

EMPLOYEE RESPONSIBILITY

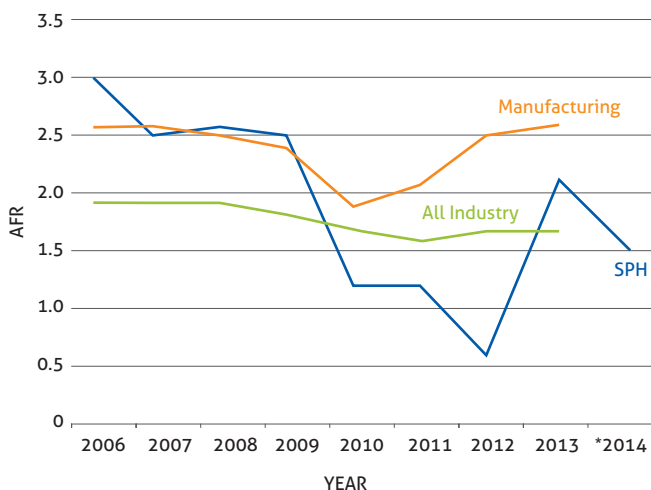


WORKPLACE SAFETY AND HEALTH & FIRE SAFETY

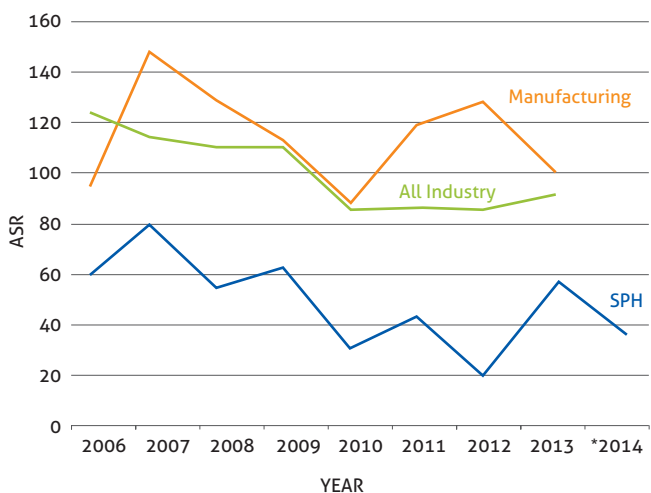
Delivering Consistent Safety Achievements

SPH is committed to the safety and well-being of its staff. Over the years, it has strived to make the workplace safer through consistent safety innovation supported by comprehensive risk management programmes. The company has continued to outperform the National Manufacturing Accident Frequency Rate (AFR) and Accident Severity Rate (ASR) over the last 5 years.

SPH Accident Frequency Rate (AFR)



SPH Accident Severity Rate (ASR)



* 2014 data is computed from 1st January 2014 to 31st August 2014 only.

Keeping Pace with Safety Development

In the first half of 2014, the Ministry of Manpower strengthened its Workplace Safety and Health (WSH) regulatory measures. For workplace accident reporting, companies have to keep track of staff who are not able to perform their duties for more than three non-consecutive days. SPH also put in place a Fall Prevention Plan (FPP) for all premises in compliance with MOM’s Work at Heights Regulation 2013.

With the strong national emphasis to bolster workplace safety and health, SPH will continue to enhance its internal safety structures, processes and capabilities to keep up with the regulatory requirements.

Enhanced Safety Structure

In May 2014, SPH established two new WSH Coordinator posts, increasing its in-house Health and Safety Executive (HSE) headcount to three. Working with the three WSH committees (Coordination, Production and Office), this enhanced safety structure allows the company to expand its WSH programmes more effectively to the three centres. Stationed at the two printing facilities at Media Centre and Print Centre, the two WSH coordinators work with the line managers where they conduct regular on-site WSH and fire safety inspections, accident/incident investigations, and safety promotion and education for staff at the two centres.

Fall Prevention Plans

In early 2014, a cross-functional project group was established to develop the Fall Prevention Plan (FPP) for Print Centre. After three months of research and several on-site visits, the Print Centre FPP was endorsed by Head, Production on 1 May. The effort was expanded to Media Centre, where it was subsequently endorsed on 8 August. As part of the FPP, a Hazardous Work at Height (WAH) Permit-to-Work system was established for all three centres with effect from 1 May. To prepare staff for WAH appointments, a total of 172 staff received their qualifications after attending WAH courses conducted by certified training agencies.

Sustaining Fire Safety Efforts

Working hand-in-hand with Times Properties, the Security and Safety Department conducted daily inspection of firefighting equipment and facilities in the three centres. Their feedback helped ensure all firefighting equipment are in good serviceable condition. Regular fire drills are conducted for the three centres to evaluate staff evacuation procedures and functionality of the firefighting equipment.

The Company Emergency Response Team (CERT) for Media Centre and Print Centre were audited by SCDF on 8 May and 8 September in 2014 and received their fourth and sixth consecutive certifications respectively.



WORKING HAND IN HAND WITH INDUSTRY PARTNERS

SPH's sustainability strategy also applies to its products and services. SPH is constantly looking at ways to innovate and improve all its media products and services to ensure that they continue to serve its customers and advertisers effectively.

For example, Berita Harian and Berita Minggu, The New Paper and The Business Times were revamped to meet the changing needs of readers and advertisers.

To stay ahead of the changing times, the Digital Division (or SPH Digital) was set up. It offers a comprehensive suite of news platforms and online media solutions to target and engage readers and advertisers. Since its formation in May this year, SPH Digital has taken up an active role in the Interactive Advertising Bureau (IAB) as it ramps up its leadership role in the rapidly developing digital arena in the APAC region.

VALUING HUMAN CAPITAL

People

SPH values its employees as the key asset to organisational success and it is its philosophy to develop each and every employee to his or her maximum potential. It is committed to attracting and recruiting talent, managing performance through development to build a talent pipeline and creating a corporate culture that embraces diversity and change.

SPH embarked on a comprehensive review of its organisational structure and revamped its corporate values - **Excellence, Customer Focus, Integrity, Teamwork and Embracing Change (EXCITE)** for better alignment to its business aspirations.

To achieve a more efficient and agile organisation, the number of management layers is reduced to achieve a flatter structure. The newsrooms have been reorganised to effectively deliver news across both print and digital platforms. These changes provide clarity in roles with clear alignment to corporate values and objectives, and offer a challenging career for employees.

EMPLOYEE RESPONSIBILITY

Remuneration

SPH's compensation policy and practices are designed to attract, retain and motivate employees. To ensure that its remuneration package stays relevant and competitive, the company participates in yearly surveys for benchmarking.

A flexible wage system is used to tie rewards directly to the performance of individuals. This system also allows adjustments to be made to the remuneration package in response to changes in the economic and business conditions. In line with the strategy to grow its business beyond print, the variable bonus system is revised to link it directly with the financial performance of the Group, beyond the newspaper business.

For example, when SPH made a divestment gain from the listing of SPH REIT, part of the gains were shared with employees through a one-off special lump sum payout to employees in January 2014.

SPH also continually reviews its benefits package to ensure it is competitive and comprehensive. These benefits include medical coverage, regular health screenings, dental benefits, group term insurance coverage and various staff loans.

Performance Management

SPH employees undergo an annual performance review where there is an open discussion on the employee's overall performance, detailing areas for improvement, targets settings and future developmental needs. The performance management system is competency-based, aimed at providing greater objectivity and transparency in assessing work performance. It also provides a platform to improve work performance through continual learning and development opportunities. Talent development and succession planning strategies are tailored for employees following the performance management process to ensure that the company has the right talent to meet its current and future operational needs.

To facilitate the performance management process, SPH recently implemented an electronic performance appraisal system to handle both the annual appraisal exercise and probationary review. This made the appraisal process more efficient for both the employee and supervisor.

Training and Development

Investment in the training and development of employees gives SPH the competitive edge necessary for continued growth and success. Through the training programmes offered, employees can acquire new skills, expertise and qualification. This investment contributes to improvements in staff performance and productivity.

SPH has a comprehensive training and development plan which is reviewed annually to ensure that training needs of employees are met and changing business needs are addressed. The training development programmes include

induction, soft skills training, functional skills training, journalism programmes and leadership development. Employees are also sponsored to pursue Diploma, Bachelors and Masters degree programmes and other certification courses to upgrade their skills and qualification.

As part of the personal development tool, a 360-degree feedback system was implemented to allow employees to solicit feedback from their colleagues.



Health and Sustainability

As an employer of choice, SPH has developed a total healthcare approach for its employees. In addition to providing a comprehensive medical benefit scheme which includes regular health screenings for employees, the SPH Sports and Leisure Club organises a wide variety of activities ranging from health talks, exercise and fitness programmes and leisure activities to enable employees to maintain an active lifestyle, learn new skills, acquire new knowledge and meet new friends.

Employees can attend weekly exercise classes in kettle bell training, piloxing and muay thai. To promote mental and physical well being, lunchtime talks are organised with professional speakers sharing on topics such as financial management, stress management, medical issues and healthy habits. A "Free Salad Day" was also introduced this year to encourage employees to make healthy food choices.

Social and recreational activities such as "Up on the Roof", a monthly gathering held at the News Centre's rooftop garden, allows employees to relax and mingle with fellow colleagues and senior management in an informal setting over food, drinks and games. For the annual SPH Family Day, close to 7,400 staff and family members had a fun-filled day at the S.E.A Aquarium and other Sentosa attractions.

To encourage employees to participate in sports and facilitate camaraderie, Inter-Division Tournaments are organised for a wide range of sports throughout the year. This will culminate in the presentation of the SPH Championship trophy to the division that accumulates the most points at the annual SPH

Games Day. This year's SPH Games Day ended on a high note with more exciting competition and greater participation from the employees.

Work Life Harmony

To encourage work-life balance, flexible work arrangements have been widely practised to attract, motivate and retain employees who may have left the workforce due to family commitments. Flexible working hours, part-time work and tele-commuting are some of the arrangements that have been put in place. In 2014, around 2.5 per cent of employees are on flexible work arrangements.

Grooming Future Talent

SPH continues to invest in talent. University scholarships for studies at both local and foreign universities are awarded to successful applicants who wish to pursue a career in journalism. SPH also gives out bond-free scholarships to children of employees and news vendors.

The SPH Foundation Lim Kim San Memorial Scholarships are awarded to deserving students from modest backgrounds to support their studies at local universities. This bond-free scholarship is awarded to full time language and humanities students.

A total of 31 SPH and SPH Foundation scholarships were awarded in 2014.

SPH will continue to build up its leadership pipeline by identifying high potential talent for key management positions. It provides developmental opportunities through a robust career development plan, job rotation across different business functions and a coaching and mentoring programme for them. The succession planning initiative also promotes diversity in its leadership and gives equal opportunities to all employees for leadership opportunities.

Employee Communication and Engagement

Regular townhall communication sessions are held by the CEO and the senior management team, where employees are kept updated on the latest company news and policy changes. Such sessions are also webcasted live from News Centre to Media Centre and Print Centre. Besides townhall sessions, other communication channels include regular division and department meetings, staff broadcasts, and the monthly newsletter Presslines, which is produced by Corporate Communications & CSR Division.

Employee Turnover

SPH recognises the importance of managing employee turnover. It has adopted a number of retention strategies to attract and retain valued employees. Besides reviewing and providing a competitive remuneration package and benefits, it has invested significantly in training and development, health related employee welfare programmes, staff bonding events and equipping leaders with the right leadership qualities.

Employee turnover in FY 2014 was 16 per cent, which is lower than the national attrition rate.

HR Statistics for SPH Group in FY 2014

Employee Profile	Total	%
Permanent	4,371	93.7%
Part Timers	93	2.0%
Temp	202	4.3%
Grand Total	4,666	100.0%

Gender	Total	%
Female	2,451	52.5%
Male	2,215	47.5%
Grand Total	4,666	100.0%

Age Group	Total	%
<30 years	1,098	23.5%
30 - 40 yrs	1,441	30.9%
41 - 50 yrs	1,074	23.0%
>50 yrs	1,053	22.6%
Grand Total	4,666	100.0%

Ethnic Type	Total	%
Chinese	3,350	71.8%
Indian	354	7.6%
Malay	523	11.2%
Others	439	9.4%
Grand Total	4,666	100.0%

Nationality Type	Total	%
Singaporean	3,459	74.1%
Malaysian	686	14.7%
Others	521	11.2%
Grand Total	4,666	100.0%

No. of Leavers versus Headcount	Total
No. of Leavers 1.9.2013 to 31.08.2014	760
No. of Employees as at 1.9.2013	4,607
Percentage of Leavers	16%