STARHUB LTD

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StarHub debuted on the main board of the Singapore Exchange in October 2004. For its sustainability efforts, the company is also listed on the SGX Sustainability Leaders Index and the SGX Sustainability Leaders Enhanced Index. As of end 2016, StarHub’s market share in the mobile services segment was 27.4%, and its total subscriber base comprised 2.307 million users.

A household name in Singapore, the inception of the company was largely based on the principles of competition. The then Singapore government’s decision in the 1990s to liberalise the telecom industry attracted interest from various local and international groups. In 1998, a consortium led by ST Telemedia, a unit under state-owned investment agency Temasek Holdings, won the licensing bid and established StarHub. Besides ST Telemedia, there were other strategic shareholders as well from the United Kingdom and Japan as part of the consortium.

The company officially launched its cellular phone operations in the year 2000, after it was awarded the license in May 1998. It quickly established itself as an aggressive competitor, introducing several attractive services such as free incoming calls and per-second billing to attract customers. In addition to the mobile business, the company initiated plans to venture into broadband internet and cable television in early 2000. After the acquisition of internet service provider CyberWay in 1999, StarHub merged with Singapore Cable Vision in 2002 and consolidated both businesses as wholly owned subsidiaries under the Group. This allowed StarHub to market its products as one hubbing package, which gave the company a competitive edge and helped to attain new customers. The company has since pushed on with its integrated range of products, which has proved to be successful in growing the business.

**Lines of Business**

StarHub has primarily four major lines of business: mobile services, pay television services, broadband internet services, and enterprise fixed services. In FY 2016, the group’s mobile services segment netted the largest revenue share of 55%, followed by 18% from fixed network services, 17% in pay television, and 10% in broadband internet respectively. The group’s total business revenue was S$2.40 billion at end of FY 2016. The company employs about 2,700 staff, mostly based in its headquarters in Singapore.
A CHAMPION IN PROMOTING SUSTAINABILITY

StarHub’s efforts and initiatives in the sustainability space are well recognised and awarded both in the local and international arena. Sustainability is central to the company’s long-term goal and strategy. A strong reflection of the company’s commitment to sustainability can be seen in the Corporate Knights Global 100 Most Sustainable Corporations ranking of 2016, where StarHub came in at an impressive 8th place, and is the highest ranked Singaporean company among major players from different industries all over the world. It is also the only Singaporean telecommunications company featured in this prestigious list for the last consecutive four years.

Such accolades reiterate the company’s sustainability stance, which is purely driven by its mission to create value for its stakeholders and customers. As a telecommunications service provider, sustainability is not straightforward for the company as there is little involvement in the product-manufacturing aspect. However, StarHub fully makes up for this by ensuring that sustainability features as a core component in its processes, operations, and people. Recognising the future potential in the sustainability landscape, the company continues to be pro-active in this field.

Its focus on corporate sustainability stems primarily into sustainability that is tied to its business, and sustainability that increases brand value, which encompasses material topics for both the company and industry. Across StarHub’s business functions, each operation strives to strike a balance amongst economic, environmental and social considerations. To be a choice employer and a responsible corporate citizen, the company places great importance on its ethics, corporate governance and human rights policies.

LEADERSHIP AND GOVERNANCE

StarHub’s Board of Directors oversees the company’s sustainability strategy. The Board’s primary focus is to provide guidance on environmental, social and governance (ESG) factors that can impact the organisation’s business. Besides policy oversight, the group’s Chief Strategic Partnership Officer leads the Sustainability Committee, the implementation wing for sustainability initiatives. The committee works with the CSR Advocate, who is responsible for ground implementation of sustainability initiatives throughout the organisation.

As seen in Figure 1, the senior management is also involved in managing and driving sustainability, laying the groundwork for smooth implementation and execution. The CSR Advocate plays a unique role in rolling out initiatives across all units as it works closely and horizontally with other business units of the group. Furthermore, the Sustainability Committee is also responsible for:
- Developing sustainability strategy
- Reviewing material impacts
- Consider stakeholder expectations and priorities
- Performance goals and targets

Figure 1: StarHub’s Sustainability Reporting Committee.

ENERGY AND ENVIRONMENT

Energy-efficient mobile network

StarHub’s mobile business is the company’s biggest revenue generating service, and it constantly strives to implement energy-efficient equipment in its network infrastructure. StarHub has upgraded its 4G mobile network with lower power consumption equipment which reduced overall energy usage. In the backend infrastructure, the company operates a data centre facility which is certified as a Green Mark Building in the Platinum category by the Building and Construction Authority (BCA). Through cabling management and air-conditioning efficiency, it has achieved further savings in energy use.
Using solar energy
StarHub has two solar powered mobile base transceiver stations (BTS). One of the BTS is located at the company’s headquarters at StarHub Green while the other is located at the rooftop of IKEA Alexandra. The two stations have an estimated savings of about 8,000 kilowatt hour of energy, which equals to roughly abating 3,500 kilogram of CO₂ emissions per year. Additionally, from August 2009, the company has introduced Singapore’s first solar powered mobile BTS vehicle for boosting signal strength for mobile devices. Titled the ‘greenenergy’ vehicle, it is a transportable cellular BTS that is used to provide temporary coverage in areas affected by BTS failure or in need of additional capacity.

StarHub tracks both its scope 1 and scope 2 emission sources with respect to its business operations. Through the company’s initiatives in energy efficiency, it has successfully reduced scope 1 emission sources considerably in the last 3 years, as highlighted by Figure 2 below. This is in line with Singapore’s target of reducing CO₂ intensity by 36% by 2020 from business as usual levels. To date, StarHub has reduced its emissions intensity by 11% in 2016 compared to 2010 through the adoption of green energy equipment in StarHub’s infrastructure, and raising awareness on environmental issues.

SAVING PAPER RESOURCES
Introduction of e-bills
In 2012, StarHub initiated the phasing out of hardcopy paper bills. It proved to be a challenge as customers still prefer bills in hardcopy. However, the company persevered and gradually phased out hardcopy paper bills for new subscribers from 2014. A portion of customers still prefer a physical paper bill, but StarHub is encouraging its customers to use the My StarHub mobile application to track their billing and usage.

Phasing out of business-reply envelopes
Phasing out of business-reply envelopes has helped the company to save a significant amount of paper, mailing and distribution costs. In line with Singapore’s Smart Nation initiative, StarHub has included various customer service requests through the My StarHub mobile application where users are easily able to log a request, schedule an appointment, and manage their account services. These have helped to digitise its services and reduce use of physical resources. In addition, the customer service call centre is also able to help customers with complex issues, further reducing the need for physical resources.

E-WASTE MANAGEMENT
RECYCLING THE NATION’S ELECTRONIC WASTE (RENEW)
Electronic waste such as computers, home appliances and other equipment contains various forms of toxic substances. Improper disposal of these substances can lead to pollution and health issues. As a telecommunications provider, StarHub is involved in retailing electronic products and has identified the lack of improper e-waste disposal as a critical issue. Hence, the company partnered with TES, an e-waste recycling company, and launched the StarHub E-waste Recycling Programme in March 2012. Commemorating Earth Hour, the programme allocated five bins all over the city and collected one tonne of waste in the first five months. By August 2014, StarHub increased the recycling collection to condominiums, schools, community clubs and the Environment Building. Subsequently, this project was scaled up, bringing DHL on-board and the programme re-launched as RECYCLING THE NATION’S ELECTRONIC WASTE or RENEW. This became a collaborative project where the objective was simple but had a profound plan to tackle e-waste disposal in Singapore. Presently, there are over 400 RENEW bins located all over the city for members of the public to recycle their electronic items.

Figure 2: Emissions inventory of StarHub from FY14-FY16.
StarHub continues to encourage its users to drop their used electronic items in these recycling bins. DHL with its extensive distribution network collects the e-waste before handing it over to TES for any recovery and final disposal. The initial recycling programme was awarded the WWF Earth Hour award in 2012. As seen in Figure 3, a total of 380 tonnes of electronic waste has been recycled through this initiative in 2016 alone. To date, StarHub reports that approximately 450 tonnes of e-waste has been recycled since the programme’s launch in March 2012. The RENEW programme continues to provide all members of the public an avenue to dispose of their e-waste responsibly.

![Internal E-waste Recycled](image1)

![E-waste Recycled via RENEW](image2)

Figure 3: Waste recycling efforts in numbers at StarHub.

**ADVOCACY AND AWARENESS**

**Environmental advocacy**

Creating awareness on energy and environmental issues feature as a key component of StarHub’s advocacy programmes. The company’s approach is to engage all stakeholders; the employees, customers, business partners, students and volunteers to spread awareness on environmental issues. Some of StarHub’s key awareness campaigns are discussed below:

Green Learning Journey: StarHub encourages its employees to learn more about environmental issues pertaining to the Singapore context. For example, employees have visited the NEWater Plant and Semakau Landfill among others to better understand the environmental challenges facing Singapore.

Annual SEC-StarHub School Green Awards: StarHub supports the Singapore Environment Council’s (SEC) School Green Awards. In its third year, the programme has reached out to more youth in local schools to raise awareness on environmental challenges. It is a programme that aims to nurture values and skills in our youth, empowering them to be stewards of the environment and to lead a sustainable lifestyle. To reflect current environmental challenges, an outreach component was introduced and over 320,000 students, residents and the wider community have been involved in the programme.

Supplier Sustainability Survey: StarHub acknowledges that as a responsible corporate citizen, it is the company’s duty to support and provide guidance to its value chain network in adopting sustainability practices. A supplier sustainability survey is conducted annually to evaluate the key sustainability issues, commitment and performance across StarHub’s supplier network. In 2016, StarHub conducted this survey with 73 vendors and business partners who highlighted important sustainability topics relevant to their business operations. Environmental issues such as the use of renewable energy, environmental policy, recycling programme and environmental reporting were regarded as key issues pertaining to business operations in order of importance. Social outreach activities, social programme and community development projects also featured in the social segment in order of importance.

**MANAGING COMMUNITY ENGAGEMENT**

**COMMUNITY INVESTMENT**

StarHub Sparks Fund is the company’s primary community investment vehicle. It works jointly with employees, customers and business partners to support multiple community projects and initiatives throughout the year. The fund was launched in July 2000 and was used to support learning and enrichment for the less privileged. Gradually the scope of the fund has been refined to support the employability and connectivity needs of underprivileged youth and families, which includes a wide variety of community projects in collaboration with different partners. In 2016, the Sparks Fund disbursed S$0.844 million in support of multiple community initiatives, benefitting over 35,500 people. An example is the Nurture 2.0 initiative. It is a weekly volunteer-driven programme to build the literacy, numeracy and life skills of underprivileged children aged 7 to 12 run by Central Singapore CDC. Working closely with the CDC, the Sparks Fund contributes financially as well as develop non-academic based IT modules in creativity and robotics for the students.
StarHub published its first Global Reporting Initiative (GRI) certified sustainability report in 2011 following the G3.1 Guidelines and the Telecommunications Sector Supplement. A first for the company, the sustainability report established the baseline of environmental and social indicators. Since then, StarHub has been publishing GRI-certified reports annually, with the latest one published in 2017.

The company’s reporting focus has developed over the years with the inclusion of supply chain mapping, stakeholder engagement programme and materiality analysis from 2013. For its excellence in sustainability reporting, StarHub was awarded the ‘Best Sustainability Report within an Annual Report’ at the Asia Sustainability Reporting Awards in 2016. The accolade not only recognises a company’s sustainability efforts, but also complements its prudent reporting structure as the GRI framework is internationally accepted.

**THE ROAD AHEAD**
In addition to maintaining sustainability as a priority, StarHub is equally focused on tackling the challenge of cyber security in today’s digital world. As a show of commitment, StarHub launched its Cyber Security Centre of Excellence in May 2016, to serve as a hub for Singapore’s cyber security ecosystem. The Centre brings together the best of brains and expertise to combat growing security threats which can affect economies globally. Besides working with top-notch providers in cyber security to develop innovative solutions for the market, StarHub has also partnered with Institutes of Higher Learning (IHLs) such as Nanyang Polytechnic and the Singapore University of Technology and Design to train aspiring students as well as conduct joint research about cyber security.

StarHub has showcased its focus on key assets such as its mobile network, distribution channels, supplier relationship, people and brand for the business to thrive. These have proven to be successful pathways through which the company creates value for its stakeholders. StarHub has also displayed the company’s commitment to sustainability through its efforts in having a robust financial structure, protecting the environment, and working with the community. The company’s hard work has paid dividends through multiple awards and recognition in the international sustainability landscape. As the telecommunications industry braces for rapid growth of digitisation, it presents opportunities for companies like StarHub to not only strengthen its business focus, but to also do it in a responsible manner.

**COMMUNICATING SUSTAINABILITY EFFORTS**

**SUSTAINABILITY REPORTING**
StarHub’s sustainability practices span its operations, its supplier network, its business partners and most importantly its customers and the community. For StarHub, sustainability is integral to creating value for its stakeholders. As such, reporting on its initiatives in the ESG domains plays a key part in making the company a renowned sustainable organisation.

**OTHER OUTREACH ACTIVITIES**
People with special needs and/or disabilities are one of the most vulnerable groups in Singapore. In support of schools for special needs students, the company partners with Community Chest to equip students from Metta School, MINDS Towner Garden School and Lighthouse School with vocational and life skills. In addition, the company promotes the employment of people with disabilities in collaboration with SPD through the Infocomm Accessibility Centre Certificate in Office Skills (ICOS) programme since 2015. The ICOS is an office skills training programme to train and help people with disabilities find employment. The training scheme has been successful as 70 individuals were trained in 2016, with 19 people obtaining employment in various organisations.

Through its customer rewards redemption programme, StarHub customers can redeem their rewards points for a donation to selected charities and causes. StarHub aims to raise awareness of social issues and engage its customers in doing their part for the community. The company also provides in-kind donations in the form of TV commercial spots for social and environmental campaigns. These include the WWF Earth Hour, Children Cancer Foundation’s Hair for Hope, Make a Wish Foundation and the President’s Challenge to a tune of S$1.44 million in 2016.
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