244.4	26.3	–	276.7
Translation differences	(138.1)	(4.1)	2.1	(1.0)	(141.1)
Balance as at 31 March 2020	1,496.1	798.7	528.4	10.4	2,833.6
Accumulated depreciation					
Balance as at 1 April 2019	–	191.4	139.2	–	330.6
Depreciation charge for the year	267.2	81.0	50.6	4.2	403.0
Disposals/ Write-offs	–	(22.7)	–	–	(22.7)
Reclassifications/ Adjustments	3.0	70.7	5.1	–	78.8
Translation differences	(16.0)	(0.9)	0.5	(0.2)	(16.6)
Balance as at 31 March 2020	254.2	319.5	195.4	4.0	773.1
Net Book Value as at 31 March 2020	1,241.9	479.2	333.0	6.4	2,060.5

Company – 2021	Central offices S$ Mil	Other properties S$ Mil	Equipment S$ Mil	Others S$ Mil	Total S$ Mil
Cost					
Balance as at 1 April 2020	**18.9**	**571.5**	**465.7**	**0.5**	**1,056.6**
Additions (net of rebates)	**3.8**	**–**	**0.7**	**–**	**4.5**
Balance as at 31 March 2021	**22.7**	**571.5**	**466.4**	**0.5**	**1,061.1**
Accumulated depreciation					
Balance as at 1 April 2020	**9.4**	**243.6**	**179.9**	**0.2**	**433.1**
Depreciation charge for the year	**6.4**	**32.6**	**19.8**	**0.1**	**58.9**
Balance as at 31 March 2021	**15.8**	**276.2**	**199.7**	**0.3**	**492.0**
Net book value as at 31 March 2021	**6.9**	**295.3**	**266.7**	**0.2**	**569.1**

20. RIGHT-OF-USE ASSETS *(Cont'd)*

Company – 2020	Central offices S$ Mil	Other properties S$ Mil	Equipment S$ Mil	Others S$ Mil	Total S$ Mil
Cost					
Balance as at 1 April 2019	12.9	426.2	454.2	0.5	893.8
Additions (net of rebates)	–	3.4	11.5	–	14.9
Disposals/ Write-offs	–	(81.5)	–	–	(81.5)
Reclassifications/ Adjustments	6.0	223.4	–	–	229.4
Balance as at 31 March 2020	18.9	571.5	465.7	0.5	1,056.6
Accumulated depreciation					
Balance as at 1 April 2019	–	191.4	139.2	–	330.6
Depreciation charge for the year	6.4	13.2	40.7	0.2	60.5
Disposals/ Write-offs	–	(22.7)	–	–	(22.7)
Reclassifications/ Adjustments	3.0	61.7	–	–	64.7
Balance as at 31 March 2020	9.4	243.6	179.9	0.2	433.1
Net book value as at 31 March 2020	9.5	327.9	285.8	0.3	623.5

21. INTANGIBLE ASSETS

	Group	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Goodwill on acquisition of subsidiaries	**10,767.2**	11,429.9
Telecommunications and spectrum licences	**2,220.0**	2,024.7
Technology and brand	**3.4**	143.9
Customer relationships and others	**138.5**	137.4
	13,129.1	13,735.9

21. INTANGIBLE ASSETS *(Cont'd)*

21.1 Goodwill on Acquisition of Subsidiaries

	Group	
	2021 S$ Mil	2020 S$ Mil
Balance as at 1 April	**11,429.9**	11,538.3
Acquisition of subsidiaries	**264.8**	–
Impairment charge for the year (see **Note 25**)	**(840.5)**	(194.8)
Translation differences	**(87.0)**	86.4
Balance as at 31 March	**10,767.2**	11,429.9
Cost	**11,798.5**	11,632.3
Accumulated impairment	**(1,031.3)**	(202.4)
Net book value as at 31 March	**10,767.2**	11,429.9

21.2 Telecommunications and Spectrum Licences

	Group	
	2021 S$ Mil	2020 S$ Mil
Balance as at 1 April	**2,024.7**	2,116.2
Additions	**157.2**	286.1
Amortisation for the year	**(235.2)**	(205.9)
Translation differences	**273.3**	(171.7)
Balance as at 31 March	**2,220.0**	2,024.7
Cost	**4,281.1**	3,610.0
Accumulated amortisation	**(2,054.9)**	(1,579.1)
Accumulated impairment	**(6.2)**	(6.2)
Net book value as at 31 March	**2,220.0**	2,024.7

21. INTANGIBLE ASSETS *(Cont'd)*

21.3 Technology and Brand

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Balance as at 1 April	**143.9**	183.9
Acquisition of a subsidiary	**3.7**	–
Amortisation for the year	**(47.3)**	(47.8)
Impairment charge for the year (see **Note 8**)	**(84.0)**	–
Translation differences	**(12.9)**	7.8
Balance as at 31 March	**3.4**	143.9
Cost	**611.0**	618.6
Accumulated amortisation	**(430.4)**	(382.0)
Accumulated impairment	**(177.2)**	(92.7)
Net book value as at 31 March	**3.4**	143.9

21.4 Customer Relationships and Others

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Balance as at 1 April	**137.4**	178.3
Additions	**76.5**	72.6
Amortisation for the year	**(78.0)**	(98.0)
Impairment charge for the year	**–**	(1.9)
Disposals	**–**	(21.7)
Reclassification/ Adjustment	**4.3**	–
Translation differences	**(1.7)**	8.1
Balance as at 31 March	**138.5**	137.4
Cost	**579.4**	491.6
Accumulated amortisation	**(439.0)**	(352.3)
Accumulated impairment	**(1.9)**	(1.9)
Net book value as at 31 March	**138.5**	137.4

22. SUBSIDIARIES

	Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Unquoted equity shares, at cost	**16,225.5**	15,036.1
Shareholders' advances	**5,733.0**	5,733.0
Deemed investment in a subsidiary	**32.5**	32.5
	21,991.0	20,801.6
Less: Allowance for impairment losses	**(2,591.1)**	(1,122.4)
	19,399.9	19,679.2

The advances given to subsidiaries were interest-free and unsecured with settlement neither planned nor likely to occur in the foreseeable future.

The deemed investment in a subsidiary, Singtel Group Treasury Pte. Ltd. ("**SGT**"), arose from financial guarantees provided by the Company for loans drawn down by SGT prior to 1 April 2010.

The significant subsidiaries of the Group are set out in **Note 46.1** to **Note 46.3**.

23. JOINT VENTURES

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Quoted equity shares, at cost	**3,533.4**	3,533.4	**–**	–
Unquoted equity shares, at cost	**5,791.5**	5,791.5	**22.8**	22.8
	9,324.9	9,324.9	**22.8**	22.8
Goodwill on consolidation adjusted against shareholders' equity	**(1,225.9)**	(1,225.9)	**–**	–
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	**7,494.8**	8,012.8	**–**	–
Translation differences	**(4,535.9)**	(4,444.1)	**–**	–
	1,733.0	2,342.8	**–**	–
Less: Allowance for impairment losses	**(30.0)**	(30.0)	**–**	–
	11,027.9	11,637.7	**22.8**	22.8

23. JOINT VENTURES *(Cont'd)*

As at 31 March 2021,

(i) The market value of the quoted equity shares in joint ventures held by the Group was S$24.97 billion (31 March 2020: S$24.55 billion).

(ii) The Group's proportionate interest in the capital commitments of joint ventures was S$3.77 billion (31 March 2020: S$2.45 billion).

The details of joint ventures are set out in **Note 46.5**.

Optus has an interest in an unincorporated joint operation to share certain 4G network sites and radio infrastructure across Australia whereby it holds an interest of 50% (31 March 2020: 50%) in the assets, with access to the shared network and shares 50% (31 March 2020: 50%) of the cost of building and operating the network.

The Group's property, plant and equipment included the Group's interest in the property, plant and equipment employed in the unincorporated joint operation amounting to S$1.01 billion (31 March 2020: S$1.08 billion).

23. JOINT VENTURES *(Cont'd)*

The summarised financial information of the Group's significant joint ventures namely Bharti Airtel Limited ("**Airtel**"), PT Telekomunikasi Selular ("**Telkomsel**"), Globe Telecom, Inc. ("**Globe**") and Advanced Info Service Public Company Limited ("**AIS**"), based on their financial statements and a reconciliation with the carrying amounts of the investments in the consolidated financial statements were as follows –

Group – 2021	Airtel S$ Mil	Telkomsel S$ Mil	Globe S$ Mil	AIS S$ Mil
Statement of comprehensive income				
Revenue	18,513.3	8,095.5	4,524.7	7,743.5
Depreciation and amortisation	(5,410.4)	(1,909.4)	(1,002.9)	(2,281.5)
Interest income	115.4	33.0	3.8	12.0
Interest expense	(2,939.6)	(173.2)	(204.5)	(254.2)
Income tax expense	(1,588.4)	(614.6)	(166.3)	(230.1)
(Loss)/ Profit after tax from continuing operations	(4,719.1)	2,402.8	540.3	1,202.4
Profit after tax from discontinued operations	1,942.4	–	–	–
Other comprehensive (loss)/ income	(103.3)	(172.9)	(42.3)	5.6
Total comprehensive (loss)/ income	(2,880.0)	2,229.9	498.0	1,208.0
Statement of financial position				
Current assets	10,049.4	2,359.4	1,670.0	1,820.0
Non-current assets	53,514.1	7,541.9	8,095.4	13,800.2
Current liabilities	(20,532.2)	(2,898.9)	(2,205.0)	(4,564.1)
Non-current liabilities	(28,263.1)	(2,076.2)	(5,127.9)	(7,978.9)
Net assets	14,768.2	4,926.2	2,432.5	3,077.2
Less: Non-controlling interests	(4,080.2)	*	(7.1)	(5.4)
Net assets attributable to equity holders	10,688.0	4,926.2	2,425.4	3,071.8
Proportion of the Group's ownership	31.7%	35.0%	47.0%	23.3%(1)
Group's share of net assets	3,390.2	1,724.2	1,138.7	716.4
Goodwill capitalised	1,148.6	1,403.6	379.7	309.9
Others (2)	869.6	–	(137.9)	(16.9)
Carrying amount of the investment	5,408.4	3,127.8	1,380.5	1,009.4
Other items				
Cash and cash equivalents	2,471.6	1,504.4	400.8	762.3
Non-current financial liabilities excluding trade and other payables	(27,298.2)	(1,564.6)	(4,702.5)	(5,346.9)
Current financial liabilities excluding trade and other payables	(4,996.3)	(936.1)	(140.5)	(1,192.8)
Group's share of market value	16,540.2	NA	3,258.7	5,166.1
Dividends received during the year	28.4	859.1	187.0	208.5

"NA" denotes Not Applicable.
"" denotes amount of less than S$0.05 million.*

Notes:
(1) Based on the Group's direct equity interest in AIS.
(2) Others include adjustments to align the respective local accounting standards to SFRS(I).

23. JOINT VENTURES *(Cont'd)*

Group – 2020	Airtel S$ Mil	Telkomsel S$ Mil	Globe S$ Mil	AIS S$ Mil
Statement of comprehensive income				
Revenue	16,982.6	8,848.6	4,464.7	8,002.1
Depreciation and amortisation	(5,371.8)	(1,893.5)	(935.4)	(2,233.4)
Interest income	336.1	47.3	10.1	10.9
Interest expense	(2,701.7)	(262.4)	(178.9)	(227.0)
Income tax credit/ (expense)	2,350.8	(811.9)	(280.5)	(257.0)
(Loss)/ Profit after tax	(5,995.8)	2,527.6	590.5	1,325.1
Other comprehensive (loss)/ income	(230.2)	(40.3)	(44.2)	3.1
Total comprehensive (loss)/ income	(6,226.0)	2,487.3	546.3	1,328.2
Statement of financial position				
Current assets	14,470.6	2,062.7	2,002.7	2,401.9
Non-current assets	53,535.9	7,402.2	6,886.5	13,862.4
Current liabilities	(24,837.2)	(2,420.5)	(2,529.2)	(5,450.8)
Non-current liabilities	(24,135.3)	(2,177.3)	(3,996.7)	(8,002.2)
Net assets	19,034.0	4,867.1	2,363.3	2,811.3
Less: Non-controlling interests	(4,626.2)	*	4.1	(5.6)
Net assets attributable to equity holders	14,407.8	4,867.1	2,367.4	2,805.7
Proportion of the Group's ownership	33.3%	35.0%	47.0%	23.3%[1]
Group's share of net assets	4,796.3	1,703.5	1,113.4	654.3
Goodwill capitalised	1,238.5	1,403.6	381.1	313.2
Others [2]	92.8	–	(143.6)	(17.0)
Carrying amount of the investment	6,127.6	3,107.1	1,350.9	950.5
Other items				
Cash and cash equivalents	3,000.6	1,194.7	405.6	1,406.4
Non-current financial liabilities excluding trade and other payables	(23,165.3)	(1,816.4)	(3,579.9)	(3,012.8)
Current financial liabilities excluding trade and other payables	(6,199.9)	(474.4)	(533.7)	(1,116.2)
Group's share of market value	15,118.3	NA	3,377.9	6,049.1
Dividends received during the year	–	905.7	154.3	212.4

"NA" denotes Not Applicable.
"" denotes amount of less than S$0.05 million.*

Notes:

(1) Based on the Group's direct equity interest in AIS.

(2) Others include adjustments to align the respective local accounting standards to SFRS(I).

Notes to the Financial Statements

For the financial year ended 31 March 2021

23. JOINT VENTURES *(Cont'd)*

The aggregate information of the Group's investments in joint ventures which are not individually significant were as follows –

	Group	
	2021 S$ Mil	**2020 S$ Mil**
Share of profit after tax	**5.3**	9.8
Share of other comprehensive income	**1.0**	1.0
Share of total comprehensive income	**6.3**	10.8
Aggregate carrying value	**101.8**	101.6

24. ASSOCIATES

	Group		Company	
	31 March 2021 S$ Mil	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
Quoted equity shares, at cost	**1,739.7**	1,733.4	**24.7**	24.7
Unquoted equity shares, at cost	**87.9**	88.7	**–**	–
	1,827.6	1,822.1	**24.7**	24.7
Goodwill on consolidation adjusted against shareholders' equity	**29.4**	29.4	**–**	–
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	**74.4**	79.5	**–**	–
Translation differences	**148.0**	179.1	**–**	–
	251.8	288.0	**–**	–
Less: Allowance for impairment losses	**(7.0)**	(5.0)	**–**	–
Reclassification to 'Net deferred gain' (see **Note 32**)	**(16.6)**	(31.0)	**–**	–
	2,055.8	2,074.1	**24.7**	24.7

24. ASSOCIATES *(Cont'd)*

As at 31 March 2021,

(i) The market values of the quoted equity shares in associates held by the Group and the Company were S$2.96 billion (31 March 2020: S$2.68 billion) and S$345.8 million (31 March 2020: S$318.6 million) respectively.

(ii) The Group's proportionate interest in the capital commitments of the associates was S$181.9 million (31 March 2020: S$257.4 million).

The details of associates are set out in **Note 46.4**.

The summarised financial information of the Group's significant associate namely Intouch Holdings Public Company Limited ("**Intouch**"), based on its financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements was as follows –

Group	2021 S$ Mil	2020 S$ Mil
Statement of comprehensive income		
Revenue	**152.3**	200.7
Profit after tax	**482.0**	468.4
Other comprehensive (loss)/ income	**(0.5)**	5.7
Total comprehensive income	**481.5**	474.1
Statement of financial position		
Current assets	**757.0**	712.0
Non-current assets	**1,618.8**	1,588.6
Current liabilities	**(468.8)**	(388.0)
Non-current liabilities	**(81.5)**	(198.8)
Net assets	**1,825.5**	1,713.8
Less: Non-controlling interests	**(258.1)**	(257.4)
Net assets attributable to equity holders	**1,567.4**	1,456.4
Proportion of the Group's ownership	**21.1%**	21.0%
Group's share of net assets	**330.4**	305.9
Goodwill and other identifiable intangible assets	**1,455.4**	1,465.6
Others [(1)]	**(94.3)**	(73.0)
Carrying amount of the investment	**1,691.5**	1,698.5
Other items		
Group's share of market value	**1,683.4**	1,461.3
Dividends received during the year	**73.0**	73.3

Note:
[(1)] Others include adjustments to align the respective local accounting standards to SFRS(I).

24. ASSOCIATES *(Cont'd)*

The aggregate information of the Group's investments in associates which are not individually significant were as follows –

	Group	
	2021 S$ Mil	2020 S$ Mil
Share of profit after tax	**49.5**	57.7
Share of other comprehensive income/ (loss)	**4.3**	(3.1)
Share of total comprehensive income	**53.8**	54.6

25. IMPAIRMENT REVIEWS

Goodwill arising on acquisition of subsidiaries

The carrying values of the Group's goodwill on acquisition of subsidiaries as at 31 March 2021 were assessed for impairment during the financial year.

Goodwill is allocated for impairment testing purposes to the individual entity which is also the cash-generating unit ("**CGU**").

The Group is structured into three business segments, Group Consumer, Group Enterprise and Group Digital Life. Based on the relative fair value approach, the goodwill of Optus is fully allocated to Consumer Australia included in the Group Consumer segment for the purpose of goodwill impairment testing.

The recoverable values of CGUs including goodwill are assessed based on discounted cash flow models using cash flow projections from financial budgets and forecasts approved by management. The Group has used cash flow projections of ten years for Amobee and the Global Cyber Security Business, and 7 years for Optus to better reflect the longer time period for investment returns. Cash flows beyond the terminal year are extrapolated using the estimated growth rates stated in the table below. Key assumptions used in the discounted cash flow models are growth rates, operating margins, capital expenditure and discount rates.

The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with forecasts included in industry reports.

The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital (WACC) where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

25. IMPAIRMENT REVIEWS *(Cont'd)*

The details are shown in the table below:

Group	31 March 2021 S$ Mil	31 March 2020 S$ Mil	Terminal growth rate [(1)] 31 March 2021	Terminal growth rate [(1)] 31 March 2020	Pre-tax discount rate 31 March 2021	Pre-tax discount rate 31 March 2020
Carrying value of goodwill in –						
Optus Group	**9,548.6**	9,259.5	**2.5%**	3.0%	**5.9%**	7.1%
Global Cyber Security Business [(2)]	**728.5**	1,097.4	**3.5%**	3.5%	**11.7%**	11.4%
Amobee, Inc. ("**Amobee**")	**407.9**	990.8	**3.0%**	3.0%	**13.6%**	13.7%
SCS Computer Systems Pte. Ltd. ("**SCS**")	**82.2**	82.2	**2.0%**	2.0%	**6.1%**	7.0%

Notes:

(1) Weighted average growth rate used to extrapolate cash flows beyond the terminal year.

(2) Global Cyber Security Business, which comprises the cyber security businesses across the Group including Trustwave, is considered a single CGU for the purpose of goodwill impairment testing.

As at 31 March 2021, the recoverable values of Amobee and Global Cyber Security Business were assessed to be below their carrying values. Consequently, the Group recorded non-cash impairment charges of S$532 million (US$395 million) and S$309 million (US$230 million) to the goodwill of Amobee and Global Cyber Security Business respectively. The ongoing industry and operational challenges and COVID-19 pandemic have resulted in underperformance of the business plans and impacted the recoverable values of these businesses. The impairment charges were based on the Group's best estimates. Following the impairment charges, the recoverable amounts of goodwill were equal to the carrying amounts. No impairment charge was required for the goodwill arising from acquisition of Optus Group and SCS.

In the previous financial year, an impairment charge of S$195 million was recognised for the goodwill of Amobee.

26. FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") INVESTMENTS

	Group		Company	
	2021 S$ Mil	2020 S$ Mil	2021 S$ Mil	2020 S$ Mil
Balance as at 1 April	**515.0**	646.9	**4.0**	5.3
Additions	**20.4**	87.5	**–**	–
Disposals/ Write-offs	**(12.5)**	(34.5)	**–**	–
Net fair value gains/ (losses) included in 'Other Comprehensive Income'	**132.9**	(184.9)	**(0.7)**	(1.3)
Translation differences	**(4.9)**	*	**–**	–
Balance as at 31 March	**650.9**	515.0	**3.3**	4.0

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Cost	**720.9**	718.5	**3.3**	3.3
Cumulative fair value changes	**(70.0)**	(203.5)	*****	0.7
	650.9	515.0	**3.3**	4.0

"" denotes amount of less than S$0.05 million.*

FVOCI investments included the following –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Quoted equity securities				
– Africa	**305.7**	150.2	**–**	–
– Singapore	**3.3**	4.0	**3.3**	4.0
– United States of America	**0.3**	4.2	**–**	–
	309.3	158.4	**3.3**	4.0
Unquoted				
Equity securities	**324.7**	334.5	**–**	–
Others	**16.9**	22.1	**–**	–
	341.6	356.6	**–**	–
	650.9	515.0	**3.3**	4.0

27. OTHER ASSETS

	Group		Company	
Non-current	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
Capitalised contract costs (net)	**372.6**	319.5	*****	*
Prepayments	**125.5**	129.3	**88.3**	105.7
Tax recoverable from ATO [1]	**137.0**	117.2	**–**	–
Other receivables	**51.6**	74.4	**–**	–
	686.7	640.4	**88.3**	105.7

Note:

[1] The Group paid A$134 million to the Australian Taxation Office ("**ATO**") for amended tax assessments received in respect of the acquisition financing of Optus in November 2016. This payment has been recorded as a tax recoverable from the ATO pending outcome of its objections to the ATO (see **Note 42(b)**).

The movements in capitalised contract costs (net) were as follows –

	Group		Company	
	2021 S$ Mil	**2020 S$ Mil**	**2021 S$ Mil**	**2020 S$ Mil**
Balance as at 1 April	**319.5**	273.4	*****	0.1
Contract costs incurred	**322.0**	293.8	**–**	–
Amortisation to operating expenses	**(147.7)**	(85.4)	*****	(0.1)
Amortisation to mobile service revenue	**(132.8)**	(150.2)	**–**	–
Translation differences	**11.6**	(12.1)	**–**	–
Balance as at 31 March	**372.6**	319.5	*****	*

"" denotes amount of less than S$0.05 million.*

28. TRADE AND OTHER PAYABLES

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Trade payables	**4,731.2**	4,407.1	**600.0**	705.7
Accruals	**859.7**	813.7	**202.5**	207.4
Interest payable on borrowings and swaps	**93.7**	118.6	**28.3**	29.4
Contract liabilities (handset sales)	**48.3**	69.2	**–**	–
Deferred income	**32.8**	31.6	**4.9**	4.0
Customers' deposits	**23.6**	24.5	**12.8**	17.2
Due to associates and joint ventures				
– trade	**28.6**	23.3	**23.8**	14.9
– non-trade	**0.1**	0.1	**–**	–
	28.7	23.4	**23.8**	14.9
Due to subsidiaries				
– trade	**–**	–	**645.2**	196.2
– non-trade	**–**	–	**827.1**	1,201.8
	–	–	**1,472.3**	1,398.0
Other payables	**158.8**	152.8	**44.1**	40.5
	5,976.8	5,640.9	**2,388.7**	2,417.1

The trade payables are non-interest bearing and are generally settled on 30 or 60 days terms, with some payables relating to handset and network investments having payment terms of up to 364 days and suppliers have in place facilities from third parties so as to extend such longer credit terms to the Group.

The interest payable on borrowings and swaps are mainly settled on a quarterly or half-yearly basis.

The amounts due to subsidiaries are unsecured, repayable on demand and interest-free.

29. BORROWINGS (UNSECURED)

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Current				
Bonds	**956.2**	2,033.4	**–**	–
Bank loans	**656.1**	1,554.8	**–**	–
	1,612.3	3,588.2	**–**	–
Non-current				
Bonds	**8,042.0**	7,323.1	**799.4**	942.5
Bank loans	**1,000.4**	1,060.9	**–**	–
	9,042.4	8,384.0	**799.4**	942.5
Total unsecured borrowings	**10,654.7**	11,972.2	**799.4**	942.5

29. BORROWINGS (UNSECURED) *(Cont'd)*

29.1 Bonds

	Group		Company	
Principal amount	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**	**31 March 2021 S$ Mil**	**31 March 2020 S$ Mil**
US$3,600 million [1] (31 March 2020: US$2,850 million)	**4,813.0**	4,040.7	**–**	–
US$500 million [1]	**799.4**	942.5	**799.4**	942.5
€500 million [1][2] (31 March 2020: €1,200 million)	**796.4**	1,885.4	**–**	–
A$2,000 million [2] (31 March 2020: A$1,150 million)	**2,039.5**	1,004.0	**–**	–
S$600 million [1]	**–**	600.0	**–**	–
S$400 million (31 March 2020: S$550 million)	**400.0**	549.9	**–**	–
S$150 million [2]	**149.9**	150.0	**–**	–
HK$1,000 million [2]	**–**	184.0	**–**	–
	8,998.2	9,356.5	**799.4**	942.5
Classified as –				
Current	**956.2**	2,033.4	**–**	–
Non-current	**8,042.0**	7,323.1	**799.4**	942.5
	8,998.2	9,356.5	**799.4**	942.5

Notes:

[1] The bonds are listed on the Singapore Exchange Limited.

[2] The bonds, issued by Optus Group, are subject to a negative pledge that limits the amount of secured indebtedness of certain subsidiaries of Optus.

29.2 Bank Loans

	Group	
	31 March 2021 S$ Mil	**31 March 2020 S$ Mil**
Current	**656.1**	1,554.8
Non-current	**1,000.4**	1,060.9
	1,656.5	2,615.7

29. BORROWINGS (UNSECURED) *(Cont'd)*

29.3 Maturity

The maturity periods of the non-current unsecured borrowings at the end of the reporting period were as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Between 1 and 5 years	**3,600.7**	3,468.8	**–**	–
Over 5 years	**5,441.7**	4,915.2	**799.4**	942.5
	9,042.4	8,384.0	**799.4**	942.5

29.4 Interest Rates

The weighted average effective interest rates at the end of the reporting period were as follows –

	Group		Company	
	31 March 2021 %	31 March 2020 %	31 March 2021 %	31 March 2020 %
Bonds (fixed rate)	**3.1**	3.4	**7.4**	7.4
Bank loans (floating rate)	**0.7**	1.1	**–**	–

29.5 The tables below set out the maturity profile of borrowings and related swaps based on expected contractual undiscounted cash flows.

Group	Less than 1 year S$ Mil	Between 1 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2021			
Net-settled interest rate swaps	**33.1**	**83.5**	**56.8**
Cross currency interest rate swaps (gross-settled)			
– Inflow	**(148.9)**	**(566.8)**	**(578.8)**
– Outflow	**116.3**	**455.1**	**438.7**
	0.5	**(28.2)**	**(83.3)**
Borrowings	**1,820.5**	**4,386.4**	**6,319.9**
	1,821.0	**4,358.2**	**6,236.6**
As at 31 March 2020			
Net-settled interest rate swaps	23.0	27.4	22.4
Cross currency interest rate swaps (gross-settled)			
– Inflow	(208.0)	(550.1)	(644.0)
– Outflow	138.6	475.8	504.4
	(46.4)	(46.9)	(117.2)
Borrowings	3,604.4	4,104.6	5,369.8
	3,558.0	4,057.7	5,252.6

29. BORROWINGS (UNSECURED) *(Cont'd)*

Company	Less than 1 year S$ Mil	Between 1 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2021			
Net-settled interest rate swaps	**13.0**	**13.0**	**11.2**
Cross currency interest rate swaps (gross-settled)			
– Inflow	**(49.6)**	**(198.3)**	**(297.4)**
– Outflow	**22.8**	**91.2**	**136.7**
	(13.8)	**(94.1)**	**(149.5)**
Borrowings	**49.6**	**198.3**	**1,178.7**
	35.8	**104.2**	**1,029.2**
As at 31 March 2020			
Net-settled interest rate swaps	3.8	8.7	8.5
Cross currency interest rate swaps (gross-settled)			
– Inflow	(52.6)	(210.3)	(367.9)
– Outflow	32.0	128.2	224.1
	(16.8)	(73.4)	(135.3)
Borrowings	52.6	210.3	1,249.2
	35.8	136.9	1,113.9

30. BORROWINGS (SECURED)

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Current				
Lease liabilities	**421.6**	382.3	**60.6**	63.2
Non-current				
Lease liabilities	**1,783.2**	1,818.1	**524.0**	581.2
Total secured borrowings	**2,204.8**	2,200.4	**584.6**	644.4

Secured borrowings were lease liabilities in respect of right-of-use assets.

30. BORROWINGS (SECURED) *(Cont'd)*

30.1 Maturity

The maturity periods of the non-current secured borrowings at the end of the reporting period were as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Between 1 and 5 years	**975.6**	956.4	**210.9**	236.6
Over 5 years	**807.6**	861.7	**313.1**	344.6
	1,783.2	1,818.1	**524.0**	581.2

30.2 The tables below set out the maturity profile of lease liabilities based on expected contractual undiscounted cash flows –

Group	Less than 1 year S$ Mil	Between 1 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2021			
Lease liabilties	**485.3**	**1,148.7**	**879.8**
As at 31 March 2020			
Lease liabilities	450.3	1,140.7	990.3

Company	Less than 1 year S$ Mil	Between 1 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2021			
Lease liabilties	**82.4**	**277.2**	**329.6**
As at 31 March 2020			
Lease liabilities	87.2	310.8	421.9

31. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Group – 2021	Bonds S$ Mil	Bank loans S$ Mil	Lease liabilities S$ Mil	Interest payable S$ Mil	Derivative financial instruments S$ Mil
As at 1 April 2020	**9,356.5**	**2,615.7**	**2,200.4**	**118.6**	**(717.8)**
Financing cash flows [1]	**(196.2)**	**(1,067.3)**	**(429.3)**	**(392.5)**	**196.8**
Non-cash changes:					
Fair value adjustments	**(139.9)**	**–**	**–**	**–**	**323.5**
Amortisation of bond discount	**10.2**	**–**	**–**	**–**	**–**
Foreign exchange movements	**(32.4)**	**108.1**	**199.5**	**8.3**	**479.4**
Additions of lease liabilities	**–**	**–**	**234.2**	**–**	**–**
Interest expense	**–**	**–**	**–**	**386.0**	**–**
Adjustments/ Reclassification	**–**	**–**	**–**	**(26.7)**	**–**
	(162.1)	**108.1**	**433.7**	**367.6**	**802.9**
As at 31 March 2021	**8,998.2**	**1,656.5**	**2,204.8**	**93.7**	**281.9**

Group – 2020	Bonds S$ Mil	Bank loans S$ Mil	Lease liabilities S$ Mil	Interest payable S$ Mil	Derivative financial instruments S$ Mil
As at 1 April 2019	7,946.0	2,634.6	83.5	132.1	(280.0)
Financing cash flows [1]	1,113.4	16.7	(403.9)	(463.3)	173.9
Non-cash changes:					
Fair value adjustments	149.6	–	–	–	(214.8)
Amortisation of bond discount	(2.6)	–	–	–	–
Foreign exchange movements	150.1	(35.6)	(125.7)	*	(396.9)
Additions of lease liabilities	–	–	2,646.5	–	–
Interest expense	–	–	–	449.8	–
	297.1	(35.6)	2,520.8	449.8	(611.7)
As at 31 March 2020	9,356.5	2,615.7	2,200.4	118.6	(717.8)

"" denotes amount of less than S$0.05 million.*

Note:

[1] The cash flows comprised the net amount of proceeds from borrowings and repayments of borrowings, net interest paid on borrowings, and settlement of swaps for bonds repaid in the statement of cash flows.

32. NET DEFERRED GAIN

	Group	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Unamortised deferred gain	**404.8**	425.5
Reclassification from 'Associates' (see **Note 24**)	**(16.6)**	(31.0)
Net deferred gain	**388.2**	394.5
Classified as –		
Current	**20.8**	20.8
Non-current	**367.4**	373.7
	388.2	394.5

NetLink Trust ("**NLT**") is a business trust established as part of the Infocomm Media Development Authority of Singapore's effective open access requirements under Singapore's Next Generation Nationwide Broadband Network.

In prior years, Singtel had sold certain infrastructure assets, namely ducts, manholes and exchange buildings ("**Assets**") to NLT. At the consolidated level, the gain on disposal of Assets recognised by Singtel is deferred in the Group's statement of financial position and amortised over the useful lives of the Assets. The unamortised deferred gain is released to the Group's income statement when NLT is partially or fully sold, based on the proportionate equity interest disposed.

Singtel sold its 100% interest in NLT to NetLink NBN Trust (the "**Trust**") in July 2017 for cash as well as a 24.8% interest in the Trust. With the divestment, Singtel ceased to own units in NLT but holds an interest of 24.8% in the Trust which owns all the units in NLT.

33. OTHER NON-CURRENT LIABILITIES

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Performance share liability	**6.4**	6.8	**6.4**	6.8
Other payables	**165.6**	141.5	**16.2**	11.9
	172.0	148.3	**22.6**	18.7

Other payables mainly relate to accruals of rental for certain network sites, long-term employee entitlements and asset retirement obligations.

34. SHARE CAPITAL

	Number of shares		Share capital	
Group and Company	**2021 Mil**	**2020 Mil**	**2021 S$ Mil**	**2020 S$ Mil**
Balance as at 1 April	**16,329.1**	16,329.1	**4,127.3**	4,127.3
Shares issued under the Singtel Scrip Dividend Scheme [(1)]	**185.5**	–	**446.2**	–
Balance as at 31 March	**16,514.6**	16,329.1	**4,573.5**	4,127.3

Note:

(1) Share capital amount is net of issuance costs.

All issued shares are fully paid and have no par value. The issued shares carry one vote per share and a right to dividends as and when declared by the Company. On 11 November 2020, the Directors approved the adoption of the Singtel Scrip Dividend Scheme ("**Scheme**") and the application of the Scheme to the interim dividend. On 15 January 2021, Singtel issued 185.5 million new ordinary shares to shareholders who had elected to participate in this Scheme in respect of the interim dividend for the current financial year ended 31 March 2021.

Capital Management

The Group is committed to an optimal capital structure, which enables investments for growth, while maintaining financial flexibility and investment-grade credit ratings. The Group monitors capital based on gross and net gearing ratios. In order to achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce its borrowings.

From time to time, the Group purchases its own shares from the market. The shares purchased are primarily for delivery to employees upon vesting of performance shares awarded under Singtel performance share plans. The Group can also cancel the shares which are repurchased from the market.

The Group is committed to a sustainable dividend policy in line with earnings and cash flow generation. The Group is driving a transformation to deliver growth for the long term. Barring unforeseen circumstances, it plans to pay dividends at between 60% and 80% of underlying net profit. Underlying net profit is defined as net profit before exceptional items. This dividend policy will be reviewed regularly to reflect the progress of the Group's transformation.

35. DIVIDENDS

	Group		Company	
	2021 S$ Mil	2020 S$ Mil	2021 S$ Mil	2020 S$ Mil
Final dividend of 5.45 cents (2020: 10.7 cents) per share, paid	**889.7**	1,746.7	**889.9**	1,747.2
Interim dividend of 5.1 cents (2020: 6.8 cents) per share, paid	**832.5**	1,110.0	**832.8**	1,110.4
	1,722.2	2,856.7	**1,722.7**	2,857.6

During the financial year, a final one-tier tax exempt ordinary dividend of 5.45 cents per share, totalling S$890 million was paid in respect of the previous financial year ended 31 March 2020. In addition, an interim one-tier tax exempt ordinary dividend of 5.1 cents per share totalling S$833 million was paid in respect of the current financial year ended 31 March 2021, of which S$449 million was settled by issuance of shares under the Singtel Scrip Dividend Scheme.

The amount paid by the Group differed from that paid by the Company due to dividends on performance shares held by the Trust that were eliminated on consolidation of the Trust.

The Directors have proposed a final one-tier tax exempt ordinary dividend of 2.4 cents per share, totalling approximately S$396 million in respect of the current financial year ended 31 March 2021 for approval at the forthcoming Annual General Meeting. The Singtel Scrip Dividend Scheme will not be applied to the final dividend.

These financial statements do not reflect the above final dividend payable which will be accounted for in the 'Shareholders' Equity' as an appropriation of 'Retained Earnings' in the next financial year ending 31 March 2022.

36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The Group classifies fair value measurements using a fair value hierarchy which reflects the significance of the inputs used in determining the measurements. The fair value hierarchy has the following levels –

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);

(b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and

(c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES *(Cont'd)*

36.1 Financial assets and liabilities measured at fair value

Group **31 March 2021**	**Level 1** **S$ Mil**	**Level 2** **S$ Mil**	**Level 3** **S$ Mil**	**Total** **S$ Mil**
Financial assets				
FVOCI investments (**Note 26**)				
– Quoted equity securities	**309.3**	**–**	**–**	**309.3**
– Unquoted investments	**–**	**–**	**341.6**	**341.6**
	309.3	**–**	**341.6**	**650.9**
Derivative financial instruments (**Note 18**)	**–**	**86.1**	**–**	**86.1**
	309.3	**86.1**	**341.6**	**737.0**
Financial liabilities				
Derivative financial instruments (**Note 18**)	**–**	**368.0**	**–**	**368.0**
	–	**368.0**	**–**	**368.0**

Group **31 March 2020**	**Level 1** **S$ Mil**	**Level 2** **S$ Mil**	**Level 3** **S$ Mil**	**Total** **S$ Mil**
Financial assets				
FVOCI investments (**Note 26**)				
– Quoted equity securities	158.4	–	–	158.4
– Unquoted investments	–	–	356.6	356.6
	158.4	–	356.6	515.0
Derivative financial instruments (**Note 18**)	–	854.7	–	854.7
	158.4	854.7	356.6	1,369.7
Financial liabilities				
Derivative financial instruments (**Note 18**)	–	136.9	–	136.9
	–	136.9	–	136.9

36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES *(Cont'd)*

36.1 Financial assets and liabilities measured at fair value *(Cont'd)*

Company 31 March 2021	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments (**Note 26**)				
– Quoted equity securities	**3.3**	**–**	**–**	**3.3**
Derivative financial instruments (**Note 18**)	**–**	**4.9**	**–**	**4.9**
	3.3	**4.9**	**–**	**8.2**
Financial liabilities				
Derivative financial instruments (**Note 18**)	**–**	**80.8**	**–**	**80.8**
	–	**80.8**	**–**	**80.8**

Company 31 March 2020	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments (**Note 26**)				
– Quoted equity securities	4.0	–	–	4.0
Derivative financial instruments (**Note 18**)	–	139.5	–	139.5
	4.0	139.5	–	143.5
Financial liabilities				
Derivative financial instruments (**Note 18**)	–	45.1	–	45.1
	–	45.1	–	45.1

See **Note 2.17** for the policies on fair value estimation of the financial assets and liabilities.

36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES *(Cont'd)*

36.1 Financial assets and liabilities measured at fair value *(Cont'd)*

The following table presents the reconciliation for the unquoted FVOCI investments measured at fair value based on unobservable inputs (**Level 3**) –

	Group	
	2021 S$ Mil	**2020 S$ Mil**
FVOCI investments – unquoted		
Balance as at 1 April	**356.6**	625.0
Total (losses)/ gains included in 'Fair Value Reserve'	**(24.6)**	56.2
Additions	**20.1**	33.1
Disposals	**(5.6)**	(18.7)
Transfer out from Level 3 [(1)]	**–**	(339.1)
Translation differences	**(4.9)**	0.1
Balance as at 31 March	**341.6**	356.6

Note:
(1) Included the transfer of the Group's direct equity investment of 5.5% in Airtel Africa Plc, which was listed on the London Stock Exchange and Nigeria Stock Exchange during the previous financial year, to Level 1 of the fair value hierarchy.

36.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed)

	Carrying Value	Fair value			
	S$ Mil	**Level 1 S$ Mil**	**Level 2 S$ Mil**	**Level 3 S$ Mil**	**Total S$ Mil**
As at 31 March 2021					
Financial liabilities					
Group					
Bonds (**Note 29.1**)	**8,998.2**	**6,753.0**	**2,690.3**	**–**	**9,443.3**
Company					
Bonds (**Note 29.1**)	**799.4**	**965.8**	**–**	**–**	**965.8**
As at 31 March 2020					
Financial liabilities					
Group					
Bonds (**Note 29.1**)	9,356.5	7,848.9	1,951.0	–	9,799.9
Company					
Bonds (**Note 29.1**)	942.5	1,071.7	–	–	1,071.7

36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES *(Cont'd)*

36.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed) *(Cont'd)*

See **Note 2.17** on the basis of estimating the fair values and **Note 18** for information on the derivative financial instruments used for hedging the risks associated with the borrowings.

Except as disclosed in the above tables, the carrying values of other financial assets and liabilities approximate their fair values.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

37.1 Financial Risk Factors

The Group's activities are exposed to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk, liquidity risk and market risk. The Group's overall risk management seeks to minimise the potential adverse effects of these risks on the financial performance of the Group.

The Group uses financial instruments such as currency forwards, cross currency and interest rate swaps, and foreign currency borrowings to hedge certain financial risk exposures. No financial derivatives are held or sold for speculative purposes.

The Directors assume responsibility for the overall financial risk management of the Group. For the financial year ended 31 March 2021, the Risk Committee and Finance and Investment Committee ("**FIC**"), which are committees of the Board, assisted the Directors in reviewing and establishing policies relating to financial risk management in accordance with the policies and directives of the Group.

37.2 Foreign Exchange Risk

The foreign exchange risk of the Group arises from subsidiaries, associates and joint ventures operating in foreign countries, mainly Australia, India, Indonesia, the Philippines, Thailand and the United States of America. Additionally, the Group's joint venture in India, Bharti Airtel Limited, is primarily exposed to foreign exchange risks from its operations in Sri Lanka and 14 countries across Africa. Translation risks of overseas net investments are not hedged unless approved by the FIC.

The Group has borrowings denominated in foreign currencies that have primarily been hedged into the functional currency of the respective borrowing entities using cross currency swaps in order to reduce the foreign currency exposure on these borrowings. As the hedges are intended to be perfect, any change in the fair value of the cross currency swaps has minimal impact on profit and equity.

The Group Treasury Policy, as approved by the FIC, is to substantially hedge all known transactional currency exposures. The Group generates revenue, receives foreign dividends and incurs costs in currencies which are other than the functional currencies of the operating units, thus giving rise to foreign exchange risk. The currency exposures are primarily for the Australian Dollar, Euro, Hong Kong Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Pound Sterling, Thai Baht, United States Dollar and Japanese Yen.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Cont'd)*

37.2 Foreign Exchange Risk *(Cont'd)*

Foreign currency purchases and forward currency contracts are used to reduce the Group's transactional exposure to foreign currency exchange rate fluctuations. The foreign exchange difference on trade balances is disclosed in **Note 6** and the foreign exchange difference on non-trade balances is disclosed in **Note 10**.

The critical terms (i.e. the notional amount, maturity and underlying) of the derivative financial instruments and their corresponding hedged items are the same. The Group performs a qualitative assessment of effectiveness and it is expected that derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the derivative financial instruments, which is not reflected in the fair value of the hedged items attributable to changes in foreign currency rates. No other source of ineffectiveness emerged from these hedging relationships.

All hedge relationships remain effective and there is no hedge relationship in which hedge accounting is no longer applied.

37.3 Interest Rate Risk

The Group has cash balances placed with reputable banks and financial institutions which generate interest income for the Group. The Group manages its interest rate risks on its interest income by placing the cash balances on varying maturities and interest rate terms.

The Group's borrowings include bank borrowings and bonds. The borrowings expose the Group to interest rate risk. The Group seeks to minimise its exposure to these risks by entering into interest rate swaps over the duration of its borrowings. Interest rate swaps entail the Group agreeing to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2021, after taking into account the effect of interest rate swaps, approximately 81% (31 March 2020: 72%) of the Group's borrowings were at fixed rates of interest.

As at 31 March 2021, assuming that the market interest rate is 50 basis points higher or lower and with no change to the other variables, the annualised interest expense on borrowings would be higher or lower by S$11.3 million (2020: S$15.8 million).

The critical terms (i.e. the notional amount, maturity and underlying) of the derivative financial instruments and their corresponding hedged items are the same. The Group performs a qualitative assessment of effectiveness and it is expected that derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swaps, which is not reflected in the fair value of the hedge items attributable to changes in interest rates. No other source of ineffectiveness emerged from these hedging relationships.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Cont'd)*

37.3 Interest Rate Risk *(Cont'd)*

Interest rate swap contracts paying fixed rate interest amounts are designated and effective as cash flow hedges in reducing the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the borrowings occur simultaneously and the amount accumulated in equity is reclassified to the income statement over the period that the floating rate interest payments on borrowings affect the income statement.

Interest rate swap contracts paying floating rate interest amounts are designated and effective as fair value hedges of interest rate movements. During the year, the hedge was fully effective in hedging the fair value exposure to interest rate movements. The carrying amount of the bond decreased by S$12.8 million (31 March 2020: increased by S$124.7 million) which was included in the income statement at the same time that the fair value of the interest rate swap was included in the income statement.

As at 31 March 2021, S$1.60 billion (31 March 2020: S$2.83 billion) of borrowings were designated in fair value hedge relationships. All hedge relationships remained effective and there was no hedge relationship in which hedge accounting could no longer be applied.

37.4 Credit Risk

Financial assets that potentially subject the Group to concentrations of credit risk consist primarily of trade receivables, contract assets, cash and cash equivalents and financial instruments used in hedging activities.

The Group has no significant concentration of credit risk from trade receivables and contract assets due to its diverse customer base. Credit risk is managed through the application of credit assessment and approvals, credit limits and monitoring procedures. Where appropriate, the Group obtains deposits or bank guarantees from customers or enters into credit insurance arrangements. The Group's exposure to credit risk and the measurement bases used to determine expected credit losses is disclosed in **Note 16**.

The Group places its cash and cash equivalents with a number of major commercial banks and other financial institutions with high credit ratings. Derivative counterparties are limited to high credit rating commercial banks and other financial institutions. The Group has policies that limit the financial exposure to any one financial institution.

37.5 Liquidity Risk

To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Group maintains funding flexibility with adequate committed and uncommitted credit lines available to ensure that the Group is able to meet the short-term obligations of the Group as they fall due.

The maturity profile of the Group's borrowings and related swaps based on expected contractual undiscounted cash flows is disclosed in **Note 29.5**.

37.6 Market Risk

The Group has investments in quoted equity shares. The market value of these investments will fluctuate with market conditions.

38. SEGMENT INFORMATION

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

The Group is structured into three business segments, Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, which focus on driving greater value and performance from the core carriage business including mobile, pay TV, fixed broadband and voice, as well as equipment sales. It also includes the Group's regional investments in AIS and Intouch (which has an equity interest of 40.5% in AIS) in Thailand, Airtel in India, Africa and Sri Lanka, Globe in the Philippines, and Telkomsel in Indonesia, as well as two key digital businesses – mobile financial business, and gaming and digital content business.

Group Enterprise comprises the business groups across Singapore, Australia, the United States of America, Europe and the region, and focuses on growing the Group's position in the enterprise markets. Key services include mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT services and professional consulting.

Group Digital Life ("**GDL**") focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage. It has two key businesses – digital marketing (Amobee) as well as advanced analytics and intelligence capabilities (DataSpark). It also serves as Singtel's digital innovation engine through Innov8.

Corporate comprises the costs of Group functions not allocated to the business segments.

The measurement of segment results which is before exceptional items, is in line with the basis of information presented to management for internal management reporting purposes.

The costs of shared and common infrastructure are allocated to the business segments using established methodologies.

38. SEGMENT INFORMATION *(Cont'd)*

The Group's reportable segments by the three business segments for the financial years ended 31 March 2021 and 31 March 2020 were as follows –

Group – 2021	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Operating revenue	**8,789.4**	**5,938.9**	**915.7**	**–**	**15,644.0**
Operating expenses	(6,472.8)	(4,457.7)	(933.8)	(89.6)	(11,953.9)
Other income	116.6	26.3	3.6	(5.0)	141.5
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	**2,433.2**	**1,507.5**	**(14.5)**	**(94.6)**	**3,831.6**
Share of pre-tax results of associates and joint ventures					
– Airtel	23.2	–	–	–	23.2
– Telkomsel	915.0	–	–	–	915.0
– Globe	346.2	–	–	–	346.2
– AIS	334.1	–	–	–	334.1
– Intouch	93.5	–	–	–	93.5
– Others	0.6	–	–	85.5	86.1
	1,712.6	–	–	85.5	1,798.1
EBITDA and share of pre-tax results of associates and joint ventures	**4,145.8**	**1,507.5**	**(14.5)**	**(9.1)**	**5,629.7**
Depreciation and amortisation	(1,838.8)	(747.9)	(93.2)	(4.9)	(2,684.8)
Earnings before interest and tax ("EBIT")	**2,307.0**	**759.6**	**(107.7)**	**(14.0)**	**2,944.9**
Segment assets					
Investment in associates and joint ventures					
– Airtel	5,408.4	–	–	–	5,408.4
– Telkomsel	3,127.8	–	–	–	3,127.8
– Globe	1,380.5	–	–	–	1,380.5
– AIS	1,009.4	–	–	–	1,009.4
– Intouch	1,691.5	–	–	–	1,691.5
– Others	33.1	–	–	433.0	466.1
	12,650.7	–	–	433.0	13,083.7
Goodwill on acquisition of subsidiaries	9,460.9	898.4	407.9	–	10,767.2
Other assets	15,138.9	6,339.2	932.6	1,736.8	24,147.5
	37,250.5	7,237.6	1,340.5	2,169.8	47,998.4

Notes to the Financial Statements

For the financial year ended 31 March 2021

38. SEGMENT INFORMATION *(Cont'd)*

Group – 2020	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Operating revenue	9,371.0	6,025.9	1,145.4	–	16,542.3
Operating expenses	(6,404.1)	(4,488.5)	(1,195.8)	(91.3)	(12,179.7)
Other income	123.5	49.2	2.2	3.9	178.8
EBITDA	3,090.4	1,586.6	(48.2)	(87.4)	4,541.4
Share of pre-tax results of associates and joint ventures					
– Airtel	(403.2)	–	–	–	(403.2)
– Telkomsel	1,168.9	–	–	–	1,168.9
– Globe	410.2	–	–	–	410.2
– AIS	365.0	–	–	–	365.0
– Intouch	101.0	–	–	–	101.0
– Others	1.3	–	–	99.4	100.7
	1,643.2	–	–	99.4	1,742.6
EBITDA and share of pre-tax results of associates and joint ventures	4,733.6	1,586.6	(48.2)	12.0	6,284.0
Depreciation and amortisation	(1,755.3)	(728.7)	(91.6)	(4.7)	(2,580.3)
EBIT	2,978.3	857.9	(139.8)	7.3	3,703.7
Segment assets					
Investment in associates and joint ventures					
– Airtel	6,127.6	–	–	–	6,127.6
– Telkomsel	3,107.1	–	–	–	3,107.1
– Globe	1,350.9	–	–	–	1,350.9
– AIS	950.5	–	–	–	950.5
– Intouch	1,698.5	–	–	–	1,698.5
– Others	30.1	–	–	447.1	477.2
	13,264.7	–	–	447.1	13,711.8
Goodwill on acquisition of subsidiaries	9,184.5	1,254.6	990.8	–	11,429.9
Other assets	13,588.4	6,302.1	1,113.8	2,808.9	23,813.2
	36,037.6	7,556.7	2,104.6	3,256.0	48,954.9

38. SEGMENT INFORMATION *(Cont'd)*

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax was as follows –

	Group	
	2021 S$ Mil	2020 S$ Mil
EBIT	**2,944.9**	3,703.7
Share of exceptional items of associates and joint ventures (post-tax)	**(670.2)**	(1,806.2)
Share of tax expense of associates and joint ventures	**(521.2)**	(466.0)
Exceptional items	**(604.3)**	415.7
Profit before interest, investment income (net) and tax	**1,149.2**	1,847.2
Interest and investment income (net)	**2.9**	180.0
Finance costs	**(398.1)**	(461.8)
Profit before tax	**754.0**	1,565.4

The Group's revenue from its major products and services are disclosed in **Note 4**.

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 39% (2020: 39%) and 52% (2020: 51%) of Group's revenue for the financial year ended 31 March 2021, with the remaining 9% (2020: 10%) from the United States of America and other countries where the Group operates in. The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

The Group has a large and diversified customer base which consists of individuals and corporations. There was no single customer that contributed 10% or more of the Group's revenue for the financial years ended 31 March 2021 and 31 March 2020.

39. OPERATING LEASE COMMITMENTS (AS A LESSOR)

The following table sets out the maturity analysis of the undiscounted lease payments to be received after the reporting date –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Less than 1 year	**84.9**	83.4	**84.2**	80.5
Between 1 and 2 years	**73.7**	76.8	**69.1**	75.0
Between 2 and 3 years	**67.4**	67.9	**63.9**	66.8
Between 3 and 4 years	**64.4**	62.4	**60.9**	62.4
Between 4 and 5 years	**61.3**	60.4	**58.7**	60.4
Over 5 years	**207.5**	268.2	**207.5**	268.2
	559.2	619.1	**544.3**	613.3

40. LEASE COMMITMENTS (AS A LESSEE)

The lease commitments for short term leases (excluding contracts of one month or less) was S$16.9 million as at 31 March 2021 (31 March 2020: S$22.2 million). The lease commitments as at 31 March 2021 for lease contracts which have not commenced was S$450 million (31 March 2020: S$385 million).

41. COMMITMENTS

41.1 The commitments for capital expenditure and investments which had not been recognised in the financial statements, excluding the commitments shown under **Note 41.2** were as follows –

	Group		Company	
	31 March 2021 S$ Mil	31 March 2020 S$ Mil	31 March 2021 S$ Mil	31 March 2020 S$ Mil
Authorised and contracted for	**989.3**	864.2	**185.1**	247.2

41.2 As at 31 March 2021, the Group's commitments for the purchase of broadcasting programme rights were S$330 million (31 March 2020: S$559 million). The commitments included only the minimum guaranteed amounts payable under the respective contracts and did not include amounts that may be payable based on revenue share arrangement which cannot be reliably determined as at the end of the reporting period.

42. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES

(a) <u>**Guarantees**</u>

As at 31 March 2021,

(i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S$337.2 million and S$141.6 million (31 March 2020: S$622.7 million and S$202.7 million) respectively.

(ii) The Company provided guarantees for loans of S$280 million (31 March 2020: S$1.69 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly-owned subsidiary, with maturities between September 2021 and May 2023.

(iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S$5.29 billion (31 March 2020: S$5.03 billion) due between September 2021 and June 2030.

(b) In 2016 and 2017, Singapore Telecom Australia Investments Pty Limited ("**STAI**") received amended assessments from the Australian Taxation Office ("**ATO**") in connection with the acquisition financing of Optus. The assessments comprised primary tax of A$268 million, interest of A$58 million and penalties of A$67 million. STAI's holding company, Singtel Australia Investment Ltd, would be entitled to refund of withholding tax estimated at A$89 million. STAI's objections to the amended assessments were disallowed by the ATO on 27 September 2019. Based on legal advice, STAI has appealed the ATO's objection decisions in the Federal Court of Australia on 11 November 2019. In accordance with the ATO administrative practice, STAI paid a minimum amount of 50% of the assessed primary tax on 21 November 2016. This payment continued to be recognised as a receivable as at 31 March 2021.

The Group has received advice from external experts in relation to this matter and will vigorously defend its position. Accordingly, no provision has been made as at 31 March 2021.

42. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES *(Cont'd)*

(c) The Group is contingently liable for claims arising in the ordinary course of business and from certain tax assessments which are being contested, the outcome of which are not presently determinable. The Group is vigorously defending all these claims.

43. SIGNIFICANT CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES

(a) Airtel, a joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, Department of Telecommunications ("**DOT**") issued a demand on Airtel Group for Rs. 52.01 billion (S$955 million) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S$1.54 billion), excluding related interest. In the opinion of Airtel, the above demand amounts to alteration of the terms of the licences issued in the past. Airtel had filed a petition with the Hon'ble High Court of Bombay, which has directed DOT not to take any coercive action until the next date of hearing. The matter is currently pending with the Hon'ble High Court of Bombay.

On 4 July 2019, the Telecom Disputes Settlement and Appellate Tribunal ("**TDSAT**") in a similar matter of another unrelated telecom service provider, passed an order providing partial relief and confirming the basis for the balance of the one time spectrum charge. The said telecom service provider filed an appeal in the Hon'ble Supreme Court of India which was dismissed on 16 March 2020. With the ruling, Airtel Group has assessed and provided Rs. 18.08 billion (S$332 million) of the principal demand as well as the related interest. Notwithstanding this, Airtel Group intends to continue to pursue its legal remedies.

Other taxes, custom duties and demands under adjudication, appeal or disputes and related interest for some disputes as at 31 March 2021 amounted to approximately Rs. 102.8 billion (S$1.89 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

(b) AIS, a joint venture of the Group, has various commercial disputes and significant litigations which are pending adjudication.

CAT Telecom Public Company Limited ("**CAT**") has demanded that AIS' subsidiary, Digital Phone Company Limited ("**DPC**"), pay additional revenue share of THB 3.4 billion (S$146 million) arising from the abolishment of excise tax, as well as to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S$577 million) or to pay the same amount plus interest.

In January 2021, CAT's demand in respect of transferring telecommunications systems under the Concession Agreement from DPC or to pay THB 13.4 billion (S$577 million) plus interest at 7.5% per annum was dismissed by the Arbitration Committee. CAT is eligible to appeal within 90 days.

TOT Public Company Limited ("**TOT**") has demanded that AIS pay the following:

(a) additional charges for porting of subscribers from 900MHz to 2100MHz network of THB 41.1 billion (S$1.77 billion) plus interest.

(b) additional revenue share of THB 36.2 billion (S$1.55 billion) plus interest based on gross interconnection income from 2007 to 2015.

43. SIGNIFICANT CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES *(Cont'd)*

(c) additional revenue share of THB 62.8 billion (S$2.70 billion) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. In January 2020, AIS received the award from the Arbitral Tribunal to pay THB 31.1 billion (S$1.33 billion) and 1.25% interest per month after 30 November 2015. In April 2020, AIS filed a motion to the Central Administrative Court to set aside the award which was followed by TOT's appeal to the Central Administrative Court to increase the award to THB 62.8 billion (S$2.70 billion).

(d) additional revenue share from disputes on roaming rates from 2013 to 2015 of THB 16.3 billion (S$698 million).

As at 31 March 2021, other claims against AIS and its subsidiaries which are pending adjudication amounted to THB 13.2 billion (S$567 million).

The above claims have not included potential interest and penalty.

AIS believes that the above claims will be settled in favour of AIS and will have no material impact to its financial statements.

(c) In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited ("**Thaicom**"), received letters from the Ministry of Digital Economy and Society (the "**Ministry**") stating that Thaicom 7 and Thaicom 8 satellites (the "**Satellites**") are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the Agreement but instead under the licence from the National Broadcasting and Telecommunications Commission. This case is pending arbitration.

In November 2020, Intouch and Thaicom received notices from the Ministry requesting for replacement of the de-orbited Thaicom 5 satellite, or compensation equivalent to the value of satellite at THB 7.8 billion (S$335 million) plus fines and interest. The cases are pending arbitration.

(d) Globe, a joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe's management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on Globe's financial position and results of operations.

In June 2016, the Philippine Competition Commission ("**PCC**") claimed that the Joint Notice of Acquisition filed by Globe, PLDT Inc. ("**PLDT**") and San Miguel Corporation ("**SMC**") on the acquisition of SMC's telecommunications business was deficient and cannot be claimed to be deemed approved. In July 2016, Globe filed a petition with the Court of Appeals of the Philippines ("**CA**") to stop the PCC from reviewing the acquisition. In October 2017, the CA ruled in favour of Globe and PLDT, and declared the acquisition as valid and deemed approved. PCC subsequently elevated the case to the Supreme Court to review the CA's rulings.

(e) As at 31 March 2021, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 465 billion (S$43 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

44. SUBSEQUENT EVENTS

(a) In April 2021, the Group issued S$1.0 billion of subordinated perpetual securities at 3.30% per annum and also launched its first sustainability-linked revolving credit facility of S$750 million for general corporate purposes.

(b) In May 2021, the Group acquired 40% equity interest in A5-DB Operations (S) Pte. Ltd., which will hold the Singapore Digibank Licence and conduct digital banking business in Singapore.

45. EFFECTS OF SFRS(I) AND INT SFRS(I) ISSUED BUT NOT YET ADOPTED

Certain new or revised SFRS(I) and INT SFRS(I) are mandatory for adoption by the Group for the financial year beginning on or after 1 April 2021. The new or revised SFRS(I) and INT SFRS(I) are not expected to have a significant impact on the financial statements of the Group and the Company in the period of initial application.

46. COMPANIES IN THE GROUP

The Company's immediate and ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore. The following were the significant subsidiaries as well as associates and joint ventures as at 31 March 2021 and 31 March 2020.

46.1 Significant subsidiaries incorporated in Singapore

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2021 %	2020 %
1.	Amobee Asia Pte. Ltd.	Provision of internet advertising solutions	**100**	100
2.	Consumer Journeys Pte. Ltd.	Provision of lifestyle services to end users	**100**	100
3.	Group Enterprise Pte. Ltd.	Telecommunications resellers and third party telecommunications providers	**100**	100
4.	NCS Communications Engineering Pte. Ltd.	Provision of facilities management and consultancy services, and distributor of specialised telecommunications and data communication products	**100**	100
5.	NCS Pte. Ltd.	Provision of information technology and consultancy services	**100**	100
6.	NCSI Solutions Pte. Ltd.	Provision of information technology services	**100**	100
7.	SCS Computer Systems Pte. Ltd.	Provision of information technology services	**100**	100

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.1 Significant subsidiaries incorporated in Singapore *(Cont'd)*

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2021 %	2020 %
8.	SingCash Pte Ltd	Provision of money remittance and mobile financial services	**100**	100
9.	SingNet Pte Ltd	Provision of internet access and pay television services	**100**	100
10.	Singtel Cyber Security (Singapore) Pte. Ltd.	Provision of information security services and products	**100**	100
11.	Singtel Innov8 Ventures Pte. Ltd.	Provision of fund management services	**100**	100
12.	Singtel Mobile Singapore Pte. Ltd.	Operation and provision of cellular mobile telecommunications systems and services, and sale of telecommunications equipment	**100**	100
13.	ST-2 Satellite Ventures Private Limited	Provision of satellite capacity for telecommunications and video broadcasting services	**61.9**	61.9
14.	Sembawang Cable Depot Pte Ltd	Provision of storage facilities for submarine telecommunication cables and related equipment	**60**	60
15.	SingtelSat Pte Ltd	Provision of satellite capacity for telecommunications and video broadcasting services	**100**	100
16.	Telecom Equipment Pte Ltd	Engaged in the sale and maintenance of telecommunications equipment, and mobile finance services	**100**	100
17.	Trustwave Pte. Ltd.	Provision of information security services and products	**100**	100

All companies are audited by KPMG LLP.

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.2 Significant subsidiaries incorporated in Australia

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2021 %	2020 %
1.	Amobee ANZ Pty Ltd	Provision of internet advertising solutions	**100**	100
2.	Alphawest Services Pty Ltd [(1)]	Provision of information technology services	**100**	100
3	amaysim Mobile Pty Ltd	Provision of mobile phone services	**100**	–
4.	DSpark Pty Limited	Develop and market data analytics and insights products and services	**100**	100
5.	Ensyst Pty Limited	Provision of cloud services	**100**	100
6.	Hivint Pty Limited	Provision of information security services and products	**100**	100
7.	NCSI (Australia) Pty Limited	Provision of information technology services	**100**	100
8.	Optus Administration Pty Limited [(1)]	Provision of management services to the Optus Group	**100**	100
9.	Optus ADSL Pty Limited [(1)]	Provision of carriage services	**100**	100
10.	Optus Billing Services Pty Limited [(*)(1)]	Provision of billing services to the Optus Group	**100**	100
11.	Optus C1 Satellite Pty Limited [(1)]	C1 Satellite contracting party	**100**	100
12.	Optus Content Pty Limited [(1)]	Provision of digital content acquisition	**100**	100
13.	Optus Cyber Security Pty Limited	Supply of cyber security hardware and software services, professional consulting and managed security services	**100**	100
14.	Optus Data Centres Pty Limited [(1)]	Provision of data communication services	**100**	100

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.2 Significant subsidiaries incorporated in Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group 2021 %	2020 %
15.	Optus Fixed Infrastructure Pty Limited [1]	Provision of telecommunications services	**100**	100
16.	Optus Insurance Services Pty Limited	Provision of handset insurance and related services	**100**	100
17.	Optus Internet Pty Limited [1]	Provision of services over Hybrid Fibre Co-Axial network and National Broadband Network	**100**	100
18.	Optus Mobile Pty Limited [1]	Provision of mobile phone services	**100**	100
19.	Optus Networks Pty Limited [1]	Provision of telecommunications services	**100**	100
20.	Optus Satellite Pty Limited [1]	Provision of satellite services	**100**	100
21.	Optus Systems Pty Limited [1]	Provision of information technology services to the Optus Group	**100**	100
22.	Optus Vision Media Pty Limited [*][2]	Provision of broadcasting related services	**20**	20
23.	Optus Vision Pty Limited [1]	Provision of telecommunications services	**100**	100
24.	Optus Wholesale Pty Limited [1]	Provision of services to wholesale customers	**100**	100
25.	Prepaid Services Pty Limited [1]	Distribution of prepaid mobile products	**100**	100
26.	Reef Networks Pty Ltd [1]	Operation and maintenance of fibre optic network between Brisbane and Cairns	**100**	100
27.	Singapore Telecom Australia Investments Pty Limited	Investment holding company	**100**	100

46. COMPANIES IN THE GROUP *(Cont'd)*

46.2 Significant subsidiaries incorporated in Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2021 %	2020 %
28.	Singtel Optus Pty Limited	Provision of telecommunications services	**100**	100
29.	TWH Australia Pty. Ltd.	Provision of information security services and products	**100**	100
30.	Uecomm Operations Pty Limited [(1)]	Provision of data communication services	**100**	100
31.	Virgin Mobile (Australia) Pty Limited [(1)]	Provision of mobile phone services	**100**	100
32.	Vividwireless Group Limited [(1)]	Provision of wireless broadband services	**100**	100

All companies are audited by KPMG, Australia, except for those companies denoted (*) where no statutory audit is required.

Notes:

(1) These entities are relieved from the Australian Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports pursuant to ASIC Class Order 2016/785 (as amended) dated 30 March 2007.

(2) Optus Vision Media Pty Limited is deemed to be a subsidiary by virtue of control.

46.3 Significant subsidiaries incorporated outside Singapore and Australia

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2021 %	2020 %
1.	Amobee EMEA Limited	Provision of internet advertising solutions	United Kingdom	**100**	100
2.	Amobee, Inc.	Provision of internet advertising solutions	USA	**100**	100
3.	Amobee Ltd	Research and development centre	Israel	**100**	100

46. COMPANIES IN THE GROUP *(Cont'd)*

46.3 Significant subsidiaries incorporated outside Singapore and Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2021 %	2020 %
4.	Breach Security, Ltd.	Provision of information security services and products	Israel	**100**	100
5.	Global Enterprise International Malaysia Sdn. Bhd.	Provision of data communication and value added network services	Malaysia	**100**	100
6.	Lanka Communication Services (Pvt) Limited	Provision of telecommunications services	Sri Lanka	**82.9**	82.9
7.	M86 Security International, Ltd.	Provision of information security services and products	United Kingdom	**100**	100
8.	NCS Information Technology (Suzhou) Co., Ltd. (2)	Software development and provision of information technology services	People's Republic of China	**100**	100
9.	NCSI (Chengdu) Co., Ltd (2)	Provision of information technology research and development, and other information technology related services	People's Republic of China	**100**	100
10.	NCSI (HK) Limited	Provision of information technology services	Hong Kong	**100**	100
11.	NCSI (Malaysia) Sdn Bhd	Provision of information technology services	Malaysia	**100**	100
12.	NCSI (Philippines) Inc.	Provision of information technology and communication engineering services	Philippines	**100**	100
13.	NCSI (Shanghai), Co. Ltd (2)	Provision of system integration, software research and development and other information technology related services	People's Republic of China	**100**	100

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.3 Significant subsidiaries incorporated outside Singapore and Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2021 %	2020 %
14.	NCSI Technologies (India) Pvt. Ltd.	Provision of information technology services	India	**100**	100
15.	SCS Information Technology Sdn Bhd	Consultancy, sale of computer equipment and software including provision of marketing, maintenance and other related services	Brunei	**100**	100
16.	Singtel Australia Investment Ltd.	Investment holding company	British Virgin Islands	**100**	100
17.	Singtel Global Private Limited	Provision of infotainment products and services, and investment holding	Mauritius	**100**	100
18.	Singtel Global India Private Limited	Provision of telecommunications services and all related activities	India	**100**	100
19.	Singapore Telecom Hong Kong Limited	Provision of telecommunications services and all related activities	Hong Kong	**100**	100
20.	Singapore Telecom Japan Co Ltd	Provision of telecommunications services and all related activities	Japan	**100**	100
21.	Singapore Telecom Korea Limited	Provision of telecommunications services and all related activities	South Korea	**100**	100
22.	Singapore Telecom USA, Inc.	Provision of telecommunications, engineering and marketing services	USA	**100**	100
23.	Singtel (Europe) Limited	Provision of telecommunications services and all related activities	United Kingdom	**100**	100
24.	Singtel Taiwan Limited	Provision of telecommunications services and all related activities	Taiwan	**100**	100

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.3 Significant subsidiaries incorporated outside Singapore and Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2021 %	2020 %
25.	STI Solutions (Shanghai) Co., Ltd	Provision of technology development, technical consultation and technical services in the field of information technology	People's Republic of China	**100**	100
26.	Sudong Sdn. Bhd.	Management, provision and operations of a call centre for telecommunications services	Malaysia	**100**	100
27.	Trustwave Canada, Inc.	Provision of information security services and products	Canada	**100**	100
28.	Trustwave Government Solutions, LLC	Provision of information security services and products	USA	**100**	100
29.	Trustwave Holdings, Inc.	Provision of information security services and products	USA	**100**	100
30.	Trustwave Limited	Provision of information security services and products	United Kingdom	**100**	100
31.	Trustwave SecureConnect Inc.	Provision of information security services and products	USA	**100**	100

All companies are audited by a member firm of KPMG.

Notes:

(1) The place of business of the subsidiaries are the same as their country of incorporation.

(2) Subsidiary's financial year-end is 31 December.

46. COMPANIES IN THE GROUP *(Cont'd)*

46.4 Associates of the Group

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2021 %	2020 %
1.	2359 Media Pte. Ltd. (2)	Development and design of mobile-based advertising	Singapore	**–**	28.3
2.	APT Satellite Holdings Limited (3)	Investment holding	Bermuda	**20.3**	20.3
3.	APT Satellite International Company Limited (3)	Investment holding	British Virgin Islands	**28.6**	28.6
4.	Digital Games International Pte. Ltd. (4)	Operation of online community portal, game publishing, game advisory and consulting services	Singapore	**33.3**	33.3
5.	HOPE Technik Pte Ltd	Provision of high performance unique engineering solutions	Singapore	**21.3**	21.3
6.	Intouch Holdings Public Company Limited (5)	Investment holding	Thailand	**21.1**	21.0
7.	Kai Square	Provision of next generation cloud-based video surveillance services, monitoring and analytics based on unified platform	Singapore	**–**	39.2
8.	MassiveImpact International Ltd	Provision of performance based mobile advertising platform	British Virgin Islands	**48.9**	48.9
9.	NetLink Trust (6)	To own, install, operate and maintain the passive infrastructure for Singapore's Next Generation Nationwide Broadband Network	Singapore	**24.8**	24.8
10.	NetLink NBN Trust (6)	Investment holding	Singapore	**24.8**	24.8

46. COMPANIES IN THE GROUP *(Cont'd)*

46.4 Associates of the Group *(Cont'd)*

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2021 %	2020 %
11.	Singapore Post Limited [6]	Operation and provision of post and parcel, eCommerce logistics and property	Singapore	**21.7**	21.7
12.	SESTO Robotics Pte Ltd	Provision of autonomous mobile robots	Singapore	**22.8**	25.1
13.	Viewers Choice Pte Ltd	Provision of services relating to motor vehicle rental and retail of general merchandise	Singapore	**49.2**	49.2

Notes:

(1) The place of business of the associates are the same as their country of incorporation.

(2) Acquired by NCS Pte. Ltd. during the year.

(3) The company has been equity accounted for in the consolidated financial statements based on results for the year ended, or as at, 31 December 2020, the financial year-end of the company.

(4) This represents the Group's direct interest in Digital Games International Pte. Ltd.

(5) Audited by Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd, Bangkok.

(6) Audited by Deloitte & Touche LLP, Singapore.

46.5 Joint ventures of the Group

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2021 %	2020 %
1.	Acasia Communications Sdn Bhd [3]	Provision of networking services to business customers operating within and outside Malaysia	Malaysia	**14.3**	14.3
2.	ACPL Marine Pte Ltd	To own, operate and manage maintenance-cum-laying cableships	Singapore	**16.7**	16.7
3.	Advanced Info Service Public Company Limited [4][5]	Provision of mobile, broadband, international telecommunications services, call centre and data transmission	Thailand	**23.3**	23.3

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.5 Joint ventures of the Group *(Cont'd)*

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2021 %	2020 %
4.	ASEAN Cableship Pte Ltd	Operation of cableships for laying, repair and maintenance of submarine telecommunication cables	Singapore	**16.7**	16.7
5.	ASEAN Telecom Holdings Sdn Bhd [(3)]	Investment holding	Malaysia	**14.3**	14.3
6.	Asiacom Philippines, Inc. [(3)]	Investment holding	Philippines	**40.0**	40.0
7.	Bharti Airtel Limited [(6)]	Provision of mobile, fixed line telecom services, national and international long distance connectivity, digital TV and integrated enterprise solutions	India	**31.7**	33.3
8.	Bharti Telecom Limited [(6)]	Investment holding	India	**49.4**	49.4
9.	Bridge Mobile Pte. Ltd.	Provision of regional mobile services	Singapore	**33.7**	33.9
10.	Globe Telecom, Inc. [(7)(8)]	Provision of mobile, broadband, international and fixed line telecommunications services	Philippines	**21.5**	21.5
11.	Grid Communications Pte. Ltd. [(3)]	Provision of public trunk radio services	Singapore	**50.0**	50.0
12.	Indian Ocean Cableship Pte. Ltd.	Leasing, operating and managing of maintenance-cum-laying cableship	Singapore	**50.0**	50.0
13.	International Cableship Pte Ltd	Ownership and chartering of cableships	Singapore	**45.0**	45.0
14.	Main Event Television Pty Limited	Provision of cable television programmes	Australia	**33.3**	33.3
15.	Pacific Bangladesh Telecom Limited	Provision of mobile telecommunications, broadband and data transmission services	Bangladesh	**45.0**	45.0

Notes to the Financial Statements

For the financial year ended 31 March 2021

46. COMPANIES IN THE GROUP *(Cont'd)*

46.5 Joint ventures of the Group *(Cont'd)*

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2021 %	2020 %
16.	Pacific Carriage Holdings Limited [9]	Operation and provision of telecommunications facilities and services utilising a network of submarine cable systems	Bermuda	**29.99**	29.99
17.	PT Telekomunikasi Selular [10]	Provision of mobile telecommunications and related services	Indonesia	**35.0**	35.0
18.	Radiance Communications Pte Ltd [3]	Sale, distribution, installation and maintenance of telecommunications equipment	Singapore	**50.0**	50.0
19.	Southern Cross Cables Holdings Limited [9][11]	Operation and provision of telecommunications facilities and services utilising a network of submarine cable systems	Bermuda	**27.87**	27.87
20.	VA Dynamics Sdn. Bhd. [3]	Distribution of networking cables and related products	Malaysia	**49.0**	49.0

Notes:

(1) The place of business of the joint ventures are the same as their country of incorporation, unless otherwise specified.

(2) The Group holds substantive participating rights over the significant financial and operating decisions of the above joint ventures, which enables the Group to exercise joint control with the other shareholders.

(3) The company has been equity accounted for in the consolidated financial statements based on the results for the year ended, or as at, 31 December 2020, the financial year-end of the company.

(4) Audited by Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd, Bangkok.

(5) This represents the Group's direct interest in AIS.

(6) Audited by Deloitte Haskins & Sells LLP, New Delhi. Bharti Airtel Limited has business operations in 18 countries representing India, Sri Lanka, 14 countries in Africa, and joint ventures in 2 countries.

(7) Audited by Isla Lipana & Co./PwC Philippines.

(8) The Group has a 47.0% effective economic interest in Globe.

(9) The Southern Cross Cable Consortium operates through two separate companies. Southern Cross Cables Holdings Limited owns a cable network between Australia and the USA, with operations outside the USA. Pacific Carriage Holdings Limited has operations within the USA.

(10) Audited by Purwantono, Sungkoro & Surja (a member firm of Ernst & Young).

(11) Audited by KPMG, Bermuda.

Interested Person Transactions

The aggregate value of all interested person transactions during the financial year ended 31 March 2021 (excluding transactions less than S$100,000) were as follows –

Name of interested person	Nature of Relationship	S$ mil
Aetos Security Management Pte. Ltd.	Each interested person is an associate of Singapore Telecommunications Limited's controlling shareholder, Temasek Holdings (Private) Limited	0.6
Certis CISCO Auxiliary Police Force Pte Ltd		7.8
Certis CISCO Protection Services Pte Ltd		0.2
Certis Integrated Facilities Management Pte. Ltd.		0.9
Ensign InfoSecurity (Systems) Pte Ltd		4.1
Fullerton Fund Management Company Ltd		0.3
Grid Communications Pte. Ltd.		2.7
Infosys Compaz Pte. Ltd.		0.3
Mediacorp Pte. Ltd.		0.1
Nexwave Technologies Pte Ltd		0.6
PSA Corporation Ltd		15.0
Radiance Communications Pte Ltd		1.4
Singapore Airlines Limited		0.2
SMRT Trains Ltd.		1.8
SP PowerAssets Limited		18.1
ST Electronics (Info-Security) Pte. Ltd.		1.1
ST Engineering Electronics Ltd.		18.3
Starhub Cable Vision Ltd.		0.5
StarHub Ltd		8.9
StarHub Mobile Pte Ltd		1.7
STT Global Data Centres India Private Limited		0.3
Surbana Technologies Pte. Ltd.		0.8
		85.7

Further Information on Board of Directors

Lee Theng Kiat

Mr Lee Theng Kiat, 68, is an Executive Director of Temasek Holdings (Private) Limited and the Chairman of Temasek International Pte. Ltd. (collectively Temasek).

Before joining Temasek, Theng Kiat was the President and Chief Executive Officer of Singapore Technologies Telemedia Pte Ltd and STT Communications Ltd. Prior to that, he held several senior level positions in the Singapore Technologies Group. Theng Kiat served in the Singapore Legal Service for over eight years before joining the Singapore Technologies Group.

Theng Kiat holds a Bachelor of Laws (Honours) from the National University of Singapore.

Yuen Kuan Moon

Mr Yuen Kuan Moon, 54, was appointed Group CEO on 1 January 2021. He directs Singtel Group's global strategy and oversees its consumer, enterprise and digital businesses.

Moon joined Singtel in 1993 and held several leadership roles in Marketing, Business Development and Sales. His most recent appointment was CEO, Consumer Singapore from June 2012 to December 2020. In this role, he led the Singapore consumer business to deliver an integrated suite of mobile, broadband and TV services. He was also responsible for driving the Group's overall digital transformation as Group Chief Digital Officer from August 2018 to December 2020.

Moon sits on the boards of key subsidiaries of the Singtel Group and since 2009, serves on the Board of Commissioners in Telkomsel. He is a board member of GSMA, SkillsFuture Singapore and Singapore Institute of Management. He is also a member of Singapore's Ministry of Communications and Information's Digital Readiness Council and the Monetary Authority of Singapore's Payments Council. He is a former member of the Governing Council of Singapore Institute of Management Society.

Moon holds a First Class Honours degree in Engineering from the University of Western Australia and a Master of Science in Management from Stanford University.

Gautam Banerjee

Mr Gautam Banerjee, 66, is Senior Managing Director of Blackstone Group and Chairman of Blackstone Singapore Pte Ltd. Gautam spent over 30 years with PricewaterhouseCoopers (PwC) and was a Senior Partner and Executive Chairman of PwC Singapore until he retired on 31 December 2012.

Gautam sits on the boards of Singapore Airlines Limited, Piramal Enterprises Limited and GIC Private Limited. He also serves on the board of the Defence Science and Technology Agency. He is a former Chairman of the Listings Advisory Committee of the Singapore Exchange, a former Director of The Indian Hotels Company Limited and EDBI Pte Ltd, and a former member of the Singapore Legal Service Commission and the Governing Board of Yale-NUS College.

Gautam holds a Bachelor of Science (Honours) and an Honorary Doctor of Laws (LLD) from Warwick University. He is a fellow member of the Institute of Chartered Accountants in England and Wales, the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors.

Venky Ganesan

Mr Venkataraman (Venky) Ganesan, 48, is one of the Managing Partners of Menlo Ventures, a top-tier Silicon Valley venture capital firm. He focuses on investments in the consumer and enterprise sectors. Venky sits on the boards of several portfolio companies of Menlo Ventures. He is also a board member of Amobee, Inc., a subsidiary of Singtel, and a trustee of Castilleja School.

Prior to joining Menlo Ventures, Venky was Managing Director at Globespan Capital Partners. Before Globespan, he was one of the founders of Trigo Technologies. He also worked at McKinsey & Company and Microsoft as a Program Manager. He is a former Chairman of the National Venture Capital Association and a former Director of Avi Networks Inc, Palo Alto Networks Inc, Poshmark and Virident Systems.

Venky holds a Bachelor of Arts in Economics-Mathematics from Reed College and a Bachelor of Science in Engineering and Applied Science (Honours) from the California Institute of Technology in the US.

Further Information on Board of Directors

Bradley Horowitz

Mr Bradley Horowitz, 56, is Vice President of Product Management of, and an Advisor to, Google, Inc. Over the past decade, Bradley has led product development for a wide array of consumer products at Google including Gmail, Google Drive & Docs, Blogger, Google Voice, Google News and Google Photos. Prior to joining Google, he was the Vice President of Advanced Development at Yahoo, Inc.

Bradley is an independent Director of Issuu, Inc., Lyst Ltd and NextSense, Inc. He is a former member of the Visiting Committee of Media Lab at the Massachusetts Institute of Technology.

Bradley holds a Bachelor in Computer Science from the University of Michigan and a Masters in Media Science from the Media Lab at the Massachusetts Institute of Technology.

Gail Kelly

Mrs Gail Kelly, 65, is a Board Director of the Bretton Woods Committee and Australian Philanthropic Services. She is also a Senior Global Adviser to UBS and a member of the Group of Thirty, McKinsey Advisory Council and PLuS Alliance Advisory Board.

Gail's executive banking career spanned 35 years. She was the Group CEO and Managing Director of two banks in Australia – St.George Bank from 2002 to 2007 and Westpac Banking Corporation from 2008 to 2015. She was previously a Director of Woolworths Holdings Limited, Country Road Group and David Jones.

Gail holds a Bachelor of Arts and Higher Diploma of Education from the University of Cape Town and an MBA (with Distinction) from the University of the Witwatersrand. She has been awarded an Honorary Doctorate of Business by the University of New South Wales, Macquarie University and Charles Sturt University and an Honorary Doctorate of Science in Economics by the University of Sydney.

Lim Swee Say

Mr Lim Swee Say, 66, is a trustee and Adviser of the National Trades Union Congress (NTUC), the Chairman of the NTUC-Administration & Research Unit Board of Trustees, an Adviser to NTUC Enterprise Co-operative Ltd and the Deputy Chairman of Singapore Labour Foundation.

Swee Say joined the public sector in 1976. Before entering politics, he held leadership positions in Singapore's National Computer Board and the Economic Development Board. He joined the Labour Movement in 1996 and entered politics in 1997 to serve in various capacities including Minister of State for Trade and Industry, Minister of State for Communication and Information Technology, Minister for Environment, Second Minister for National Development and Minister in the Prime Minister's Office. He also served as the Secretary General of NTUC from 2007 to 2015 and was appointed Minister for Manpower in 2015. He stepped down from the Cabinet as Minister for Manpower in 2018 and retired from politics as a member of the Parliament of Singapore in 2020.

Swee Say holds a First Class Honours degree in Electronics, Computer and Systems Engineering from Loughborough University and a Master degree in Management from Stanford University.

Low Check Kian

Mr Low Check Kian, 62, is a Director of Cluny Park Capital. He was previously one of the founding partners of NewSmith Capital Partners LLP (NewSmith), an independent partnership providing corporate finance advice and investment management services with its headquarters based in London. Prior to founding NewSmith, he was a Senior Vice President and member of the Executive Management Committee of Merrill Lynch & Co and its Chairman for the Asia Pacific region.

Check Kian also sits on the boards of Broadcom Limited, Singtel Innov8 Pte. Ltd. and Singtel Innov8 Holdings Pte. Ltd., and is a trustee of the Singapore London School of Economics Trust and Nanyang Technological University.

Check Kian holds a Bachelor of Science (First Class Honours) and Master of Science in Economics from the London School of Economics.

Christina Ong

Mrs Christina Ong, 69, is Chairman and Senior Partner of Allen & Gledhill LLP as well as Co-Head of its Financial Services Department. She is a Director of Hongkong Land Holdings Limited, Oversea-Chinese Banking Corporation Limited, SIA Engineering Company Limited and Epimetheus Ltd. Christina is a member of the Catalist Advisory Panel and the Corporate Governance Advisory

Further Information on Board of Directors

Committee, a trustee of The Stephen A. Schwarzman Scholars Trust and a member of the Supervisory Committee of the ABF Singapore Bond Index Fund. She also sits on the boards of companies and entities which are owned by Allen & Gledhill LLP. She is a former Director of the Singapore Tourism Board and Trailblazer Foundation Ltd.

Christina is a lawyer and she provides corporate and corporate regulatory and compliance advice, particularly to listed companies. Her areas of practice include banking and securities.

Christina holds a Bachelor of Laws (Second Upper Class Honours) from the University of Singapore. She is a member of the Law Society of Singapore and the International Bar Association.

Rajeev Suri

Mr Rajeev Suri, 53, is the CEO of Inmarsat and Director of Connect Bidco Limited, the holding company for Inmarsat, from 1 March 2021. Rajeev is a non-executive board member of Stryker Corporation and also an Advisory Board member of Aalto University's School of Business.

Rajeev was President and CEO of Nokia for six years until July 2020. Prior to that, he was CEO of Nokia Siemens Networks for five years. He was previously Senior Advisor to Warburg Pincus, Operating Advisor to Apollo Global Management, Commissioner of the United Nations Broadband Commission, Co-Chair of the digitalisation task force of B20, a member of several digital and healthcare committees of the World Economic Forum and Industrial Advisor to Evli Growth Partners.

Rajeev was a member of the Chinese Premier's Global CEO Council from 2014 to 2020. He is a recipient of China's Marco Polo award, the highest honour given to an international business person from the Chinese government.

Rajeev holds a Bachelor of Engineering (Electronics and Communications) from Manipal Institute of Technology and an Honorary Doctorate from Manipal University.

Teo Swee Lian

Ms Teo Swee Lian, 61, is the Chairman of CapitaLand Integrated Commercial Trust Management Limited (manager of CapitaLand Integrated Commercial Trust), a Director of AIA Group Ltd, Avanda Investment Management Pte Ltd, Clifford Capital Holdings Pte. Ltd. and Dubai Financial Services Authority, a member of the Governing Board of the Duke-NUS Medical School and a council member of the Asian Bureau of Finance & Economic Research of NUS Business School. She is a former member of the Corporate Governance Council formed by the Monetary Authority of Singapore (MAS).

Swee Lian was Special Advisor in the Managing Director's Office at the MAS until she stepped down in early June 2015. Prior to that, she was the Deputy Managing Director in charge of Financial Supervision at the MAS, where she oversaw macroeconomic surveillance, regulation and supervision of the banking, insurance and capital markets industries.

Swee Lian holds a Bachelor of Science (First Class Honours) in Mathematics from Imperial College, London University and a Master of Science in Applied Statistics from Oxford University.

Wee Siew Kim

Mr Wee Siew Kim, 60, is Director and Group Chief Executive Officer of Nipsea Management Company Pte. Ltd. (Nipsea Group). As of 28 April 2021, he is concurrently Representative Executive Officer & Co-President of Nippon Paint Holdings Co., Ltd. He is also the Deputy Board Chairman of Jurong Port Pte Ltd and a Director of Mapletree Logistics Trust Management Ltd and SIA Engineering Company Limited. He is a former Chairman of ES Group (Holdings) Limited and a former Director of SBS Transit Ltd.

Before joining Nipsea Group, Siew Kim was the Deputy CEO and President (Defence Business) of Singapore Technologies Engineering Ltd.

Siew Kim holds a Bachelor of Science (First Class Honours) in Aeronautical Engineering from the Imperial College of Science, Technology and Medicine and a Master of Business Administration from the Graduate School of Business, Stanford University. He is a Fellow of the City and Guilds Institute.

Notes:

(1) Information as at 8 June 2021.

(2) Mr Simon Israel stepped down from the Singtel Board following the conclusion of the Annual General Meeting on 30 July 2020.

(3) Ms Chua Sock Koong retired from the Singtel Board with effect from 1 January 2021.

Additional Information on Directors Seeking Re-election

Name of Director	Gautam Banerjee
Date of appointment	**1 March 2018**
Date of last re-appointment (if applicable)	**24 July 2018**
Age	**66**
Country of principal residence	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Banerjee's qualifications and experience (as set out below), the Board has confirmed Mr Banerjee's independence and approved that Mr Banerjee stands for re-election as a non-executive and independent Director. Mr Banerjee will, upon re-election, continue to serve as Chairman of the Audit Committee and a member of the Risk Committee. Mr Banerjee will, upon re-election, also be appointed Lead Independent Director following the conclusion of the 29th Annual General Meeting.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Chairman of the Audit Committee Member of the Risk Committee
Professional qualifications	Bachelor of Science (Honours) and Honorary Doctor of Laws (LLD) from Warwick University Fellow Member of the Institute of Chartered Accountants in England and Wales Fellow Member of the Institute of Singapore Chartered Accountants Fellow Member of the Singapore Institute of Directors
Working experience and occupation(s) during the past 10 years	**Blackstone Singapore Pte Ltd** 2013 to present – Senior Managing Director and Chairman **PricewaterhouseCoopers Singapore** 2008 to 2012 – Member of PwC Global Firm's Strategy Council 2008 to 2012 – Chief Operating Officer for PwC Eastern Cluster 2004 to 2012 – Senior Partner and Executive Chairman
Shareholding interest in the listed issuer and its subsidiaries	No

Additional Information on Directors Seeking Re-election

Name of Director	Gautam Banerjee
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other principal commitments: • EDBI Pte Ltd, Director • Singapore Exchange, Chairman of the Listings Advisory Committee • Singapore Legal Service Commission, Member • The Blackstone Group (Australia) Pty Limited, Director • The Blackstone Group (HK) Limited, Director • The Indian Hotels Company Limited, Director • Yale-NUS College, Member of the Governing Board
Present	Other listed companies: • Piramal Enterprises Limited, Director • Singapore Airlines Limited, Director Other principal commitments: • Blackstone Advisors India Private Limited, Director • Blackstone Treasury Asia Pte Limited, Director • BTO LT Hold Pty Ltd, Director • Defence Science and Technology Agency, Board Member • GIC Private Limited, Director • MAS Financial Centre Advisory Panel, Member • National University of Singapore, Pro-Chancellor • Singapore Centre For Social Enterprise Ltd., Chairman • Singapore Indian Development Association, Term Trustee, Board of Trustees • Singapore Institute of International Affairs, Advisor • The Conference Board (Singapore) Ltd, Chairman, Asia Advisory Board • The Friends of the University of Warwick in Singapore, Trustee • The Stephen A Schwarzman Scholars Trust, Trustee

Additional Information on Directors Seeking Re-election

Name of Director	Venkataraman Vishnampet Ganesan
Date of appointment	**2 February 2015**
Date of last re-appointment (if applicable)	**24 July 2018**
Age	**48**
Country of principal residence	**United States of America**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Ganesan's qualifications and experience (as set out below), the Board has confirmed Mr Ganesan's independence and approved that Mr Ganesan stands for re-election as a non-executive and independent Director. Mr Ganesan will, upon re-election, continue to serve as Chairman of the Technology Advisory Panel and a member of the Finance and Investment Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Chairman of the Technology Advisory Panel Member of the Finance and Investment Committee
Professional qualifications	Bachelor of Arts in Economics-Mathematics from Reed College Bachelor of Science in Engineering and Applied Science (Honours) from the California Institute of Technology in United States of America
Working experience and occupation(s) during the past 10 years	**Menlo Ventures** 2013 to present – Managing Partner **Globespan Capital Partners** 2001 to 2012 – Managing Director Mr Ganesan currently also serves as a Director of various entities including those which are owned by Menlo Ventures. Please refer to his present directorships/principal commitments provided below for further information.
Shareholding interest in the listed issuer and its subsidiaries	Yes 3,341.45 American Depositary Shares (ADS), 1 ADS represents 10 ordinary shares in Singapore Telecommunications Limited (Direct interest)

Additional Information on Directors Seeking Re-election

Name of Director	Venkataraman Vishnampet Ganesan
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other principal commitments: • Avi Networks Inc, Director • Gild, Inc., Director • National Venture Capital Association, Chairman • Palo Alto Networks Inc, Director • Poshmark, Director • Virident Systems, Director
Present	Other principal commitments: • Abnormal Security Corporation, Director • Aisera, Inc., Director • Amobee, Inc., Director • Appdome, Inc., Director • BitSight Technologies, Inc, Director • Breather Products Inc., Director • Castilleja School, Trustee • Dedrone Holdings, Inc., Director • Grainite, Director • MealPal, Inc., Director • Oak9, Inc., Director • OverOps, Inc., Director • Rover.com, Director • Sonrai Security, Inc., Director • Strata Identity, Inc., Director • Unravel Data Systems, Inc., Director

Additional Information on Directors Seeking Re-election

Name of Director	**Teo Swee Lian**
Date of appointment	**13 April 2015**
Date of last re-appointment (if applicable)	**24 July 2018**
Age	**61**
Country of principal residence	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Ms Teo's qualifications and experience (as set out below), the Board has confirmed Ms Teo's independence and approved that Ms Teo stands for re-election as a non-executive and independent Director. Ms Teo will, upon re-election, continue to serve as Chairman of the Risk Committee and a member of the Corporate Governance and Nominations Committee and the Executive Resource and Compensation Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Chairman of the Risk Committee Member of the Corporate Governance and Nominations Committee Member of the Executive Resource and Compensation Committee
Professional qualifications	Bachelor of Science (First Class Honours) in Mathematics from Imperial College, London University Master of Science in Applied Statistics from Oxford University
Working experience and occupation(s) during the past 10 years	**Monetary Authority of Singapore** 2015 to 2018 – Consultant 2013 to 2015 – Special Advisor, Managing Director's Office 2010 to 2013 – Deputy Managing Director, Financial Supervision
Shareholding interest in the listed issuer and its subsidiaries	Yes 1,550 ordinary shares in Singapore Telecommunications Limited (Direct interest)

Additional Information on Directors Seeking Re-election

Name of Director	Teo Swee Lian
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other principal commitments: • Market News International (MNI), Member of Advisory Board of MNI Connect • Monetary Authority of Singapore, Member of the Corporate Governance Council • New Life Stories Limited, Director • Singapore Exchange Diversity Action Committee, Member
Present	Other listed companies: • AIA Group Ltd, Non-executive Director, Member of Nomination Committee and Risk Committee • CapitaLand Integrated Commercial Trust Management Limited (Manager of CapitaLand Integrated Commercial Trust), Chairman Other principal commitments: • Asian Bureau of Finance & Economic Research, NUS Business School, Council Member • Avanda Investment Management Pte Ltd, Non-executive Director and Chairman of Audit & Risk Committee • Caritas Singapore, Member, Board of Trustees of the Agape Fund (pro bono) • Clifford Capital Holdings Pte. Ltd., Independent Director, Chairman of Leadership Development & Compensation Committee, Member of Governance & Nominations Committee and Risk Committee • Clifford Capital Pte. Ltd., Director • Dubai Financial Services Authority, Director, Chairman of Risk Committee, Member of Remuneration Committee, Emirati Working Group and Audit Committee • Governing Board of the Duke-NUS Medical School, Member (pro bono) and Member of Audit Committee

Additional Information on Directors Seeking Re-election

Name of Director	Lim Swee Say
Date of appointment	**1 June 2021**
Date of last re-appointment (if applicable)	**Not applicable**
Age	**66**
Country of principal residence	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Lim's qualifications and experience (as set out below), the Board has confirmed Mr Lim's independence and approved that Mr Lim stands for re-election as a non-executive and independent Director.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director
Professional qualifications	First Class Honours degree in Electronics, Computer and Systems Engineering from Loughborough University Master degree in Management from Stanford University
Working experience and occupation(s) during the past 10 years	**National Trades Union Congress (NTUC)** May 2021 to present – Adviser 2018 to present – Trustee 2007 to 2015 – Secretary-General **NTUC Enterprise Co-operative Ltd** May 2021 to present – Adviser **Singapore Labour Foundation** 2019 to present – Deputy Chairman **NTUC-Administration & Research Unit Board of Trustees** 2018 to present – Chairman **Parliament** 1997 to 2020 – Member of Parliament **Ministry of Manpower** 2015 to 2018 – Minister **Prime Minister's Office** 2007 to 2015 – Minister

Additional Information on Directors Seeking Re-election

Name of Director	Lim Swee Say
Shareholding interest in the listed issuer and its subsidiaries	Yes 1,490 ordinary shares in Singapore Telecommunications Limited (Direct interest) 1,360 ordinary shares in Singapore Telecommunications Limited (Deemed interest)
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other principal commitments: • Ministry of Manpower, Minister • Parliament, Member of Parliament
Present	Other principal commitments: • Nanyang Technological University, Nanyang Centre of Public Administration, Adjunct Professor • Ong Teng Cheong Institute, Governor

Additional Information on Directors Seeking Re-election

Name of Director	Rajeev Suri
Date of appointment	**1 January 2021**
Date of last re-appointment (if applicable)	**Not applicable**
Age	**53**
Country of principal residence	**United Kingdom**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Suri's qualifications and experience (as set out below), the Board has confirmed Mr Suri's independence and approved that Mr Suri stands for re-election as a non-executive and independent Director. Mr Suri will, upon re-election, continue to serve as a member of the Executive Resource and Compensation Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Member of the Executive Resource and Compensation Committee
Professional qualifications	Bachelor of Engineering (Electronics and Communications) from Manipal Institute of Technology Honorary Doctorate from Manipal University
Working experience and occupation(s) during the past 10 years	**Connect Bidco Limited** 2021 to present – Director **Inmarsat** 2021 to present – Chief Executive Officer **Nokia Corporation** 2020 to 2021 – Advisor to the Board of Directors 2014 to 2020 – President and Chief Executive Officer **Nokia Solutions and Networks** 2009 to 2014 – Chief Executive Officer
Shareholding interest in the listed issuer and its subsidiaries	No

Additional Information on Directors Seeking Re-election

Name of Director	Rajeev Suri
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other listed company: • Apollo Global Management, Inc., Operating Advisor Other principal commitments: • B20, Co-Chair of the digitalisation task force • Evli Growth Partners Oy, Industrial Advisor • United Nations Broadband Commission, Commissioner • Warburg Pincus, Senior Advisor Technology • World Economic Forum, member of several digital and healthcare committees
Present	Other listed company: • Stryker Corporation, Director Other principal commitment: • Aalto University's School of Business, Advisory Board Member

Additional Information on Directors Seeking Re-election

Name of Director	Wee Siew Kim
Date of appointment	**1 October 2020**
Date of last re-appointment (if applicable)	**Not applicable**
Age	**60**
Country of principal residence	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Wee's qualifications and experience (as set out below), the Board has confirmed Mr Wee's independence and approved that Mr Wee stands for re-election as a non-executive and independent Director. Mr Wee will, upon re-election, continue to serve as a member of the Finance and Investment Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Member of the Finance and Investment Committee
Professional qualifications	Bachelor of Science (First Class Honours) in Aeronautical Engineering from the Imperial College of Science, Technology and Medicine Master of Business Administration from the Graduate School of Business, Stanford University Fellow of the City and Guilds Institute
Working experience and occupation(s) during the past 10 years	**Nippon Paint Holdings Co., Ltd.** April 2021 to present – Representative Executive Officer and Co-President 2020 to April 2021 – Deputy President and Executive Corporate Officer **Nipsea Management Company Pte. Ltd.** 2009 to present – Group Chief Executive Officer Mr Wee currently also serves as a Director of various entities including those which are owned by Nippon Paint Holdings Co., Ltd. Please refer to his present directorships/principal commitments provided below for further information.
Shareholding interest in the listed issuer and its subsidiaries	Yes 501,838 ordinary shares in Singapore Telecommunications Limited (Direct interest) 190 ordinary shares in Singapore Telecommunications Limited (Deemed interest)
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No

Additional Information on Directors Seeking Re-election

Name of Director	Wee Siew Kim
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other listed companies: • ES Group (Holdings) Limited, Chairman • SBS Transit Ltd, Director
Present	Other listed companies: • Mapletree Logistics Trust Management Ltd, Director • SIA Engineering Company Limited, Director Other principal commitments: • Betek Boya Ve Kimya San.A.S., Director • BK & NP Automotive Coatings (Shanghai) Co Ltd, Director • DuluxGroup Limited, Director • Guangdong Nippon Paint Changrunfa Technical Materials Co., Ltd, Director • Guangzhou Nippon Paint Co Ltd, Director • HSJ Pte Ltd, Director • Jurong Port Pte Ltd, Director • Langfang Nippon Paint Co Ltd, Director • Nippon Paint (Chengdu) Co Ltd, Director • Nippon Paint (China) Co Ltd, Director • Nippon Paint (H.K.) Co Ltd Taiwan Branch, Director • Nippon Paint (Henan) Co., Ltd., Director • Nippon Paint (HK) Co Ltd, Director • Nippon Paint (HuBei) Co., Ltd., Director • Nippon Paint (India) Pte Ltd, Director • Nippon Paint (Kunming) Co., Ltd, Director • Nippon Paint (Malaysia) Sendirian Berhad, Director • Nippon Paint (Pakistan) Limited, Director • Nippon Paint (Qingyuan) Co., Ltd., Director • Nippon Paint (Shenyang) Co., Ltd, Director • Nippon Paint (Singapore) Company Private Limited, Director • Nippon Paint (Thailand) Company Ltd, Director • Nippon Paint (Tianjin) Co Ltd, Director • Nippon Paint (Vietnam) Company Ltd, Director • Nippon Paint (Zhengzhou) Co., Ltd., Director • Nippon Paint And Surface Chemicals Pvt. Ltd (under liquidation), Director • Nippon Paint Bangladesh Pte Ltd, Director • Nippon Paint Building Solutions (Shanghai) Co., Ltd., Director • Nippon Paint China Holdings Co Ltd., Director • Nippon Paint Coatings (Taiwan), Director • Nippon Paint Decorative Coatings (Thailand) Co Ltd, Director • Nippon Paint Industrial Coatings (Shanghai) Co., Ltd., Director • Nippon Paint Lanka (Private) Ltd, Director • Nippon Paint Malaysia (S) Pte Ltd, Director • Nippon Paint New Materials (Nanjing) Co., Ltd, Director • Nippon Paint New Materials (Tianjin) Co., Ltd., Director • Nippon Paint Suzhou New Materials Technology Co., Ltd, Director • Nippon Paint Vietnam (Hanoi) Pte Ltd, Director • Nippon Paint Vinh Phuc Co., Ltd, Director • Nipsea Chemical Korea, Director • Nipsea Technologies Pte Ltd, Director • NP Auto Refinishes Co Ltd, Director • Paint Marketing Company (M) Sdn Bhd, Director • Zhenfucai Materials Technology (Chengdu) Co., Ltd, Director

Additional Information on Directors Seeking Re-election

Name of Director	Yuen Kuan Moon
Date of appointment	**1 January 2021** (as Director and Group Chief Executive Officer)
Date of last re-appointment (if applicable)	**Not applicable**
Age	**54**
Country of principal residence	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Yuen's qualifications and experience (as set out below), the Board has approved that Mr Yuen stands for re-election as an executive and non-independent Director. Mr Yuen will, upon re-election, continue to serve as a member of the Optus Advisory Committee.
Whether appointment is executive, and if so, the area of responsibility	Executive; Group Chief Executive Officer
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Group Chief Executive Officer Executive and non-independent Director Member of the Optus Advisory Committee
Professional qualifications	First Class Honours degree in Engineering from the University of Western Australia Master of Science in Management from Stanford University
Working experience and occupation(s) during the past 10 years	**Singapore Telecommunications Limited** January 2021 to present – Group Chief Executive Officer October 2020 to December 2020 – Group Chief Executive Officer – designate 2018 to 2020 – Group Chief Digital Officer 2012 to 2020 – Chief Executive Officer, Consumer Singapore 2010 to 2012 – Executive Vice President, Digital Consumer Mr Yuen currently also serves as a Director/Member of various entities including those which are owned by Singapore Telecommunications Limited. Please refer to his present directorships/principal commitments provided below for further information.
Shareholding interest in the listed issuer and its subsidiaries	Yes 1,344,390 ordinary shares in Singapore Telecommunications Limited (Direct interest) 1,258,050 ordinary shares in Singapore Telecommunications Limited (Deemed interest)

Additional Information on Directors Seeking Re-election

Name of Director	Yuen Kuan Moon
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interests (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.	
Past (for the last 5 years)	Other principal commitments: • Singapore Institute of Management Society, Governing Council Member • SingCash Pte. Ltd., Director • Sudong Sdn. Bhd., Director
Present	Other principal commitments: • Consumer Journeys Pte. Ltd., Director • GSMA, Board Member • Lifelong Learning Endowment Fund, Member • Ministry of Communications and Information, Digital Readiness Council, Member • Monetary Authority of Singapore, Payments Council, Member • PT Telekomunikasi Selular, Board of Commissioner • Singapore Institute of Management Group Limited, Director • Singapore Telecom International Pte Ltd, Director • Singapore Telecom Mobile Pte Ltd, Director and Chief Executive Officer • SingNet Pte Ltd, Director • Singtel ATN Pte. Ltd., Director • Singtel Digital Media Pte. Ltd., Director • Singtel Group Treasury Pte. Ltd., Director • Singtel Innov8 Holdings Pte. Ltd., Director • Singtel Innov8 Pte. Ltd., Director • Singtel Mobile Singapore Pte. Ltd., Director • Singtel Nex Pte. Ltd., Director • Singtel Singapore Pte. Ltd., Director • SkillsFuture Singapore, Board Member • Telecom Equipment Pte Ltd, Director

Additional Information on Directors Seeking Re-election

Name of Director	Gautam Banerjee	Venkataraman Vishnampet Ganesan	Teo Swee Lian
Information required Disclose the following matters concerning an appointment of director.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

Additional Information on Directors Seeking Re-election

Lim Swee Say	Rajeev Suri	Wee Siew Kim	Yuen Kuan Moon
No	No	No	No
No	No	No	No
No	No	No	No
No	Yes – On 9 December 2019, a former distributor Tecnoservices Limited (Technoservices) brought an application to commence private prosecution in Kenya against Nokia Corporation, Nokia Solutions and Networks Oy, Mr Rajeev Suri and a partner of Nokia's law firm Roschier Attorneys Ltd in connection with a now terminated arbitration related to the termination of a distribution agreement that was transferred to Microsoft as part of the sale of Nokia's devices and services business. In the draft charges submitted with the application, however, Technoservices appears to allege that all of the named parties unlawfully obtained Technoservices's Kenyan tax records and separately unlawfully obtained Technoservices's public company records, which were subsequently forged, all with an intent to use the information to mislead the tribunal in an ICC arbitration. Nokia believes these allegations are without merit and more specifically has moved to have Mr Suri dismissed from the case because Mr Suri was only named in the application since Mr Suri happened to be Nokia Corporation's Chief Executive Officer at the time the application was filed. Should you need any further information about the case, please do not hesitate to contact Nassib Abou-Khalil, Chief Legal Officer of Nokia.	No	No

Additional Information on Directors Seeking Re-election

Name of Director	Gautam Banerjee	Venkataraman Vishnampet Ganesan	Teo Swee Lian
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

Additional Information on Directors Seeking Re-election

Lim Swee Say	Rajeev Suri	Wee Siew Kim	Yuen Kuan Moon
No	No	No	No
No	Yes – A litigation was filed on 19 April 2019 against Nokia Corporation and certain executives, including Mr Rajeev Suri, in the United States District Court for the Southern District of New York relating to allegations of false and misleading statements and omissions concerning Nokia's progress of integration of Alcatel-Lucent S.A. and its readiness for the transition to fifth generation wireless technology. Should you need any further information about the case, please do not hesitate to contact Nassib Abou-Khalil, Chief Legal Officer of Nokia.	No	No
No	No	No	No
No	No	No	No
No	No	No	No

Additional Information on Directors Seeking Re-election

Name of Director	Gautam Banerjee	Venkataraman Vishnampet Ganesan	Teo Swee Lian
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach for any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?			
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Note:
Information as at 8 June 2021.

Additional Information on Directors Seeking Re-election

Lim Swee Say	Rajeev Suri	Wee Siew Kim	Yuen Kuan Moon
No	No	No	No
No	No	No	No
No	No	No	No
No	No	No	No
No	No	No	No

Further Information on Management Committee

Yuen Kuan Moon

Mr Yuen Kuan Moon, 54, was appointed Group CEO on 1 January 2021. He directs Singtel Group's global strategy and oversees its consumer, enterprise and digital businesses.

Moon joined Singtel in 1993 and held several leadership roles in Marketing, Business Development and Sales. His most recent appointment was CEO, Consumer Singapore from June 2012 to December 2020. In this role, he led the Singapore consumer business to deliver an integrated suite of mobile, broadband and TV services. He was also responsible for driving the Group's overall digital transformation as Group Chief Digital Officer from August 2018 to December 2020.

Moon sits on the boards of key subsidiaries of the Singtel Group and since 2009, serves on the Board of Commissioners in Telkomsel. He is a board member of GSMA, SkillsFuture Singapore and Singapore Institute of Management. He is also a member of Singapore's Ministry of Communications and Information's Digital Readiness Council and the Monetary Authority of Singapore's Payments Council.

Moon holds a First Class Honours degree in Engineering from the University of Western Australia and a Master of Science in Management from Stanford University.

Kelly Bayer Rosmarin

Ms Kelly Bayer Rosmarin, 44, was appointed CEO of Consumer Australia and Optus on 1 April 2020.

Prior to joining Optus, Kelly spent 14 years with Commonwealth Bank of Australia (CBA) where she held several senior positions. Kelly's last appointment at CBA was the Group Executive of Institutional Banking and Markets. She also spent time as a management consultant and in an enterprise software company and at a venture-backed high-growth software start-up.

Kelly is recognised for leveraging technology, data and analytics to develop leading customer services and experience. She was named in the Top 3 Tech CEOs in Australia, Top 25 Women in Asia Pacific Finance, the Top 10 Businesswomen in Australia, and the 50 Most Powerful Women in Australian Business. Kelly holds a variety of board and advisory responsibilities.

Kelly holds a Bachelor's Degree in Industrial Engineering and Engineering Management and a Master of Science in Management Science and Industrial Engineering from Stanford University.

Bill Chang

Mr Bill Chang, 54, was appointed CEO, Group Enterprise on 16 July 2012. He leads the infocomm and technology team, providing solutions to enterprise customers. He also assumed the role of Country Chief Officer Singapore in October 2014, as principal liaison with local and regulatory bodies.

Bill joined Singtel in November 2005 as Executive Vice President of Corporate Business and subsequently as Managing Director, Business Group.

Bill co-chairs the Future Jobs and Skills Sub-committee of the Committee on the Future Economy of Singapore and is a member of the Australian Institute of Company Directors' International Advisory Technology Governance and Innovations Panel. He sits on the board of the Urban Redevelopment Authority of Singapore and Board of Trustees of the Singapore Institute of Technology.

For his contributions to Singapore, Bill was awarded the Public Service Star in 2017 and the Public Service Medal in 2007. He also received the Singapore Computer Society's IT Leader of the Year award in 2017 and the honorary Fellow of the Society in 2014.

Bill graduated with a Bachelor of Engineering (Honours) in Electrical and Computer Systems Engineering from Monash University, Australia and attended the Harvard Business School's Advanced Management Program.

Mark Chong

Mr Mark Chong, 57, was appointed Group Chief Technology Officer on 1 April 2017. He leads the Group's technology strategy and innovations in the transformation of its networks and businesses across Singapore and Australia. Prior to his appointment, Mark was CEO, International from January 2013 to March 2017.

Mark joined Singtel in 1997 and has held various executive positions in the company including the roles of Executive Vice President of Networks in Singapore and Chief Operating Officer of AIS, Singtel's associate in Thailand.

Mark has represented Singtel on the boards of public listed companies such as Globe Telecom, Bharti Infratel, CS Loxinfo and other non-listed companies such as OpenNet. He is currently Chairman of Bridge Mobile Alliance and an Authority member of the Civil Aviation Authority of Singapore.

Mark graduated with a Bachelor of Electronics Engineering and Master in Research in Electronic Systems from ENSERG, Grenoble, France, on a Singapore

Further Information on Management Committee

Government scholarship and obtained his MBA from the National University of Singapore. He is a Fellow with the Singapore Computer Society.

Arthur Lang

Mr Arthur Lang, 49, was appointed Group Chief Financial Officer on 1 April 2021. His role includes the management of the International Group, which oversees the Group's regional associates and its portfolio of strategic telecom investments. He also spearheads Singtel's digital bank joint venture with Grab.

Arthur joined Singtel in January 2017 as CEO, International. Before joining Singtel, he was Group CFO of CapitaLand, where he also ran CapitaLand's real estate investment management business. He was awarded the Best CFO (Large Cap) at the 2015 Singapore Corporate Awards. Prior to CapitaLand, Arthur was at Morgan Stanley where he was Co-head of the Southeast Asia investment banking division and Chief Operating Officer of the Asia Pacific investment banking division.

Arthur was named Chairman of the National Kidney Foundation in November 2020. He is also a board member of Bharti Airtel, Intouch Holdings, the digital bank joint venture company, the Straits Times School Pocket Money Fund and sits on the Advisory Board of the Lee Kong Chian School of Business, Singapore Management University. In 2018, Arthur was awarded the Public Service Medal for his contributions.

Arthur has an MBA from the Harvard Business School and a BA in Economics (magna cum laude) from Harvard University.

Lim Cheng Cheng

Ms Lim Cheng Cheng, 49, was appointed Group Chief Corporate Officer on 1 April 2021. She is responsible for the Group's corporate functions including finance shared services and transformation office, property, legal, mergers and acquisitions, procurement, and risk management.

Cheng Cheng joined Singtel in 2012 as Vice President, Group Strategic Investment and was appointed Deputy Group Chief Financial Officer in October 2014 and Group Chief Financial Officer in April 2015.

Before joining Singtel, Cheng Cheng was Executive Vice President and Chief Financial Officer at SMRT Corporation. She also worked at Singapore Power for 10 years in various corporate planning, investments and finance roles, the last being Head and Vice President (Financial Planning and Analysis).

Cheng Cheng is a non-executive, non-independent Director at SingPost and was the winner of the Best CFO (Big Cap) title at the 2018 Singapore Corporate Awards.

Cheng Cheng holds an MBA from the University of Chicago Booth School of Business and a Bachelor of Accountancy from the Nanyang Technological University. She is a Chartered Accountant (Singapore) of the Institute of Singapore Chartered Accountants.

Samba Natarajan

Mr Samba Natarajan, 55, was appointed CEO, Strategic Portfolio on 1 April 2021. He oversees digital marketing arm Amobee, gaming joint venture Storms, corporate venture fund Innov8, as well as Singtel Group's strategy and business restructuring initiatives.

Samba joined Singtel in May 2014 as Managing Director of Digital Enterprise and was appointed CEO, Group Digital Life in April 2015. He has more than 25 years of corporate and consulting experience across several senior roles in the areas of strategy, business development and finance. He worked for Citibank and McKinsey & Company, where he last held the position of Leader of Southeast Asia Technology, Media & Telecommunications practice.

Samba is the Chairman of the Singapore American School and also serves on the boards of Globe Telecom and several digital subsidiaries of the Singtel Group. He holds a Bachelor of Engineering degree in Electrical Engineering (Distinction) from the Birla Institute of Technology and Science, Pilani, India; a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad, India, and an MBA from the Wharton School, University of Pennsylvania, USA where he was a Ford Fellow and a Palmer Scholar.

Ng Kuo Pin

Mr Ng Kuo Pin, 51, was appointed CEO, NCS on 1 August 2019. He leads NCS in executing its new vision, one that is committed to advancing communities by partnering with governments and enterprises to harness technology. Through its digital innovation and services arm NCS NEXT, NCS aims to build up a strategic presence in major markets for digital transformation and accelerate growth in the Asia Pacific region.

Kuo Pin joined NCS as Deputy CEO in February 2019. Prior to joining NCS, he had a 25-year career at Accenture and spent nine years living and working in Beijing and Sydney. He started as an analyst in 1994

Further Information on Management Committee

and was made partner in 2006. Between 2006 to 2018, he held several senior leadership roles within its communications, media and technology (CMT) operating group, where his last appointment was Head of Consulting for CMT Asia Pacific, Africa and the Middle East.

Kuo Pin holds an Honours Degree in Engineering (Electrical and Electronics) from the Nanyang Technological University.

Aileen Tan

Ms Aileen Tan, 54, Group Chief People and Sustainability Officer, is responsible for Singtel Group's overall strategic people and sustainability agenda. She has over 30 years of experience in various leadership roles spanning multiple industries and geographies.

Aileen joined Singtel in 2008 and under her leadership, Singtel has won numerous accolades for its leading people and sustainability practices.

She co-chairs the Ministry of Manpower's (MOM) HR Industry Transformation Advisory Panel. She is a member of the Institute for Human Resource Professionals (IHRP) Board, Singapore University of Social Sciences Board of Trustees, Health Sciences Authority Board, Institute for Adult Learning Council, Ministry of Finance's VITAL's Advisory Panel and MOM's Workplace Safety & Health Council in Singapore.

Aileen holds a Bachelor of Arts from the National University of Singapore and a Master of Science in Organisational Behaviour from the California School of Professional Psychology, Alliant International University, USA. She is a pioneer IHRP Master Professional, for being a role model for the HR profession. Aileen received the Medal of Commendation at the NTUC May Day Awards and the Public Service Medal for her significant contributions to Singapore's workforce and human resources sector.

William Woo

Mr William Woo, 57, was appointed Group Chief Information Officer on 1 August 2017. He also assumed the role of Group Chief Digital Officer from 1 January 2021.

William joined Singtel in May 2011 and held several leadership roles including Managing Director of Enterprise Data and Managed Services and Managing Director of Cyber Security at Group Enterprise. Prior to joining Singtel, William was Managing Director for the Southeast Asia region for Xchanging. He was also with EDS for 20 years and was in various senior management roles including Managing Director of Southeast Asia & India and Vice President, Global Service Delivery of Asia, responsible for leading the Information Technology Outsourcing, Business Process Outsourcing and Applications service delivery across the Asia region. He started his career with the National Computer Board.

William graduated with a Bachelor of Applied Science in Computing (Distinction) from the Queensland University of Technology, Australia, and holds an Executive MBA from the National University of Singapore.

Anna Yip

Ms Anna Yip, 51, was appointed CEO, Consumer Singapore on 1 April 2021. She leads the consumer business in Singapore and is positioning it to become a leading digital services provider as 5G goes mainstream. She joined Singtel as Deputy CEO, Consumer Singapore on 7 December 2020.

Before joining Singtel, Anna was the CEO and Executive Director of Smartone Telecommunications, driving its operations in Hong Kong and Macau since 2016. Under her leadership, Smartone was named Best Mobile Carrier by the Communication Association of Hong Kong in 2019.

Prior to Smartone, Anna headed up Mastercard's operations in Hong Kong and Macau. She was previously a partner with McKinsey & Company in Greater China where she led both the Financial Institutional Group and payments practice.

Anna was appointed to the Board of Commissioners of Telkomsel on 1 June 2021. She also sits on the Board of Advisors of Singapore Management University's Institute of Service Excellence and is an independent non-executive Director of BUPA (Asia) Limited. She is also a Court member of the Open University of Hong Kong.

Anna holds a Doctor of Philosophy and Master of Philosophy in Management Studies from Oxford University and a First Class Honours degree in Business Administration from the Chinese University of Hong Kong.

Key Awards & Accolades

Business Excellence

Singtel

Asia Communication Awards 2020
- Best Enterprise Business Service (Operator) – Software-Defined Network
- Cyber Security Award

Carrier Community Global Awards 2020
- Best WAN Solution Provider

CX Asia Excellence Awards 2020
- Best Use of Mobile: Gold (Singtel Dash)

Frost & Sullivan Asia Pacific Best Practices Awards 2020
- Singapore IoT Service Provider of the Year
- Singapore Cloud Infrastructure Service Provider of the Year
- Southeast Asia and Singapore Managed Security Service Provider of the Year

HWM + HardwareZone Tech Awards 2021
- Best Mobile & Fibre Broadband Service Provider

IDC MarketScape: Asia/Pacific Next-Generation Telcos: Communications SP SD-WAN Managed Services 2020 Vendor Assessment
- Leaders category

IDC MarketScape: Asia/Pacific Next-Generation Telcos: Telecom Services 2020 Vendor Assessment
- Leaders Category

Loyalty & Engagement Awards 2020
- Brand of the Year (Singtel)

Mob-Ex Awards 2020
- Best Use of Mobile ePayment Gateway: Silver (Singtel Dash)

Telecoms World Awards 2020
- Best Enterprise Service – Software-Defined Network

The Cybersecurity Awards 2020
- MNC Vendor Category

World Retail Awards 2020
- Most Outstanding Store Design (UNBOXED)

Trustwave

IDC MarketScape: Asia/Pacific Managed Security Services 2020 Vendor Assessment
- Leaders Category

IDC MarketScape: Asia/Pacific Professional Security Services Advisory, Assessment, and Awareness 2020 Vendor Assessment
- Leaders Category

IDC MarketScape: Worldwide Managed Security Services 2020 Vendor Assessment
- Leaders Category

SC Awards 2020
- Best Managed Security Service

Optus

Acomm Awards 2020
- Best Mobile Solution

Brand Finance
- Australia's 2nd Strongest Brand

Sydney Design Awards 2020
- Service Retail: Gold (Optus 5G Wayfaring Showcase)

The CommsDay Edison Awards 2020
- Best Fixed Wireless Provider

World Communication Awards 2020
- The Access Innovation Award

Amobee

2020 Gartner's Magic Quadrant for Ad Tech
- Leaders' Quadrant

AdExchanger's 2020 Programmatic Power Players

Key Awards & Accolades

Business Excellence

Regional Associates

AIS

Brand Finance Telecoms Top 150 2020
- World's Strongest Telecoms Brand

National Innovation Awards 2020
- Leading Innovation Organisation

Frost & Sullivan Best Practices Awards 2020
- Asia Pacific Fixed Broadband Service Provider of The Year
- Data Centre Competitive Strategy Innovation and Leadership Award (Thailand)
- IoT Service Provider of the Year Award (Thailand)

Thailand Zocial Awards 2020
- Best Brand Performance on Social Media – Telecommunication

Airtel

ET Telecom Awards 2020
- Most Innovative Mobile Application
- Best Enterprise Service Provider
- Best Broadband Service Provider

OpenSignal Mobile Network Experience Report 2020
- Ranked 1st

Globe

ASEAN Corporate Governance Scorecard 2020
- ASEAN's Top 20 Publicly Listed Companies
- The Philippines' Top 3 Publicly Listed Companies

Ethical Boardroom Corporate Governance Awards 2019
- Best Corporate Governance for Telecommunications in Asia

Frost & Sullivan Asia Pacific Best Practices Awards 2020
- Philippines Telecom Service Provider of the Year

Stevie Awards 2020
- Great Employers of the Year in Telecommunications: Gold

Telkomsel

Frost & Sullivan Asia Pacific Best Practices Awards 2020
- Excellence in Customer Experience – Telecommunications Industry Indonesia

International Finance Award 2020
- Most Innovative Telecom Service Provider (Indonesia)

Marketeers Youth Choice Brand Awards 2020
- Youth Choice Brand of the Year

Sustainability and Corporate Citizenship

Singtel

2021 Bloomberg Gender-Equality Index

2020 Refinitiv Gender Diversity & Inclusion Index

CDP 2020
- A- Leadership score in Climate Change

FTSE4Good Index 2020

MSCI ESG Ratings 2021
- AA rating

National Volunteer & Philanthropy Centre's Champions of Good 2020

HR Fest Awards 2020
- Employer of Choice

HR Excellence Awards 2020
- Excellence in Digital Transformation: Silver

Singapore Governance and Transparency Index 2020
- Ranked 2nd

Optus

Australian Packaging Covenant Organisation Awards 2020
- Industry Sector – Telecommunications: Winner

GoodCompany Top 40 Best Workplaces to Give Back in 2020
- Ranked 6th

Stevie Awards 2020
- Innovative Use of Technology in HR – Telecommunications Industry: Gold

Shareholder Information

As at 8 June 2021

ORDINARY SHARES

Number of ordinary shareholders	348,463

Voting rights:
On a show of hands – every member present in person and each proxy shall have one vote
On a poll – every member present in person or by proxy shall have one vote for every share he holds or represents
(The Company cannot exercise any voting rights in respect of shares held by it as treasury shares or subsidiary holdings[1])

Note:

[1] "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

SUBSTANTIAL SHAREHOLDERS

	No. of shares	
	Direct interest	**Deemed interest**
Temasek Holdings (Private) Limited	8,304,071,181	308,805,933[1]

Note:

[1] Deemed through interests of subsidiaries and associated companies.

MAJOR SHAREHOLDERS LIST – TOP 20

No.	Name	No. of shares held	% of issued share capital[1]
1	Temasek Holdings (Private) Limited	8,304,071,181	50.29
2	Citibank Nominees Singapore Pte Ltd	1,857,206,241	11.25
3	DBS Nominees (Private) Limited	1,795,891,010[2]	10.87
4	Central Provident Fund Board	804,664,226	4.87
5	DBSN Services Pte Ltd	692,500,365	4.19
6	HSBC (Singapore) Nominees Pte Ltd	506,145,946	3.06
7	Raffles Nominees (Pte) Limited	310,411,789	1.88
8	Atrium Investments Pte Ltd	184,900,210	1.12
9	DB Nominees (Singapore) Pte Ltd	138,263,212	0.84
10	United Overseas Bank Nominees (Private) Limited	98,543,564	0.60
11	BPSS Nominees Singapore (Pte.) Ltd.	82,064,930	0.50
12	OCBC Nominees Singapore Private Limited	49,697,333	0.30
13	UOB Kay Hian Pte Ltd	47,242,925	0.29
14	Phillip Securities Pte Ltd	43,089,795	0.26
15	OCBC Securities Private Ltd	39,689,168	0.24
16	Maybank Kim Eng Securities Pte Ltd	32,420,060	0.20
17	Morgan Stanley Asia (Singapore) Securities Pte Ltd	27,395,485	0.17
18	BNP Paribas Nominees Singapore Pte Ltd	25,647,674	0.15
19	CGS-CIMB Securities (Singapore) Pte Ltd	21,656,924	0.13
20	iFast Financial Pte Ltd	14,682,211	0.09
		15,076,184,249	91.30

Notes:

[1] The percentage of issued ordinary shares is calculated based on the number of issued ordinary shares of the Company as at 8 June 2021, excluding 1,009,832 ordinary shares held as treasury shares as at that date.

[2] Excludes 1,009,832 ordinary shares held by DBS Nominees (Private) Limited as treasury shares for the account of the Company.

Shareholder Information

As at 8 June 2021

ANALYSIS OF SHAREHOLDERS

Range of holdings	No. of holders	% of holders	No. of shares	% of issued share capital
1 – 99	3,715	1.07	155,670	0.00
100 – 1,000	234,327	67.25	61,224,778	0.37
1,001 – 10,000	85,985	24.67	329,035,623	1.99
10,001 – 1,000,000	24,365	6.99	915,202,411	5.54
1,000,001 and above	71	0.02	15,209,016,273	92.10
	348,463	100.00	16,514,634,755	100.00

Note:

As at 8 June 2021, the Company had 1,009,832 treasury shares and no subsidiary holdings. Based on information available to the Company as at 8 June 2021, approximately 48% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with. The percentage of issued ordinary shares held by the public is calculated based on the number of issued ordinary shares of the Company as at 8 June 2021, excluding 1,009,832 ordinary shares held as treasury shares as at that date. The percentage of such treasury shares against the total number of issued ordinary shares (excluding ordinary shares held as treasury shares) is 0.006%.

SHARE PURCHASE MANDATE

At the 28th Annual General Meeting of the Company held on 30 July 2020 (2020 AGM), the shareholders approved the renewal of a mandate to enable the Company to purchase or otherwise acquire not more than 5% of the issued ordinary share capital of the Company as at the date of the 2020 AGM. As at 8 June 2021, there is no current on-market buy-back of shares pursuant to the mandate.

Corporate Information[1]

Board of Directors
Lee Theng Kiat (Chairman)
Yuen Kuan Moon (Group CEO)
Gautam Banerjee
Venkataraman (Venky) Ganesan
Bradley Horowitz
Gail Kelly
Lim Swee Say
Low Check Kian
Christina Ong
Rajeev Suri
Teo Swee Lian
Wee Siew Kim

Audit Committee
Gautam Banerjee (Chairman)
Gail Kelly
Christina Ong

Corporate Governance and Nominations Committee
Low Check Kian (Chairman)
Lee Theng Kiat
Gail Kelly
Christina Ong
Teo Swee Lian

Executive Resource and Compensation Committee
Gail Kelly (Chairman)
Lee Theng Kiat
Low Check Kian
Rajeev Suri
Teo Swee Lian

Finance and Investment Committee
Lee Theng Kiat (Chairman)
Venky Ganesan
Bradley Horowitz
Low Check Kian
Wee Siew Kim

Risk Committee
Teo Swee Lian (Chairman)
Gautam Banerjee
Christina Ong

Lead Independent Director
Low Check Kian
Email: check.low@clunyparkcapital.com

Optus Advisory Committee
Gail Kelly (Chairman)
Lee Theng Kiat
Yuen Kuan Moon
John Arthur
Chua Sock Koong
David Gonski AC[2]
John Morschel
Paul O'Sullivan

Technology Advisory Panel
Venky Ganesan (Chairman)
Bradley Horowitz
Koh Boon Hwee

Assistant Company Secretary
Lim Li Ching

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Email: GPE@mncsingapore.com
Website: www.mncsingapore.com

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Audit Partner: Ong Pang Thye

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Notes:

[1] The information in this section is as at 8 June 2021.

[2] Companion of the Order of Australia.

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SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

Letter to Shareholders

Directors:	**Registered Office:**
Lee Theng Kiat *(Non-executive Chairman)*	31 Exeter Road
Yuen Kuan Moon *(Group CEO)*	Comcentre
Gautam Banerjee *(Independent Director)*	Singapore 239732
Venkataraman (Venky) Ganesan *(Independent Director)*	
Bradley Horowitz *(Independent Director)*	
Gail Kelly *(Independent Director)*	
Lim Swee Say *(Independent Director)*	
Low Check Kian *(Lead Independent Director)*	
Christina Ong *(Independent Director)*	
Rajeev Suri *(Independent Director)*	
Teo Swee Lian *(Independent Director)*	
Wee Siew Kim *(Independent Director)*	7 July 2021

To: The Shareholders of
Singapore Telecommunications Limited (the "**Company**")

Dear Sir/Madam

1. INTRODUCTION

1.1 **Notice of AGM.** We refer to:

(a) the Notice of Annual General Meeting of the Company dated 7 July 2021 (the "**Notice**") convening the 29th Annual General Meeting of the Company to be held on 30 July 2021 (the "**2021 AGM**");

(b) Resolution 14, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below); and

(c) Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the SingTel Performance Share Plan 2012 (the "**Singtel PSP 2012**"),

as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Resolutions 14 and 15 proposed in the Notice (collectively, the "**Proposals**").

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Legal Adviser.** Allen & Gledhill LLP is the legal adviser to the Company in relation to the Proposals.

1.5 **Advice to Shareholders.** If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Letter to Shareholders

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Background.** At the Annual General Meeting of the Company held on 30 July 2020 (the "**2020 AGM**"), Shareholders had approved, *inter alia*, the renewal of the mandate (the "**Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire its issued ordinary shares ("**Shares**").

The rationale for, the authority and limits on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 1 July 2020 (the "**2020 Letter**") and Resolution 10 set out in the Notice of the 2020 AGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Resolution 10 at the 2020 AGM and will expire on the date of the forthcoming 2021 AGM. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the 2021 AGM.

2.2 **Rationale for the Share Purchase Mandate.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

(a) In managing the business of the Company and its subsidiaries (the "**Group**"), management strives to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. Share purchases are one of the ways through which the return on equity of the Group may be enhanced.

(b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders.

(c) In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy.

(d) Repurchased Shares which are held in treasury may be transferred for the purposes of or pursuant to employees' share schemes implemented by the Company.

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 5% limit described in paragraph 2.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 5% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Company.

2.3 **Authority and Limits on the Share Purchase Mandate.** The authority and limits placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the 2021 AGM, are substantially the same as were previously approved by Shareholders at the 2020 AGM, and are summarised below for the benefit of Shareholders:

2.3.1 ***Maximum Number of Shares***

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 5% of the total number of issued Shares of the Company as at the date of the 2021 AGM. Treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST (the "**Listing Manual**")[(1)]) will be disregarded for purposes of computing the 5% limit.

(1) "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

As at 30 April 2021 (the "**Latest Practicable Date**"), the Company had 672,151 treasury shares and no subsidiary holdings. The maximum number of Shares which can be purchased or acquired by the Company, being 5% of the total number of issued Shares (disregarding treasury shares and subsidiary holdings), based on this and certain other assumptions, is illustrated in paragraph 2.7.1 below.

2.3.2 ***Duration of Authority***

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2021 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

(a) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or

(c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

2.3.3 ***Manner of Purchases or Acquisitions of Shares***

Purchases or acquisitions of Shares may be made by way of:

(a) an on-market purchase of Shares by the Company ("**Market Purchase**") effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or

(b) an off-market purchase of Shares by the Company ("**Off-Market Purchase**") effected otherwise than on a stock exchange, in accordance with an equal access scheme pursuant to Section 76C of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the listing rules of any other stock exchange on which the Shares may for the time being be listed and quoted, and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

(i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and

(iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

(1) terms and conditions of the offer;

(2) period and procedures for acceptances;

(3) reasons for the proposed Share purchases;

(4) consequences, if any, of Share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") or other applicable take-over rules;

(5) whether the Share purchases, if made, could affect the listing of the Shares on the SGX-ST;

(6) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 ***Purchase Price***

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The maximum price to be paid for the Shares as determined by the Directors must not exceed, in the case of both a Market Purchase and an Off-Market Purchase, 105% of the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition (the "**Maximum Price**").

For the above purposes:

"**Average Closing Price**" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed and quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Source of Funds.** Under the Companies Act, the Company may purchase or acquire its Shares out of its distributable profits, as well as out of capital.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the financial condition of the Company would be materially adversely affected.

2.5 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.6 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.6.1 ***Maximum Holdings***

The number of Shares held as treasury shares[2] cannot at any time exceed 10% of the total number of issued Shares.

2.6.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.6.3 ***Disposal and Cancellation***

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

(a) sell the treasury shares for cash;

(b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;

(c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(d) cancel the treasury shares; or

(e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

[2] For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act, Chapter 50 of Singapore.

2.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2021, are based on the assumptions set out below.

2.7.1 ***Number of Shares Purchased or Acquired***

Purely for illustrative purposes, on the basis of 16,514,634,755 Shares in issue as at the Latest Practicable Date and disregarding the 672,151 Shares held in treasury as at the Latest Practicable Date, and assuming that on or prior to the 2021 AGM (i) no further Shares are issued, (ii) no further Shares are purchased or acquired by the Company, or held as treasury shares, and (iii) no Shares are held as subsidiary holdings, the purchase or acquisition by the Company of 5% of its issued Shares will result in the purchase or acquisition of 825,698,130 Shares.

2.7.2 ***Maximum Price Paid for Shares Purchased or Acquired***

In the case of both Market Purchases and Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 825,698,130 Shares at the maximum price of S$2.6586 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 825,698,130 Shares is S$2,195,201,048.42.

2.7.3 ***Illustrative Financial Effects***

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.1 and 2.7.2 above, and further assuming that the purchase or acquisition of the 825,698,130 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases or Off-Market Purchases is made as to half out of profits and as to half out of capital and cancelled or held in treasury, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2021 are set out below.

Scenario A

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and cancelled

	Group		Company	
	Before Market Purchase S$'million	**After Market Purchase S$'million**	**Before Market Purchase S$'million**	**After Market Purchase S$'million**
As at 31 March 2021				
Shareholders' Funds	26,505.7	24,310.5	20,290.5	18,095.3
Treasury Shares Held by Trust	(18.3)	(18.3)	–	–
Treasury Shares Held/Purchased by the Company	(1.6)	(1.6)	(1.6)	(1.6)
Total Shareholders' Funds	26,485.8	24,290.6	20,288.9	18,093.7
Current Assets	6,532.2	6,406.0	2,326.5	2,200.3
Current Liabilities	9,136.8	9,136.8	2,611.5	2,611.5
Total Borrowings	12,859.5	14,928.5	1,384.0	3,453.0
Cash and Cash Equivalents	754.7	628.5	126.2	–
Number of Shares ('000)	16,507,471.2	15,681,773.0	16,513,962.6	15,688,264.5
Financial Ratios				
Net Assets per Share (S$)	1.60	1.55	1.23	1.15
Gearing* (%)	48.55	61.46	6.82	19.08
Current Ratio (times)	0.71	0.70	0.89	0.84

Scenario B

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and held in treasury

	Group		Company	
	Before Market Purchase S$'million	**After Market Purchase S$'million**	**Before Market Purchase S$'million**	**After Market Purchase S$'million**
As at 31 March 2021				
Shareholders' Funds	26,505.7	26,505.7	20,290.5	20,290.5
Treasury Shares Held by Trust	(18.3)	(18.3)	–	–
Treasury Shares Held/Purchased by the Company	(1.6)	(2,196.8)	(1.6)	(2,196.8)
Total Shareholders' Funds	26,485.8	24,290.6	20,288.9	18,093.7
Current Assets	6,532.2	6,406.0	2,326.5	2,200.3
Current Liabilities	9,136.8	9,136.8	2,611.5	2,611.5
Total Borrowings	12,859.5	14,928.5	1,384.0	3,453.0
Cash and Cash Equivalents	754.7	628.5	126.2	–
Number of Shares ('000)	16,507,471.2	15,681,773.0	16,513,962.6	15,688,264.5
Financial Ratios				
Net Assets per Share (S$)	1.60	1.55	1.23	1.15
Gearing* (%)	48.55	61.46	6.82	19.08
Current Ratio (times)	0.71	0.70	0.89	0.84

* "Gearing" means total borrowings divided by total shareholders' funds.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 5% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

2.8 **Reporting Requirements.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

2.9 **No Purchases During Price or Trade Sensitive Developments.** While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. The Company will continue to comply with the best practices on dealings in securities set out in Rule 1207(19)(c) of the Listing Manual.

2.10 **Listing Status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek Holdings (Private) Limited had an interest (both direct and deemed) in 8,605,266,533 Shares representing approximately 52.1% of the issued Shares (excluding Shares held in treasury) as at that date. Approximately 47.9% of the issued Shares (excluding Shares held in treasury) were held by public Shareholders as at that date. Assuming the Company had purchased or acquired Shares from the public up to the full 5% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 45.1% of the issued Shares (excluding Shares held in treasury) would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 5% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

2.11 **Shareholding Limits.** The Constitution of the Company prescribes a limit of 15% of the issued Shares (excluding treasury shares) in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest, whether directly or indirectly (the "**Individual Shareholding Limit**"). The Constitution also empowers the Directors to require the sale of Shares, if it shall come to their notice that the Individual Shareholding Limit is exceeded.

The Company holds various broadcasting and telecommunications licences, and is regulated under the Broadcasting Act, Chapter 28 of Singapore (the "**Broadcasting Act**") and the Telecommunications Act, Chapter 323 of Singapore (the "**Telecommunications Act**").

Letter to Shareholders

The Broadcasting Act provides that no person may become:

(a) a substantial shareholder (as defined under the Companies Act);

(b) a 12% controller (as defined under the Broadcasting Act); or

(c) an indirect controller (as defined under the Broadcasting Act),

of a broadcasting company (as defined under the Broadcasting Act) without first obtaining the approval of the Minister for Communications and Information (the "**Minister**").

In addition, under the Broadcasting Act, the Company shall not, unless the Minister otherwise approves, be granted or hold a relevant licence (as defined under the Broadcasting Act) if the Minister is satisfied that any foreign source (as defined under the Broadcasting Act), alone or together with one or more other foreign sources, holds not less than 49% of the Shares, or is in a position to control voting power of not less than 49%, in the Company or its holding company (as defined under the Companies Act).

The Telecommunications Act provides that:

(a) no person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller (as defined under the Telecommunications Act) or a 30% controller (as defined under the Telecommunications Act) of a designated telecommunication licensee (as defined under the Telecommunications Act); and

(b) no person shall obtain effective control (as defined under the Telecommunications Act) over a designated telecommunication licensee,

without obtaining the prior written approval of the Info-communications Media Development Authority of Singapore (the "**IMDA**").

The Code of Practice for Competition in the Provision of Telecommunication Services 2012 (the "**Telecom Competition Code**") provides that:

(a) for the purposes of the Telecommunications Act:

  (i) every Acquiring Party (as defined under the Telecom Competition Code) and the Designated Telecommunication Licensee (as defined under the Telecom Competition Code) must seek the IMDA's approval in connection with such Acquiring Party acquiring Voting Shares (as defined under the Telecom Competition Code) or Voting Power (as defined under the Telecom Competition Code) in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 12% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee; and

  (ii) every Acquiring Party and the Designated Telecommunication Licensee must seek the IMDA's approval in connection with such Acquiring Party acquiring Voting Shares or Voting Power in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 30% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee or entering into any other transaction that constitutes a Consolidation (as defined under the Telecom Competition Code) with the Designated Telecommunication Licensee;

(b) the term "Consolidation" includes any transaction that results in a person:

(i) becoming a 30% Controller of a Designated Telecommunication Licensee; or

(ii) obtaining Effective Control (as defined under the Telecom Competition Code) over a Designated Telecommunication Licensee; and

(c) every Acquiring Party and the Designated Telecommunication Licensee must *jointly* file a Consolidation Application (as defined under the Telecom Competition Code) in respect of such Acquiring Party becoming a 30% Controller of the Designated Telecommunication Licensee or otherwise entering into a Consolidation with the Designated Telecommunication Licensee.

If the Minister and/or the applicable regulatory authority, as the case may be, is satisfied that a person and/or his associates (as the case may be) have reached or exceeded the limits applicable in relation to the holding of or having an interest in Shares, or the controlling of voting power in the Company, in each case as defined in and as prescribed by the Broadcasting Act, the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, directives, guidelines, notices and/or codes of practice promulgated or issued thereunder from time to time, as the case may be (the "**Prescribed Limits**"), or in other specified circumstances, the Minister and/or the applicable regulatory authority, as the case may be, may make certain directions, including but not limited to requiring such person and/or his associates to transfer or dispose of all or part of the Shares which it may have acquired in the Company, or restricting the voting rights or dividend rights that such person and/or his associates has obtained through the acquisition of such Shares.

As a result of a purchase or acquisition of Shares by the Company, the shareholding percentage of a holder of Shares (whose Shares were not the subject of a share purchase or acquisition by the Company) in the issued Shares of the Company immediately following any purchase or acquisition of Shares by the Company may increase correspondingly.

The Company wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE ANY PERSON TO REACH OR EXCEED THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE (IN PARTICULAR, A PERSON WHO IS CURRENTLY CLOSE TO ANY OF THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE).

IN RELATION TO THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, THE DIRECTORS ARE EMPOWERED TO SERVE NOTICE ON SUCH PERSON REQUIRING A DISPOSAL OF THE INTEREST IN THE AFFECTED SHARES WITHIN 21 DAYS OF THE GIVING OF SUCH NOTICE OR SUCH SHORTER OR LONGER PERIOD AS THE DIRECTORS CONSIDER REASONABLE TO A PERSON QUALIFIED TO HAVE AN INTEREST IN THE AFFECTED SHARES. IF SUCH NOTICE IS NOT COMPLIED WITH TO THE SATISFACTION OF THE DIRECTORS, THE DIRECTORS MAY ARRANGE FOR THE COMPANY TO SELL THE AFFECTED SHARES.

IN RELATION TO THE PRESCRIBED LIMITS, PERSONS WHO (AT ANY TIME DURING THE PERIOD WHEN THE SHARE PURCHASE MANDATE IS IN FORCE) ARE CLOSE TO AND MAY REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS BY REASON OF A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY, ARE ADVISED TO NOTIFY THE COMPANY AND TO CONSIDER SEEKING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY) TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

THE COMPANY WILL, TO THE EXTENT REQUIRED, PRIOR TO A PURCHASE OR ACQUISITION OF SHARES PURSUANT TO THE SHARE PURCHASE MANDATE, CALCULATE THE INTERESTS OF EACH SHAREHOLDER TO DETERMINE WHETHER SUCH INTERESTS MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED THE PRESCRIBED LIMITS. IF, FOLLOWING SUCH CALCULATION, THE COMPANY BELIEVES THAT THE SHAREHOLDER MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS REQUIRING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), THE COMPANY WILL NOTIFY SUCH SHAREHOLDER AND SUCH SHAREHOLDER MAY BE ADVISED TO EITHER (1) ESTABLISH TO THE COMPANY'S SATISFACTION THAT SUCH SHAREHOLDER WILL NOT REACH OR EXCEED SUCH PRESCRIBED LIMITS, OR (2) SUBMIT AN APPLICATION FOR APPROVAL (TOGETHER WITH THE COMPANY, IF SO REQUIRED) TO THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

2.12 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.12.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.12.2 ***Persons Acting in Concert***

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

(a) the following companies:

(i) a company;

(ii) the parent company of (i);

(iii) the subsidiaries of (i);

(iv) the fellow subsidiaries of (i);

(v) the associated companies of any of (i), (ii), (iii) or (iv);

(vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and

(vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the companies referred to above for the purchase of voting rights; and

(b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.12.3 ***Effect of Rule 14 and Appendix 2***

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 4.2 below, the substantial Shareholder would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 5% of its issued Shares (excluding treasury shares) as at the Latest Practicable Date.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

2.13 **Previous Purchases.** The following are details of purchases or acquisitions of Shares made by the Company via Market Purchases during the period from 30 July 2020, being the date of the 2020 AGM, to 31 May 2021:

Date of purchase or acquisition	Number of Shares purchased or acquired	Highest price paid per Share	Lowest price paid per Share	Total consideration paid
16 Feb 2021	672,151	S$2.42	S$2.42	S$1,627,823.75
27 May 2021	523,456	S$2.42	S$2.40	S$1,262,840.54
28 May 2021	333,839	S$2.45	S$2.41	S$811,502.29
31 May 2021	333,000	S$2.43	S$2.41	S$805,463.84

As at 31 May 2021, the Company had not purchased or acquired any of its Shares by way of Off-Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the 2020 AGM.

3. THE PROPOSED EXTENSION OF, AND ALTERATIONS TO, THE SINGTEL PERFORMANCE SHARE PLAN 2012

3.1 **Background.** The Singtel PSP 2012 was approved and adopted at an extraordinary general meeting of the Company held on 27 July 2012. Shareholders also approved alterations to the Singtel PSP 2012 at an extraordinary general meeting of the Company held on 25 July 2014 to enable non-executive directors of the Group to participate in the Singtel PSP 2012.

The initial duration of the Singtel PSP 2012 is 10 years commencing from the date of adoption, provided that it can be continued beyond that period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may be required. As the Singtel PSP 2012 is due to expire on 26 July 2022, Shareholders' approval is being sought for an extension of the duration of the plan for a further period of 10 years from 27 July 2022 up to 26 July 2032 (both dates inclusive).

3.2 **Rationale.** The Singtel PSP 2012, under which awards ("**Awards**") are granted to participants by which they may receive fully-paid Shares, their equivalent cash value or combinations thereof, free of charge, provided any prescribed performance condition(s) are met and/or upon expiry of any prescribed vesting period(s), is an integral part of the Company's compensation programme. The Singtel PSP 2012 provides participants with an opportunity to have a personal equity interest in the Company and helps to achieve the following positive objectives:

(a) the motivation of employees to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) the retention of key executives and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;

(d) to attract potential employees with relevant skills to contribute to the Group and to create value for Shareholders; and

(e) to align the interests of employees and non-executive directors with the interests of Shareholders.

As the Singtel PSP 2012 remains a key part of the Group's compensation arrangements, the Directors propose that the duration of the plan be extended for a further period of 10 years up to (and including) 26 July 2032. The Committee administering the Singtel PSP 2012 (the "**Committee**") has approved the proposed extension.

3.3 **Maximum Limit.** There will be no change to the maximum limit of new Shares which may be issued under the Singtel PSP 2012 following the extension of its duration to 26 July 2032. The aggregate number of new Shares which may be issued pursuant to the Singtel PSP 2012 cannot exceed 5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

In addition, Resolution 15 will provide that the total number of new Shares under Awards which may be granted pursuant to the Singtel PSP 2012 from the 2021 AGM to the next Annual General Meeting of the Company shall not exceed 0.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

3.4 **Proposed Alterations.** The Directors are taking this opportunity to update the Rules of the Singtel PSP 2012 to take into account the amendments to the Companies Act and Listing Manual which have been effected since the Singtel PSP 2012 was first adopted, and to streamline and rationalise certain provisions. The Amended and Restated Rules of the Singtel PSP 2012, incorporating the proposed alterations, are set out in the Appendix to this Letter, and the proposed alterations are blacklined for ease of reference. The following is a summary of the principal proposed alterations:

3.4.1 ***Companies Act***

The respective references in Rules 2 and 7.4 to the "memorandum and articles of association" of the Company are proposed to be replaced with references to the "constitution" of the Company, following the merging of the "memorandum and articles of association" of a company into one document called the "constitution" pursuant to the relevant provisions of the Companies (Amendment) Act 2014 which took effect on 3 January 2016.

3.4.2 ***Listing Manual***

Rule 7A.1 currently provides that the total number of new Shares which may be issued pursuant to Awards on any date shall not exceed 5% of the total number of issued Shares (excluding treasury shares) on the day preceding that date. In line with the amendments to Rule 845(1) of the Listing Manual which took effect on 31 March 2017, Rule 7A.1 (to be renumbered as Rule 8.1) is proposed to be altered to specifically exclude subsidiary holdings (in addition to treasury shares) in the denominator when calculating the size limit of the Singtel PSP 2012.

Rules 8.1 and 8.3 (to be renumbered as Rules 9.1 and 9.3, respectively), which relate to adjustments to Awards and the auditors' confirmation on such adjustments, are proposed to be altered to replace the respective references to "capitalisation of profits or reserves" and "capitalisation issue" as an adjustment event with references to "bonus" and "bonus issue", in line with the amendments to Rules 850(1) and (4) of the Listing Manual which took effect on 7 February 2020. Rule 8.1 (to be renumbered as Rule 9.1) is also proposed to be altered to make it clear that if a variation in the issued ordinary share capital takes place or if the Company makes a capital distribution or a declaration of a special dividend, the Committee has absolute discretion to determine whether outstanding Awards shall be adjusted and if so, the manner in which such adjustments should be made.

3.4.3 ***Collection, Use and Disclosure of Personal Data***

A new Rule 22 is proposed to be inserted to regulate the collection, use and disclosure of participants' personal data by the Company for purposes of implementing and administering the Singtel PSP 2012.

3.4.4 ***Other Alterations***

The alterations which are being proposed to streamline and rationalise certain provisions of the Rules of the Singtel PSP 2012 include[3]:

(a) expanding on the definition of "Participant" in Rule 2 to also include, where applicable, the executor or personal representative of a Group Executive or Non-Executive Director who has been granted an Award;

(b) specifically providing in Rule 6.2 that the Committee can determine whether to preserve all or part of any Award until the end of the "Performance Period" (if any) in any of the events described in Rule 6.2 (Rule 6.2 already provides that the Committee can in these circumstances determine whether to preserve all or part of any Award until the end of each "Vesting Period"); and

(c) specifically providing in Rule 6.3 that the Committee, in determining the number of Shares to be Vested in respect of an Award which it decides to Release in any of the events described in Rule 6.3, will have regard, in the case of a Performance-related Award, the extent to which the "Performance Condition(s)" has (have) been satisfied (Rule 6.3 already provides that the Committee will in these circumstances have regard to the proportion of the "Vesting Period(s)" which has (have) elapsed).

Other alterations which are being proposed under this category are blacklined in the Appendix to this Letter.

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[3] Defined terms used in paragraphs 3.4.4(a) to (c) and which are not separately defined in this Letter have the meanings ascribed to them respectively in the Rules of the Singtel PSP 2012.

3.5 **Particulars of Awards.** As at the Latest Practicable Date, Awards in respect of 117,555,431 Shares have been granted under the Singtel PSP 2012 to approximately 719 participants since its adoption on 27 July 2012, of which as at the Latest Practicable Date:

(a) no new Shares have been issued to participants pursuant to Awards;

(b) 38,969,009 existing Shares have been transferred to participants pursuant to Awards;

(c) 36,443,783 Shares are comprised in outstanding Awards; and

(d) 42,142,639 Shares are comprised in Awards which have lapsed pursuant to the Singtel PSP 2012.

Awards vest upon satisfaction of the performance and/or time-based conditions (if any) prescribed on the date of grant, and subject to the Rules of the Singtel PSP 2012. Save as disclosed in this Letter and as provided in the Rules of the Singtel PSP 2012 and save for the prescribed performance and/or time-based conditions, the Awards outstanding as at the Latest Practicable Date are not subject to any material conditions.

No Awards have been granted to controlling shareholders of the Company or associates of such controlling shareholders, under the Singtel PSP 2012.

Other than Mr Yuen Kuan Moon, none of the Directors held any outstanding Awards as at the Latest Practicable Date.

Particulars of outstanding Awards held by Mr Yuen Kuan Moon as at the Latest Practicable Date are as follows:

Director	Award Date	Number of Shares Delivered	Number of Shares comprised in Awards which have lapsed	Number of Shares comprised in outstanding Awards
Mr Yuen Kuan Moon	19.06.18	154,055	–	400,626
	20.06.19	–	–	637,812
	23.06.20	–	–	674,645

As at the Latest Practicable Date:

(a) 606,905 Shares have been delivered to Mr Yuen Kuan Moon and S$279,045 has been paid to him in cash in lieu of Shares, pursuant to Awards which were granted to him in his capacity as an employee of the Group under the Singtel PSP 2012;

(b) 857,820 Shares have been delivered to Mr Yuen Kuan Moon and S$718,466 has been paid to him in cash in lieu of Shares, pursuant to awards which were granted to him in his capacity as an employee of the Group under the SingTel Executives' Performance Share Plan[4] and the SingTel Performance Share Plan[5]; and

(c) 328,000 Shares have been delivered to Mr Yuen Kuan Moon pursuant to the exercise of options which were granted to him in his capacity as an employee of the Group under the Singapore Telecom Executives' Share Option Scheme[6] and the Singapore Telecom Share Option Scheme 1999[7].

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[4] The SingTel Executives' Performance Share Plan was implemented in June 2003 and suspended in August 2003. There are no longer any awards outstanding under this plan.

[5] The SingTel Performance Share Plan was adopted at an extraordinary general meeting of the Company held on 29 August 2003 and terminated at an extraordinary general meeting of the Company held on 27 July 2012 following the adoption of the Singtel PSP 2012. There are no longer any awards outstanding under this plan.

[6] The Singapore Telecom Executives' Share Option Scheme was implemented in September 1994 and expired in September 2004. There are no longer any options outstanding under this scheme.

[7] The Singapore Telecom Share Option Scheme 1999 was adopted at an extraordinary general meeting of the Company held on 29 September 1999 and suspended on 21 March 2003. This scheme expired on 28 September 2009 and there are no longer any options outstanding under this scheme.

3.6 **SGX-ST.** The SGX-ST has granted in-principle approval for the listing and quotation of the new Shares to be issued pursuant to the Singtel PSP 2012, as proposed to be extended and altered, subject to, *inter alia*, compliance with the SGX-ST's listing requirements and guidelines and independent Shareholders' approval being obtained for the proposed extension of, and alterations to, the Singtel PSP 2012. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Singtel PSP 2012 (as proposed to be extended and altered), the new Shares, the Company and/or its subsidiaries.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 **Directors' Interests.** The interests of the Directors in Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Shares				
	Direct Interest	Deemed Interest	Total Interest	Total Percentage Interest[1]	Number of Shares comprised in outstanding Awards granted by the Company
Ordinary Shares					
Lee Theng Kiat	–	–	–	–	–
Yuen Kuan Moon	1,188,137	6,360[2]	1,194,497	nm[7]	1,713,083[3]
Gautam Banerjee	–	–	–	–	–
Bradley Horowitz	–	–	–	–	–
Gail Kelly	–	–	–	–	–
Low Check Kian	1,490	–	1,490	nm[7]	–
Christina Ong	–	–	–	–	–
Rajeev Suri	–	–	–	–	–
Teo Swee Lian	1,550	–	1,550	nm[7]	–
Wee Siew Kim	501,838[4]	190[5]	502,028	nm[7]	–
American Depositary Shares					
Venky Ganesan	3,341.45[6]	–	3,341.45	nm[7]	–

Notes:

(1) Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.
(2) Held by spouse of Mr Yuen Kuan Moon.
(3) Mr Yuen Kuan Moon has been granted Awards in respect of 1,713,083 Shares pursuant to the Singtel PSP 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant performance criteria, up to an aggregate of 2,387,008 Shares may be released pursuant to the conditional Awards granted.
(4) 228,278 Shares held in the name of UBS AG and 272,500 Shares held in the name of Bank of Singapore.
(5) Held by spouse of Mr Wee Siew Kim.
(6) 1 American Depositary Share represents 10 Shares.
(7) "nm" means not meaningful.

4.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholder in Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Percentage Interest[(1)]
Temasek Holdings (Private) Limited	8,304,071,181	301,195,352[(2)]	52.11

Notes:
(1) Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.
(2) Deemed through interests of subsidiaries and associated companies.

5. DIRECTORS' RECOMMENDATIONS

5.1 **Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 14, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2021 AGM.

5.2 **Proposed Extension of, and Alterations to, the Singtel PSP 2012.** All the Directors are eligible to participate in the Singtel PSP 2012. Accordingly, they have refrained from making any voting recommendation to Shareholders in respect of Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the Singtel PSP 2012 to be proposed at the 2021 AGM.

6. ABSTENTIONS FROM VOTING

Any Shareholder who is eligible to participate in the Singtel PSP 2012 must abstain from voting his Shares on Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the Singtel PSP 2012 to be proposed at the 2021 AGM, and the Company will disregard any votes cast by such Shareholder in respect of his Shares on Resolution 15. The Chairman of the 2021 AGM will accept appointment as proxy for any other Shareholder to vote in respect of Resolution 15, where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of Resolution 15.

7. INSPECTION OF DOCUMENTS

The following documents may be accessed at the URL https://www.singtel.com/about-us/investor-relations/annual-reports:

(a) the Annual Report of the Company for the financial year ended 31 March 2021; and

(b) the 2020 Letter.

Letter to Shareholders

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, and the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors of
SINGAPORE TELECOMMUNICATIONS LIMITED

LEE THENG KIAT
Chairman

The Appendix

AMENDED AND RESTATED
RULES OF THE SINGTEL PERFORMANCE SHARE PLAN 2012
(Incorporating amendments up to 30 July 2021)

RULES OF THE SINGTEL PERFORMANCE SHARE PLAN 2012

1. NAME OF THE PLAN

The Plan shall be called the “Singt~~T~~el Performance Share Plan 2012”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Act”	The Companies Act, Chapter 50 of Singapore.
~~“Articles”~~	~~The Articles of Association of the Company, as amended from time to time.~~
“Auditors”	The auditors of the Company for the time being.
“Award”	An ~~contingent~~ award of Shares granted under Rule 5.
“Award Date”	In relation to an Award, the date on which the Award is granted pursuant to Rule 5.
“Award Letter”	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee.
“CDP”	The Central Depository (Pte) Limited.
“Commencement Date”	The date on which the Plan is adopted by the Company in general meeting.
“Committee”	A committee comprising Directors duly authorised and appointed by the Board of Directors to administer the Plan.
“Communication”	The meaning ascribed to the term in Rule 11~~0~~.4.
“Company”	Singapore Telecommunications Limited, a company incorporated in the Republic of Singapore.
“Constitution”	The Constitution of the Company, as amended from time to time.
“Depository Agent”	Has the meaning given to it in the Securities and Futures Act, Chapter 289 of Singapore.
“Group”	The Company and its subsidiaries.
“Group Executive”	Any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with Rule 4.

Letter to Shareholders

"Group Executive Director"	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function.
"Listing Manual"	The Listing Manual of the Singapore Exchange.
"Market Value"	In relation to a Share, on any day: (a) the last dealt price of a Share on the Singapore Exchange over the five (5) immediately preceding Trading Days; or (b) if the Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
"Non-Executive Director"	A director of the Company and/or its subsidiaries, other than a Group Executive Director.
"Participant"	A Group Executive or Non-Executive Director who has been granted an Award (including where applicable, the executor or personal representative of such Group Executive or Non-Executive Director).
"Performance-related Award"	An Award in relation to which a Performance Condition is specified.
"Performance Condition"	In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award.
"Performance Period"	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied.
"Plan"	The Singt~~T~~el Performance Share Plan 2012, as the same may be modified or altered from time to time.
"Record Date"	The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of Shares.
"Release"	In relation to an Award, the release of all or some of the Shares to which the Award relates in accordance with the Plan and, to the extent that any Shares which are the subject of the Award are not released pursuant to the Plan, the Award in relation to those Shares shall lapse accordingly~~at the end of each Vesting Period, of the Shares to be released on such date~~ and "Released" shall be construed accordingly.
"Release Schedule"	In relation to an Award, a schedule (if any) in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released ~~at the end of each Vesting Period~~.
"Released Award"	An Award which has been released in full or in part in accordance with Rule 7.
"Retention Period"	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date.

"Security Device"	Any smartcard, digital certificate, digital signature, encryption device, electronic key, logon identifier, password, personal identification number, and/or other code or any access procedure incorporating any one or more of the foregoing, designated by the Company for use in conjunction with these Rules.
"Shares"	Ordinary shares ~~in the capital~~ of the Company.
"Singapore Exchange"	The Singapore Exchange Securities Trading Limited.
"Trading Day"	A day on which the Shares are traded on the Singapore Exchange.
"Vesting"	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly.
"Vesting Date"	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7.
"Vesting Period"	In relation to an Award, each~~a~~ period (if any)~~or periods~~, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which the relevant number of Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 7.
"year"	Calendar year, unless otherwise stated.
"$"	Singapore dollar.

2.2 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.

2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.

2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3. OBJECTIVES OF THE PLAN

The Plan is a share incentive scheme. The Plan is proposed on the basis that it is important to retain staff whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding executives and executive directors of the Group who have contributed to the growth of the Group. The Plan will also enable grants of fully paid Shares to be made to non-executive directors of the Group as part of their remuneration in respect of their office as such in lieu of cash or, where the Committee deems appropriate, to give recognition to the contributions made or to be made by such non-executive directors to the success of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

(a) the motivation of employees to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) the retention of key executives and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;

(d) to attract potential employees with relevant skills to contribute to the Group and to create value for the shareholders of the Company; and

(e) to align the interests of employees and non-executive directors with the interests of the shareholders of the Company.

4. ELIGIBILITY OF PARTICIPANTS

The following persons, unless they are also controlling shareholders (as defined in the Listing Manual) of the Company or associates (as defined in the Listing Manual) of such controlling shareholders, shall be eligible to participate in the Plan, at the absolute discretion of the Committee:

(a) employees of the Company and its subsidiaries (including any Group Executive Directors) who have attained the age of twenty-one (21) years;

(b) employees who qualify under paragraph (a) above and are seconded to any associated company of the Company or any other company in which the Company holds shares; and

(c) Non-Executive Directors.

5. GRANT OF AWARDS

5.1 Subject as provided in Rule 8~~7A~~, the Committee may grant Awards to Group Executives and/or Non-Executive Directors, in each case, as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to), in the case of a Group Executive, his rank, job performance, year(s) of service and potential for future development, his contribution to the success and development of the Group and (in the case of a Performance-related Award) the difficulty with which the Performance Condition(s) may be achieved within the Performance Period and, in the case of a Non-Executive Director, his board and board committee appointments and attendance, and his contribution to the success and development of the Group. No Performance-related Awards may be granted to Non-Executive Directors under the Plan.

5.3 The Committee, in its absolute discretion, shall decide in relation to an Award:

(a) the Participant;

(b) the Award Date;

(c) the number of Shares which are the subject of the Award;

(d) in the case of a Performance-related Award:

(i) the Performance Period;

(ii) the Performance Condition(s); and

(iii) the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

(e) the Vesting Period(s), if any;

(f) the Release Schedule, if any;

(g) the Retention Period in relation to any or all of the Shares comprised in the Award, if any; and

(h) any other condition which the Committee may determine in relation to that Award.

5.4 The Committee may amend or waive the Vesting Period(s), the Release Schedule, the Retention Period and/or any condition applicable to an Award and, in the case of a Performance-related Award, the Performance Period and/or the Performance Condition(s) and/or the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period in respect of that Award:

(a) in the event of a take-over offer being made for the Shares or if, under the Act, a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by shareholders of the Company and/or sanctioned by the court or in the event of an order being made or a resolution passed for the winding-up of the Company (other than as provided in Rule 6.1(d) or for reconstruction or amalgamation) or in the event of a proposal to sell all or substantially all of the assets of the Company;

(b) in the case of a Performance-related Award, if anything happens which causes the Committee to conclude that:

(i) a changed Performance Condition would be a fairer measure of performance, and would be no less difficult to satisfy; or

(ii) a Performance Condition should be waived,

and shall notify the Participants of such change or waiver.

5.5 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:

(a) the Award Date;

(b) the number of Shares which are the subject of the Award;

(c) in the case of a Performance-related Award:

(i) the Performance Period;

(ii) the Performance Condition(s); and

(iii) the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

(d) the Vesting Period(s), if any;

(e) the Release Schedule, if any;

(f) the Retention Period in relation to any or all of the Shares comprised in the Award, if any; and

(g) any other condition which the Committee may determine in relation to that Award.

5.6 Participants are not required to pay for the grant of Awards.

5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer of the Shares to which the Released Award relates, shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.

6. EVENTS PRIOR TO THE VESTING DATE

6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company and/or the Group:

(a) subject to Rule 6.2(a), where the Participant is a Group Executive, upon the Participant ceasing to be in the employment of the Group, for any reason whatsoever;

(b) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;

(c) in the event of misconduct on the part of the Participant as determined by the Committee in its absolute discretion; or

(d) in the event that an order is made, or a resolution is passed, for the winding-up of the Company on the basis ~~of~~, or by reason ~~of~~, of its insolvency.

For the purpose of Rule 6.1(a), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 In any of the following events, namely:

(a) where the Participant, being a Group Executive, ceases at any time to be in the employment of any company within the Group by reason of:

(i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);

(ii) redundancy;

(iii) retirement at or after the legal retirement age;

(iv) retirement before the legal retirement age with the consent of the Committee;

(v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or

(vi) any other event approved by the Committee;

(b) where the~~a~~ Participant, being a Non-Executive Director, ceases to be a director of the Company or the relevant subsidiary of the Company, for any reason whatsoever;

(c) the death of the~~a~~ Participant; or

(d) any other event approved by the Committee,

then the Committee may, in its absolute discretion but shall not be obliged to, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period (if any) and/or each Vesting Period (if any) and subject to the provisions of the Plan.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

(a) a take-over offer for the Shares becomes or is declared unconditional;

(b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by shareholders of the Company and/or sanctioned by the court under the Act; or

(c) an order is made or a resolution passed for the winding-up of the Company (other than as provided in Rule 6.1(d) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will (if applicable) have regard to the proportion of the Vesting Period(s) which has (have) elapsed and, in the case of a Performance-related Award, the extent to which the Performance Condition(s) has (have) been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition(s)~~,~~ in relation to Performance-related Awards

7.1.1 In relation to each Performance-related Award, as soon as reasonably practicable after the end of the relevant Performance Period, the Committee shall review the Performance Condition(s) specified in respect of that Award and determine whether it (they) has (have) been satisfied and, if so, the extent to which it (they) has (have) been satisfied, and also determine the number of Shares (if any) comprised in such Award to be Released to the relevant Participant.

7.1.2 If the Committee determines in its sole discretion that the Performance Condition(s) has (have) not been satisfied (whether fully or partially) or (subject to Rule 6) if the relevant Participant has not continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.6 shall be of no effect.

7.1.3 The Committee shall have the discretion to determine whether the Performance Condition(s) has (have) been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events.

7.2 Vesting of Award

7.2.1 Subject, in relation to a Performance-related Award, to the Committee having determined that the Performance Condition(s) has (have) been satisfied and provided, in relation to all Awards, that the relevant Participant has continued to be a Group Executive or a Non-Executive Director, as the case may be, from the Award Date up to the end of the relevant Vesting Period (if any) and provided further that, in the opinion of the Committee, the job performance of the relevant Participant has been satisfactory, upon the expiry of each Vesting Period in relation to an Award (if any), the Company shall Release to the relevant Participant the relevant number of Shares to which his Award relates in accordance with the Release Schedule (if any) specified in respect of his Award on the relevant Vesting Date(s).

7.2.2 Shares which are the subject of a Released Award shall be Vested to a Participant on the relevant Vesting Date(s), which shall be:

(a) in the case of an Award which is subject to a Vesting Period or Vesting Periods, a Trading Day falling as soon as practicable after the last day of the relevant Vesting Period;

(b) in the case of a Performance-related Award which is not subject to any Vesting Period, a Trading Day falling as soon as practicable after the last day of the relevant Performance Period; and

(c) in the case of an Award (other than a Performance-related Award) which is not subject to any Vesting Period, a Trading Day falling as soon as practicable after ~~the last day of~~ the relevant Award Date,

and, on the relevant Vesting Date(s), the Committee will procure the allotment or transfer to each Participant of the number of Shares (which may, in the case of a transfer of Shares and to the extent permitted by law, include Shares held by the Company as treasury shares) so determined.

7.2.3 Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the Singapore Exchange (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of such Shares.

7.3 Release of Award

Shares which are to be allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of either:

(a) the securities account of that Participant maintained with CDP;

(b) the securities sub-account of that Participant maintained with a Depository Agent;

(c) the CPF investment account of that Participant maintained with a CPF agent bank; or

(d) the securities account of such other person (to be held or represented by interests held under such other employee share scheme or arrangement of the Group) specified by the Company,

in each case, as designated by that Participant. Until such issue or transfer of such Shares has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

7.4 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer on the Release of an Award shall:

(a) be subject to all the provisions of the Constitution~~Articles and the Memorandum of Association of the Company~~; and

(b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

~~"**Record Date**" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.~~

7.5 Cash Awards

The Committee, in its absolute discretion, may determine to make a Release of an Award (other than an Award granted to a Non-Executive Director as part of his directors' remuneration in lieu of cash), wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Vesting Date, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on Release of his Award, the aggregate Market Value of such Shares on the Vesting Date.

7.6 Moratorium

Shares which are allotted and issued or transferred on the Release of an Award to a Participant shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period or such further period as may be required if the Shares are held (with the agreement of the Participant) under another employee share scheme or arrangement of the Company as mentioned in Rule 7.3, except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take any steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction, including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8.~~7A~~ LIMITATION ON THE SIZE OF THE PLAN

8~~7A~~.1 The total number of new Shares which may be issued pursuant to Awards granted under the Plan on any date shall not exceed five (5) per cent. of the total number of issued Shares (excluding Shares held by the Company in treasury and subsidiary holdings (as defined in the Listing Manual)) on the day preceding that date.

8~~7A~~.2 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

9~~8~~. ADJUSTMENT EVENTS

9~~8~~.1 If a variation in the issued ordinary share capital of the Company (whether by way of a bonus~~capitalisation of profits or reserves~~ or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Committee may, in its absolute discretion, determine whether:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

(b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted and if so, the manner in which such adjustments should be made~~in such manner as the Committee may, in its absolute discretion, determine to be appropriate~~ provided that the rights of a Participant will be changed to the extent necessary to comply with the rules of any stock exchange on which the Company is listed that apply at the time of the event, including the rules that apply to a reorganisation of capital at that time.

9~~8~~.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

9~~8~~.3 Notwithstanding the provisions of Rule 9~~8~~.1:

(a) any adjustment (except in relation to a bonus~~capitalisation~~ issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and

(b) the adjustment must be made in such a way that a Participant will not receive a benefit that a holder of~~ the~~ Shares does not receive.

9~~8~~.4 Upon any adjustment required to be made pursuant to this Rule 9~~8~~, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares which are the subject of the adjusted~~thereafter to be transferred on the Vesting of an~~ Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.

10~~9~~. ADMINISTRATION OF THE PLAN

10~~9~~.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board of Directors of the Company, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.

10~~9~~.2 The Committee, in its absolute discretion, shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it~~they~~ may, in its~~their~~ absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

10~~9~~.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:

(a) the lapsing of any Awards pursuant to any provision of the Plan;

(b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or

(c) any decision or determination of the Committee made pursuant to any provision of the Plan.

10~~9~~.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including, for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

11~~0~~. NOTICES AND COMMUNICATIONS

11~~0~~.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

11~~0~~.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

11~~0~~.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11~~0~~.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

11~~0~~.4 An offer, grant and/or acceptance of an Award, including without any limitation, an Award Letter and/or any correspondence in relation thereto (individually and collectively, "**Communication**") may be communicated electronically through the use of the Security Device, or through an electronic page, site, or environment designated by the Company which is accessible only through the use of the Security Device, and such communication shall thereby be deemed to have been sent by the designated holder of such Security Device.

11~~0~~.5 The Company may accept and act upon any Communication issued and/or transmitted through the use of the Participant's Security Device pursuant to Rule 11~~0~~.4 (whether actually authorised by the Participant or not) as his authentic and duly authorised Communication and the Company shall be under no obligation to investigate the authenticity or authority of persons effecting the Communication or to verify the accuracy and completeness of the Communication and the Company may treat the Communication as valid and binding on the Participant, notwithstanding any error, fraud, forgery, lack of clarity or misunderstanding in the terms of such Communication.

11~~0~~.6 All Communications issued and/or transmitted through the use of the Participant's Security Device pursuant to Rule 11~~0~~.4 (whether authorised by the Participant or not) are irrevocable and binding on the Participant upon transmission to the Company and the Company shall be entitled to effect, perform or process such Communications without the Participant's further consent and without any further reference or notice to the Participant.

11~~0~~.7 It shall be the Participant's sole responsibility to ensure that all information contained in a Communication is complete, accurate, current, true and correct.

11~~0~~.8 The Participant shall ensure (and shall take all necessary precautions to ensure) that:

(a) he complies with the Company's procedural and/or operational guidelines relating to Security Devices;

(b) all Security Devices of the Participant are kept completely confidential and secure; and

(c) there is no unauthorised use or abuse of any of the Participant's Security Devices.

11~~0~~.9 The Participant shall notify and/or contact the Company immediately (“**Security Notification**”) if he becomes aware, has reason to believe, or suspects that:

(a) the security or integrity of any Security Device may have been compromised;

(b) such Security Device has become known or been revealed to any other person;

(c) there has been unauthorised use of the Security Device; and/or

(d) such Security Device is lost, damaged, defective or stolen,

(“**Compromised Security Device**”) and the Participant shall immediately cease to use such Compromised Security Device until further notice from the Company. The Participant shall be bound by all Communications and transactions resulting from any Communications made which are referable to any Compromised Security Device until such time as the Company has received the Security Notification from the Participant.

11~~0~~.10 The Company’s records of the Communications, and its record of any transactions maintained by any relevant person authorised by the Company relating to or connected with the Plan, whether stored in electronic or printed form, shall be binding and conclusive on the Participant and shall be conclusive evidence of such Communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.

11~~0~~.11 Any provision in these Rules or any regulation of the Committee requiring a Communication to be signed by a Participant may be satisfied in the case of an electronic Communication, by the execution of any on-line act, procedure or routine designated by the Company to signify the Participant’s intention to be bound by such Communication.

12~~1~~. MODIFICATIONS TO THE PLAN

12~~1~~.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, in its absolute discretion, except that:

(a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the expiry of all the Vesting Periods (if any) applicable to their Awards, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards;

(b) the definitions of “Committee”, “Group”, “Group Executive”, “Group Executive Director”, “Non-Executive Director”, “Participant”, “Performance Period” and “Vesting Period” and the provisions of Rules 4, 5, 6, 7, ~~7A,~~ 8, 9, 10 and this Rule 12~~1~~ shall not be altered to the advantage of Participants except with the prior approval of the Company's shareholders in general meeting; and

(c) no modification or alteration shall be made without the prior approval of the Singapore Exchange, or any other stock exchange on which the Shares are quoted or listed (where the approval of such other stock exchange is required), and such other regulatory authorities as may be necessary.

For the purposes of Rule 12~~1~~.1(a), the opinion of the Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 12~~1~~.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

12~~1~~.2 Notwithstanding anything to the contrary contained in Rule 12~~1~~.1, the Committee, in its absolute discretion, may at any time by resolution (and without other formality, save for the prior approval of the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed (where the approval of such other stock exchange is required)) amend or alter the Plan in any way to the extent necessary to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including any amendment or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed).

12~~1~~.3 Written notice of any modification or alteration made in accordance with this Rule 12~~1~~ shall be given to all Participants.

13~~2~~. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (being a Group Executive) shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

14~~3~~. DURATION OF THE PLAN

14~~3~~.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Commencement Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

14~~3~~.2 The Plan may be terminated at any time by the Committee in its absolute discretion or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.

14~~3~~.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

15~~4~~. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

16~~5~~. COSTS AND EXPENSES OF THE PLAN

16~~5~~.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the~~ issue and~~ allotment and issue or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a~~ CDP~~ Depository Agent or CPF investment account with a CPF agent bank.

16~~5~~.2 Save for the taxes referred to in Rule 15~~4~~ and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue or transfer of Shares pursuant to the Release of any Award shall be borne by the Company.

17~~6~~. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company and the Company's directors and employees shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the Singapore Exchange in accordance with Rule 7.2.3 (and any other stock exchange on which the Shares are quoted or listed).

18~~6A~~. DISCLOSURE IN ANNUAL REPORTS

The following disclosures or appropriate negative statements (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation and for so long as such disclosures are required to be made by the rules of any stock exchange on which the Company is listed or any other applicable laws:

(a) the names of the members of the Committee administering the Plan;

(b) in respect of the following Participants of the Plan:

(i) Directors of the Company; and

(ii) Participants (other than those in paragraph (i) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the aggregate of:

(1) the total number of new Shares available under the Plan; and

(2) the total number of existing Shares delivered pursuant to the Release of Awards under the Plan,

the following information:

(aa) the name of the Participant; and

(bb) the following particulars relating to Awards Released under the Plan:

(i) the number of new Shares issued to such Participant during the financial year under review; and

(ii) the number of existing Shares transferred to such Participant during the financial year under review; and

(c) in relation to the Plan, the following particulars:

(i) the aggregate number of Shares comprised in Awards granted under the Plan since the commencement of the Plan to the end of the financial year under review;

(ii) the aggregate number of Shares comprised in Awards which have Vested under the Plan during the financial year under review and in respect thereof, the proportion of:

(1) new Shares issued; and

(2) existing Shares transferred and, where existing Shares were purchased for delivery, the range of prices at which such Shares have been purchased,

upon the Release of the Vested Awards granted under the Plan; and

(iii) the aggregate number of Shares comprised in Awards granted under the Plan which have not been Released, as at the end of the financial year under review.

Letter to Shareholders

19~~7~~. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

20~~18~~. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

21~~19~~. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

22. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the Plan, and in order to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Award Letter and/or any other notice or communication given or received pursuant to the Plan, and/or which is otherwise collected from the Participants (or their authorised representatives). By participating in the Plan, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with this Plan, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.

SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

Annual General Meeting Proxy Form

IMPORTANT

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of Annual General Meeting will not be sent to members. Instead, the Notice of Annual General Meeting will be sent to members by electronic means via publication on the Company's website at the URL https://www.singtel.com/about-us/investor-relations/annual-reports and the SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of, or live at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or live at, the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company's announcement dated 7 July 2021. This announcement may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/stock-exchange-announcements and the SGX website at the URL https://www.sgx.com/securities/company-announcements.
3. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.**
4. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.**
5. CPFIS/SRS investors who hold Singtel shares through CPF Agent Banks/SRS Operators and who wish to request their CPF Agent Banks/SRS Operators to appoint the Chairman of the Meeting as their proxy in respect of the Singtel shares held by such CPF Agent Banks/SRS Operators on their behalf should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2021.
6. Investors who hold discounted Singtel shares offered under the Special Discounted Shares (SDS) Scheme in Singtel's initial public offering in 1993 and/or in Singtel's second offering in 1996 in their CPF ordinary accounts and who wish to request the CPF Board to appoint the Chairman of the Meeting as its proxy in respect of the SDS shares held by the CPF Board on their behalf must complete and submit the voting instruction form accompanying the Notice of Annual General Meeting to the Company by 5.00 p.m. on 19 July 2021. The voting instruction form may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/agm-2021 and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

PERSONAL DATA PRIVACY
By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 7 July 2021.

I/We ______________________________ (Name) ______________________ (NRIC/Passport Number/Company Registration Number) of ______________________________ (Address), being a member/members of Singapore Telecommunications Limited (the "Company" or "Singtel"), hereby appoint the Chairman of the Annual General Meeting as my/our proxy to attend, speak and vote for me/us on my/our behalf, at the 29th Annual General Meeting of the Company to be convened and held by way of electronic means on Friday, 30 July 2021 at 10.00 a.m. (Singapore time) and at any adjournment thereof.

I/We direct the Chairman of the Annual General Meeting to vote for or against or to abstain from voting on the resolutions to be proposed at the Annual General Meeting as indicated hereunder.

(Voting will be conducted by poll. If you wish the Chairman of the Annual General Meeting as your proxy to vote all your shares "For" or "Against" the relevant resolution, please indicate with an "X" or a "√" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the Annual General Meeting as your proxy to abstain from voting on a resolution, please indicate with an "X" or a "√" in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. ***In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Annual General Meeting as your proxy for that resolution will be treated as invalid.****)*

No.	Resolution	For	Against	Abstain
Routine Business				
1	To receive and adopt the Directors' Statement and audited Financial Statements and Auditors' Report thereon			
2	To declare a final dividend of 2.4 cents per share			
3	To re-elect Mr Gautam Banerjee as Director			
4	To re-elect Mr Venkataraman Vishnampet Ganesan as Director			
5	To re-elect Ms Teo Swee Lian as Director			
6	To re-elect Mr Lim Swee Say as Director			
7	To re-elect Mr Rajeev Suri as Director			
8	To re-elect Mr Wee Siew Kim as Director			
9	To re-elect Mr Yuen Kuan Moon as Director			
10	To approve payment of Directors' fees by the Company for the financial year ending 31 March 2022			
11	To re-appoint the Auditors and authorise the Directors to fix their remuneration			
Special Business				
12	To approve the proposed share issue mandate			
13	To authorise the Directors to allot/issue shares pursuant to the Singtel Scrip Dividend Scheme			
14	To approve the proposed renewal of the share purchase mandate			
15	To approve the proposed extension of, and alterations to, the SingTel Performance Share Plan 2012 and to authorise the Directors to grant awards and allot/issue shares pursuant to the SingTel Performance Share Plan 2012 (as altered)			

Dated this ____________ day of ____________ 2021

Total Number of Ordinary Shares Held	

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ THE FOLLOWING NOTES.

Notes:

1. If you have ordinary shares in the Company entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of ordinary shares. If you have ordinary shares in the Company registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of ordinary shares. If you have ordinary shares entered against your name in the Depository Register and ordinary shares registered in your name in the Register of Members, you should insert the aggregate number of ordinary shares. If no number is inserted, this form of proxy shall be deemed to relate to all the ordinary shares held by you.

2. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** This proxy form may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/annual-reports and the SGX website at the URL https://www.sgx.com/securities/company-announcements. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

   CPFIS/SRS investors who hold Singtel shares through CPF Agent Banks/SRS Operators and who wish to request their CPF Agent Banks/SRS Operators to appoint the Chairman of the Meeting as their proxy in respect of the Singtel shares held by such CPF Agent Banks/SRS Operators on their behalf should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2021.

   Investors who hold discounted Singtel shares offered under the Special Discounted Shares (SDS) Scheme in Singtel's initial public offering in 1993 and/or in Singtel's second offering in 1996 in their CPF ordinary accounts and who wish to request the CPF Board to appoint the Chairman of the Meeting as its proxy in respect of the SDS shares held by the CPF Board on their behalf must complete and submit the voting instruction form accompanying the Notice of Annual General Meeting to the Company by 5.00 p.m. on 19 July 2021. The voting instruction form may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/agm-2021 and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

Glue all sides

Glue all sides

1st fold   *Do not staple. Glue all sides firmly.*

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 04910

Singapore Telecommunications Limited
c/o M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

2nd fold

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01, Singapore 068902; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at GPE@mncsingapore.com,

   in either case not less than 72 hours before the time appointed for holding the Annual General Meeting.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   Due to the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the Meeting as proxy must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

General:

The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of ordinary shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged or submitted if the member, being the appointor, is not shown to have ordinary shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

3rd fold

SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

Annual General Meeting
Voting Instruction Form for SDS Investors*

* *"SDS Investors" means investors who hold discounted Singtel shares offered under the Special Discounted Shares (SDS) Scheme in Singtel's initial public offering in 1993 and/or in Singtel's second offering in 1996 in their CPF ordinary accounts.*

IMPORTANT

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of Annual General Meeting will not be sent to members. Instead, the Notice of Annual General Meeting will be sent to members by electronic means via publication on the Company's website at the URL https://www.singtel.com/about-us/investor-relations/annual-reports and the SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of, or live at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or live at, the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company's announcement dated 7 July 2021. This announcement may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/stock-exchange-announcements and the SGX website at the URL https://www.sgx.com/securities/company-announcements.
3. **As a precautionary measure due to the current COVID-19 situation in Singapore, investors who hold discounted Singtel shares ("SDS Shares") offered under the Special Discounted Shares (SDS) Scheme in Singtel's initial public offering in 1993 and/or in Singtel's second offering in 1996 in their CPF ordinary accounts ("SDS Investors") will not be able to attend the Annual General Meeting in person. If an SDS Investor wishes his/her SDS Shares to be voted on at the Annual General Meeting, he/she has to request the CPF Board to appoint the Chairman of the Meeting as its proxy to attend, speak and vote on its behalf at the Annual General Meeting in respect of the SDS Shares held on his/her behalf.**
4. **SDS Investors who wish to request the CPF Board to appoint the Chairman of the Meeting as its proxy in respect of the SDS Shares held by the CPF Board on their behalf must complete and submit this voting instruction form to the Company by 5.00 p.m. on 19 July 2021, in order to enable the CPF Board to in turn complete and submit a proxy form to the Company not less than 72 hours before the time appointed for holding the Annual General Meeting.**
5. This voting instruction form is for use only by SDS Investors and is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by any other person. Members who hold Singtel shares via The Central Depository (Pte) Limited and/or have Singtel shares registered in their name in the Register of Members (maintained by or on behalf of the Company) and who wish to appoint the Chairman of the Meeting as proxy should complete and submit the proxy form accompanying the Notice of Annual General Meeting. CPFIS/SRS investors who hold Singtel shares through CPF Agent Banks/SRS Operators and who wish to request their CPF Agent Banks/SRS Operators to appoint the Chairman of the Meeting as their proxy in respect of the Singtel shares held by such CPF Agent Banks/SRS Operators on their behalf should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2021.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the submission of this voting instruction form by an SDS Investor.**

PERSONAL DATA PRIVACY

By submitting this voting instruction form, an SDS Investor consents to the collection, use and disclosure of the SDS Investor's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment by the CPF Board of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

I ______________________________ (Name) ____________________ (NRIC/Passport Number) of ____ (Address), being a holder of discounted shares ("SDS Shares") in Singapore Telecommunications Limited (the "Company" or "Singtel") offered under the Special Discounted Shares (SDS) Scheme in Singtel's initial public offering in 1993 and/or in Singtel's second offering in 1996 in my CPF ordinary account, hereby request the CPF Board to appoint the Chairman of the Meeting as its proxy, in respect of the SDS Shares held by the CPF Board on my behalf, to attend, speak and vote on behalf of the CPF Board at the 29th Annual General Meeting of the Company to be convened and held by way of electronic means on Friday, 30 July 2021 at 10.00 a.m. (Singapore time) and at any adjournment thereof.

I hereby direct the CPF Board to appoint the Chairman of the Meeting as its proxy to vote for or against or to abstain from voting on the resolutions to be proposed at the Annual General Meeting as indicated hereunder.

(Voting will be conducted by poll. If you wish the Chairman of the Meeting as proxy of the CPF Board to vote all your SDS Shares "For" or "Against" the relevant resolution, please indicate with an "X" or a "✓" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of SDS Shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the Meeting as proxy of the CPF Board to abstain from voting on a resolution, please indicate with an "X" or a "✓" in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of SDS Shares in the "Abstain" box provided in respect of that resolution. ***In the absence of specific directions in respect of a resolution, the CPF Board will not appoint the Chairman of the Meeting as its proxy for the SDS Shares held by it on your behalf in respect of that resolution.****)*

No.	Resolution	For	Against	Abstain
Routine Business				
1	To receive and adopt the Directors' Statement and audited Financial Statements and Auditors' Report thereon			
2	To declare a final dividend of 2.4 cents per share			
3	To re-elect Mr Gautam Banerjee as Director			
4	To re-elect Mr Venkataraman Vishnampet Ganesan as Director			
5	To re-elect Ms Teo Swee Lian as Director			
6	To re-elect Mr Lim Swee Say as Director			
7	To re-elect Mr Rajeev Suri as Director			
8	To re-elect Mr Wee Siew Kim as Director			
9	To re-elect Mr Yuen Kuan Moon as Director			
10	To approve payment of Directors' fees by the Company for the financial year ending 31 March 2022			
11	To re-appoint the Auditors and authorise the Directors to fix their remuneration			
Special Business				
12	To approve the proposed share issue mandate			
13	To authorise the Directors to allot/issue shares pursuant to the Singtel Scrip Dividend Scheme			
14	To approve the proposed renewal of the share purchase mandate			
15	To approve the proposed extension of, and alterations to, the SingTel Performance Share Plan 2012 and to authorise the Directors to grant awards and allot/issue shares pursuant to the SingTel Performance Share Plan 2012 (as altered)			

Dated this ____________ day of ______________ 2021

Total Number of SDS Shares Held	

____
Signature of SDS Investor

IMPORTANT: PLEASE READ THE FOLLOWING NOTES.

Notes:

1. If no number of SDS Shares is inserted overleaf, this voting instruction form shall be deemed to relate to all the SDS Shares held by the CPF Board on your behalf.
2. **As a precautionary measure due to the current COVID-19 situation in Singapore, SDS Investors will not be able to attend the Annual General Meeting in person. If an SDS Investor wishes his/her SDS Shares to be voted on at the Annual General Meeting, he/she has to request the CPF Board to appoint the Chairman of the Meeting as its proxy to attend, speak and vote on its behalf at the Annual General Meeting in respect of the SDS Shares held on his/her behalf.**

   SDS Investors who wish to request the CPF Board to appoint the Chairman of the Meeting as its proxy in respect of the SDS Shares held by the CPF Board on their behalf must complete and submit this voting instruction form to the Company by 5.00 p.m. on 19 July 2021 in the manner prescribed below, in order to enable the CPF Board to in turn complete and submit a proxy form to the Company not less than 72 hours before the time appointed for holding the Annual General Meeting. This voting instruction form may be accessed at the Company's website at the URL https://www.singtel.com/about-us/investor-relations/agm-2021 and the SGX website at the URL https://www.sgx.com/securities/company-announcements. Where an SDS Investor requests the CPF Board to appoint the Chairman of the Meeting as proxy, the SDS Investor must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the voting instruction form, failing which the CPF Board will not appoint the Chairman of the Meeting as its proxy for the SDS Shares held by it on behalf of the SDS Investor in respect of that resolution.
3. This voting instruction form is for use only by SDS Investors and is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by any other person. Members who hold Singtel shares via The Central Depository (Pte) Limited and/or have Singtel shares registered in their name in the Register of Members (maintained by or on behalf of the Company) and who wish to appoint the Chairman of the Meeting as proxy should complete and submit the proxy form accompanying the Notice of Annual General Meeting. CPFIS/SRS investors who hold Singtel shares through CPF Agent Banks/SRS Operators and who wish to request their CPF Agent Banks/SRS Operators to appoint the Chairman of the Meeting as their proxy in respect of the Singtel shares held by such CPF Agent Banks/SRS Operators on their behalf should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2021.

Glue all sides

Glue all sides

1st fold *Do not staple. Glue all sides firmly.*

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 04910

Singapore Telecommunications Limited
c/o M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

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4. The voting instruction form must be submitted to the Company in the following manner:
   (a) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01, Singapore 068902; or
   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at GPE@mncsingapore.com,

   in either case by 5.00 p.m. on 19 July 2021.

   An SDS Investor who wishes to submit a voting instruction form must first download, complete and sign the voting instruction form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   Due to the current COVID-19 situation in Singapore, SDS Investors are strongly encouraged to submit completed voting instruction forms electronically via email.
5. The voting instruction form must be signed under the hand of the SDS Investor or of his/her attorney duly authorised in writing.

General:

The Company and/or the CPF Board shall be entitled to reject a voting instruction form if it is incomplete, improperly completed or illegible or where the true intentions of the SDS Investor are not ascertainable from the instructions of the SDS Investor specified in the voting instruction form (including any related attachment). In addition, the Company and/or the CPF Board may reject any voting instruction form lodged or submitted if the SDS Investor is not shown to have SDS Shares entered against his/her name in the CPF Board's records as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by the CPF Board to the Company.

3rd fold