



SINGAPORE QUALITY AWARD

FOR BUSINESS EXCELLENCE
2017 WINNER
EXECUTIVE SUMMARY





SP SERVICES

MILESTONES & AWARDS

1990s

Key Milestones SP Services

- 1) The first and only utilities company to offer consolidated billing of water, electricity and gas globally
- 2) One-stop customer service is available for customers who visit our service centres, call-in our hotline, or write-in digitally

2001

Key Milestones SP Services

- 1) Introduction of e-service for customers to open residential accounts

2004

Awards and Certifications SP Services

- 1) Singapore Quality Class

2005

Key Milestones SP Services

- 1) Deployment of SMS alerts to inform customers on supply set up and closing of accounts
- 2) Partnered POSB Everyday Credit Card to offer rebates on utility fees charged to the credit card

2007

Key Milestones SP Services

- 1) Opening of new CSC in Toa Payoh and Woodlands
- 2) Implementation of Wireless Workforce Management System (WWMS)

2008

Key Milestones SP Services

- 1) Launch of self-help Kiosks in Woodlands CSC
- 2) Co-location of CityGas Gallery in Somerset CSC

2009

Key Milestones SP Services

- 1) Partnered CityGas to set up City Gas Gallery in Woodlands CSC

2010

Key Milestones

SP Services

- 1) Implementations of e-bill access

Awards and Certifications

SP Services

- 1) Singapore Quality Class Star
- 2) Singapore Service Class
- 3) People Developer

2011

Key Milestones

SP Services

- 1) Revamp of website for ease of customers in navigating necessary information

2012

Key Milestones

SP Services

- 1) Partnered DBS in introducing GIRO payment for utilities bills

Awards and Certifications

SP Services

- 1) Singapore Service Excellence Medallion 2012

2013

Key Milestones

SP Services

- 1) New utilities portal as one-stop services for customers to do all their transactions
- 2) Pilot launch of submission of meter reading through WhatsApp

2014

Key Milestones

SP Group*

- 1) Implementation of progressive wage model

SP Services

- 1) Pilot launch of consumption comparison features
- 2) Increased Retail Contestability (IRC) go live

Awards and Certifications

SP Services

- 1) Singapore Quality Class Star
- 2) Singapore Service Class
- 3) Singapore Innovation Class
- 4) People Developer
- 5) 5th Annual Asia Power & Electricity Awards 2014: Utility of the Year
- 6) Asian Power Awards 2014: Gold Award for Smart Grid Project of the Year

Giving back to the Community

SP Group*

- 1) Aug 14: Community Chest Care & Share Show
- 2) Aug 14: Visit to Pertapis Senior Citizens Fellowship Home

2015

Key Milestones

SP Group*

- 1) Establishment of Centre of Excellence for energy development and piloting
- 2) Organisation wide issuance of iPad - a productivity tool for staff
- 3) Deployment of iTalent - transformative Talent Management platform
- 4) Deployment of Apps4u and Touch2plan

Awards and Certifications

SP Group*

- 1) Excellence Award for Outstanding Internal Communications of Institute of Public Relations of Singapore's PRISM Awards 2015

Giving back to the Community

SP Group*

- 1) Jan 16: Set up of 20 Good Deeds
- 2) Feb 16: SG Powerpacks Packing and Delivery
- 3) May 16: Love from the Stars
- 4) Aug 16: Gift of Power to SG50
- 5) Aug 15: Singapore Power Charity Golf
- 6) Oct 15: Completion of 3,000km by Singapore Power-sponsored SunSPEC team

SP Services

- 1) Jan 16: Set up of Mobile Exhibition Unit (MEU): Bringing energy awareness to schools

2016

Key Milestones

- 1) Deployment of NOVA (Asset Management)
- 2) Nation wide roll out of consumption comparison features
- 3) Deployment of redesigned hardcopy bills

Awards and Certifications

SP Group*

- 1) President's Volunteerism & Philanthropy Award 2016

SP Services

1) **Mob-Ex Award 2016**

- SP Services Mobile App: Gold Award for Community Service

2) **Asian Utility Innovators Award**

- SP Services Mobile App: Best Customer Engagement Project

3) **Customer Experience Asia Excellence Award 2016**

- Best Contact Center - 2nd Runner Up

4) **Contact Centre Association Award 2016**

- Silver Award in Best In-House Programme/Section Contact Centre
- Silver Award in Customer Experience Mystery Calling Award and
- Silver Award in Best Contact Centre Employee Recruitment And/Or Retention Programme

5) **SRA Service Excellence Award 2016 (EXSA)**

- 14 Star Awards
- 12 Gold Awards
- 23 Silver Awards
- 1 SRA Superstar Finalist

6) **National Infocomm Award**

- WWMS: Second runner up under category of Most Innovative Use of Infocomm Technology (Private Sector - General)

Giving back to the Community

SP Group*

- 1) Sep 16: Singapore Power Charity Golf 2016

SP Services

- 1) Jan 16: - Power Saver for Charity
- Pre CNY and Birthday Party Celebration with TOUCH Seniors Activity Centre (Jan 2016)
- 3) Mar 16: Visit to Metta School
- 4) Oct 16: Vocational Education visit from Grace Orchard School
- 5) Nov 16: Airport Xmas lightings with St Theresa's Home

2017

Key Milestones

SP Group*

- 1) Shift to Project Home
- 2) Announcement of SP Group
- 3) Deployment of revamped website of SP Group
- 4) Introduction of Digital Workspace

SP Services

- 1) Mar 17: Deployment of SP Utilities app

Giving back to the Community

SP Group*

1. SG Powerpacks Packing and Delivery

SP Services

- 1) Mar 17: Visit to St Theresa's Home

Legend:

* Initiatives coordinated at the group level

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ORGANISATIONAL ENVIRONMENT

SP Group (SP)

SP is a leading energy utility company in the Asia Pacific region. One of Singapore's largest corporations, SP recorded revenues of S\$4.0 billion and assets of S\$16.7 billion in FY15/16. SP owns and operates electricity and gas transmission and distribution businesses in Singapore and Australia. The organisation also owns and operates the world's largest underground district cooling network in Singapore, and is setting up district cooling operations in China. More than 1.4 million industrial, commercial and residential customers in Singapore benefit from SP's world-class transmission, distribution and market support services. The SP networks in Singapore are amongst the most reliable and cost-effective worldwide.

Business Excellence Journey

In 2004, after the stabilisation of the launch of the electricity retail market, SPS' senior management decided to embark on a journey to improve the organisation's service quality and strengthen organisational capabilities. Hence a framework was put in place for sustainable business excellence and performance. SPS leveraged on Business Excellence (BE) framework from SPRING Singapore as it provided a set of comprehensive standards and practical framework for a holistic review of the organisation's performance. The seven categories (Leadership, Planning, Information, People, Processes, Customers and Results) cover all the critical factors, processes and results in ensuring delivery of excellent customer service.

To ensure that SPS was headed on the right path towards achieving business excellence, SPS management embarked on achieving BE certification standards. SPS achieved the People Developer Standards (PD) certification in 2004, the Singapore Quality Class (SQC) certification in 2006, and the 3-in-1 certification of PD, SQC and S-Class in 2010. SPS addressed many of the areas for improvement highlighted in the feedback report and made rounds of improvements with each certification. Our efforts were recognised when we were awarded the SQC (Star) certification in 2010 for making significant improvement since the last certification assessment.

A. ORGANISATIONAL/ BUSINESS ENVIRONMENT

MAIN PRODUCT AND SERVICES

As the Market Support Services Licensee (MSSL), SPS plays a key role in facilitating smooth and efficient operation and effective competition in the National Electricity Market of Singapore (NEMS). Our roles include the following:

- Provide contestable consumers and retailers access to wholesale market or act as a counterparty settlement agent between generation companies, retailers and consumers
- Procure electricity on behalf of non-contestable consumers, e.g. households and small businesses at regulated tariffs and those buying at spot prices
- Act as a provider of last resort and default supplier

- Maintain a centralised data registry of all consumers to enable seamless and convenient switching of retailers
- Provide integrated end-to-end regulated market support services from supply turn-on/cut-off, meter reading and data management, to billing, and customer services for electricity and other utilities

In addition, SPS provides one-stop customer service for all utility supplies in Singapore and acts as an agent on behalf of various utilities service providers, including the Public Utilities Board for water charges, City Gas for gas charges and various refuse vendors for refuse removal fees.

MISSION, VISION AND VALUES

Mission

We provide reliable and efficient energy utility service to enhance the economy the quality of life.

Vision

To be a leading utility delivering sustainable network solution.

Core Values

In delivering its service, SPS is guided by its core values – Commitment, Integrity, Passion and Teamwork – which form the bedrock of our mission in providing reliable and efficient energy utility services.

CORE COMPETENCIES

SPS' core competencies include robust customer relationship management, provision of supplies, advanced metering management and systematic billing services. Our assets include established IT infrastructure and technology, domain knowledge and skills set, customer reach and data, low cost to serve, as well as brand recognition and trust.

MAJOR EQUIPMENT, FACILITIES AND TECHNOLOGIES USED

COMMITMENT	INTEGRITY	PASSION	TEAMWORK
<p>We commit to creating value for our customers, our people, and our shareholders.</p> <p>We uphold the highest standards of service and performance.</p>	<p>We act with honesty.</p> <p>We practise the highest ethical standards.</p>	<p>We take pride and ownership in what we do.</p>	<p>We support, respect and trust each other.</p> <p>We continually learn and share ideas and knowledge.</p>

SAIL Principles – Desired Ethical Behaviours

S afety as our way of life	<p>Safety is our highest priority.</p> <p>We strive for zero accident and aim to create a safe working environment.</p>
A ccountability and ownership	<p>We hold ourselves and each other accountable for our actions and decisions.</p>
I nstitution first	<p>We place the interests of the organisation above that of the interests of an individual or unit in making decisions at work.</p>
L earning continuously	<p>We must keep an open mind to learn and improve continually.</p>

SPS leverages on robust IT systems to ensure the smooth operation of out

processes and delivery of excellent service to our customers.

SPS operates at:

- SP Group Headquarters located at 2 Kallang Sector
- SPS also operates three customer service centres located at PwC Building, Woodlands Civic Centre and HDB Hub in Toa Payoh.

REGULATORY ENVIRONMENT

SPS is regulated by the Energy Market Authority (EMA) as a Market Support Services Licensee. SPS is governed by its licence obligations and EMA's regulations, rules, legislation, codes of practices, licences and service standards. This ensures that high-level service reliability is maintained at all times and customers receive the best possible service.

RELATIONSHIP WITH SUPPLIERS AND/OR PARTNERS

SPS has a strong relationship with its suppliers and partners based on a win-win partnership. The relationship is necessary for us to carry out our mission and vision and to deliver our commitment to our customers.

B. ORGANISATIONAL RELATIONSHIP

RELATIONSHIP WITH PARENT ORGANISATION

SPS is a wholly-owned subsidiary of Singapore Power Ltd.

RELATIONSHIP WITH CUSTOMERS

SPS has approximately 1.5 million residential and commercial and industrial (C&I) customers in Singapore. The majority of them are contestable customers while the remaining are non-contestable customers. The non-contestable customers will be eligible to opt to be contestable in Open Electricity Market (OEM) 2018.

LEADERSHIP

1.1. SENIOR LEADERSHIP

- a. Describe how senior leaders develop the organisation’s mission, vision and values, and communicate them to key stakeholders

LEADERSHIP TEAM

SPS Leadership Team (LT) comprises our Managing Director and his direct reporting Heads.

VISION, VALUES AND MISSION (VVM) OF SPS

SPS’ VVM is set based on SP Group’s overarching VVM. They chart the organisation’s objectives and strategies and serve as a guide for the organisation’s initiatives and operations for OEM to



continue providing reliable and efficient energy utility service to our customers.

SPS’ LT demonstrates and communicates commitment to these values in our regular interactions with partners and employees. For instance, LT members attend meetings and industry events where they interact with SPS’ partners and the workforce to express their commitment to SPS. LT emphasises on the importance of integrity by ensuring all actions taken by employees are based on ethical procedures. LT members attend all internal and external award ceremonies of SPS employees to express their appreciation of the employees’ dedication to SPS. LT takes pride in all kinds of achievement in SPS. In SPS, we encourage teamwork and this is visible in all cross-functional initiatives and projects.

Quality Policy: We are committed to providing accurate billing and timely services to our customers, complying with regulatory requirements and continually improving on the effectiveness of our quality management system.

In line with the SP Group’s strategy, COPS is the centrepiece of strategic thrusts.

Strategic Thrusts (COPS):



LT promotes ethical behaviour to drive SPS using SAIL for staff at all levels.

SAIL		MECHANISM
Safety as our way of life	<p>Safety is our highest priority.</p> <p>We must strive for zero accident and create a safe working environment.</p>	<ul style="list-style-type: none"> • Staff appraisal at all levels • Safety pledge • Yearly Safety Summit • Group-wide Safety Committee • Smart app SPOT
Accountability and ownership	<p>We hold ourselves and each other accountable for our actions and decisions.</p>	<ul style="list-style-type: none"> • Staff manual • Staff appraisal • Fraud policy • Investigations committee and disciplinary committee for misconduct • Whistle-blower Policy • Procurement policy manual • DOA
Institution first	<p>We place the interests of the organisation above that of the interests of an individual or an unit in making decisions at work.</p>	<ul style="list-style-type: none"> • Staff appraisal • BCM policy • Media policy • Social media guide • ISO 9001 and OHSAS 18001
Learning continuously	<p>We must keep an open mind to learn and improve continually.</p>	<ul style="list-style-type: none"> • Staff appraisal • iTalent

SAIL – Behaviour to drive SPS forward

ORGANISATIONAL LEADERSHIP

LT deploys a wide range of communication platforms to communicate the organisation's strategy and priorities.

LT employs innovative communications methods and a proactive media strategy to share on best practices.

LT communicates key messages, decisions and performance results to the entire workforce via multiple channels. We use these formal mechanisms to help ensure staff members stay informed on SPS' strategy, progress and key decisions.



Leadership System of SP Services

b. How senior leaders engage key stakeholders to drive the organisation's performance

LT places the focus on achieving organisational objectives, improving performance and attaining our vision through active engagement with key stakeholders.

c. How senior leaders act as role models and groom future leaders

LT is actively involved in succession planning, utilising Equip and Retain strategy. We have in place a succession management strategy of identifying, planning and managing SPS' key talent needs as part of the SP Group. SPS' leadership competencies form the basis of the critical internal evaluation criteria used to identify, assess and develop potential future leaders and succession candidates. This is complemented with selected leadership assessment tools.

1.2. ORGANISATIONAL CULTURE

- a. Describe how the organisation's culture aligns with the organisation's mission, vision and values
-

LT is committed to living by SPS' values and creating a culture where employees live by and are held accountable to SPS' Values.

Uniquely in SPS, we reinforce SAIL. CIPT and SAIL are conjoined in guiding SPS forward.

Besides organising the annual SP Group Summit to underline the importance of practising safety at the workplace, employees are required to recite the following safety pledge during the opening of major events:

*Safety is our highest priority
Every life is precious
Every accident is avoidable
We uphold safe practices and strive for zero accident*

A mobile app named SPOT is created for employees to report near miss incidents and share with other staff ideas to reduce potential safety issues. As part of individual KPI, employees at all levels need to attend at least two safety related events.

Each staff is accountable for his actions and behaviour. Access to information like our fraud policy and Whistleblower Policy is readily available to all staff in the intranet. Staff must put institution first in any action

they take to protect the reputation of SPS and the SP Group.

- b. Describe how the organisation enables learning, innovation and achievements of the organisation's strategic goals
-

LT calibrates employee performance to include ratings on VVM and strategic goals. LT and the Human Resource Department ensure new hires align with our VVM and strategic goals by interviewing all candidates to determine their fit with SP's corporate culture.

LT speaks at Townhalls and annual events to ensure employees understand and are in step with SPS' strategic goals.

The Human Resource Department conducts employee satisfaction survey regularly to gain insights from employees and promote a culture of trust and transparency.

- c. Describe how the organisation's culture embraces organisational changes for sustainability
-

Regular Townhalls communicate organisation redesign and strategy development of SPS. Setting up of new branches and reinforcement of SAIL are regularly carried out by LT.

CUSTOMERS

2.1 CUSTOMER REQUIREMENTS

- a. Segmentation of markets and customers and understanding their current and future requirements

The energy market scene in Singapore is classified by the Energy Market Authority (EMA) into two customer segments comprising contestable and non-contestable customers.

This allows contestable consumers such as large commercial entities and industries to enjoy competitive market rates that best suit their needs; with no impact on the quality of electricity delivered.

RESIDENTIAL CONSUMERS (NON-CONTESTABLE)

Residential consumers in Singapore buy electricity from SPS, a Market Support Services Licensee regulated by EMA.

The majority of non-contestable consumers are on credit meter where electricity is first consumed and payment is then made based on electricity utilisation. A small number of residential consumers are on Pay-As-You-Use (PAYU) meters, which requires consumers to pay for energy before using it. Such arrangements are usually reserved for accounts in arrears as it helps these customers to monitor, control, and lower their electricity consumption.

COMMERCIAL OR INDUSTRIAL CONSUMERS (CONTESTABLE)

Commercial and industrial (C&I) consumers of electricity are grouped into either contestable or non-contestable consumers

in Singapore. Contestable C&I consumers can buy electricity from several licensed retailers or from the wholesale electricity market through SPS.

C&I consumers who are not eligible to be contestable will continue to buy electricity from SPS at the regulated tariff.

Sources of customer feedback:

a. Customer Satisfaction Survey

A survey used to gauge how satisfied are customers with SPS' service delivery, customer experience, and overall service satisfaction.

b. Mystery Shoppers Audit (MSA)

This provides SPS the opportunity to measure the quality of service, or determine its compliance with SOPs and policies when service is rendered to customers. MSA is conducted anonymously and confidentially.

c. Daily Feedback Report

A daily consolidated report on customers' compliments and complaints, is recorded across all touchpoints.

d. SMS Surveys

SMS surveys capture feedback from service rendered by

- i) our technicians when supply is turned on for customers, and,
- ii) customers' satisfaction at how we resolve customer issues at our call centre

e. Hardcopy Feedback Forms and Mail

Hardcopy feedback forms are given by customers at SPS' Customer Service centres

while written feedback comes to SPS via mail.

f. SP Website

Generic web-form with email address allows our customers to write-in their feedback on services rendered by SPS.

g. Quality Service Manager (QSM) Hotline

A hotline number allows our customers to call in and provide feedback on service rendered by SPS.

h. SP Utilities App

Customers can provide their feedback through the SP Utilities app.

i. Quality Assurance Audits at Call Centre, Correspondence Unit, and Customer Service Centres

Quality assurance audits serve to help SPS understand the needs of our customers, and, indirectly, their satisfaction with the service.

j. Electronic Feedback Forms via SP Utilities Mobile App

Leveraging on digital platforms, the development of the electronic feedback form in the mobile app was a natural transition from the hard copy form for SPS to connect with the younger generation of new homeowners.

b. Incorporate market and customer requirements into strategic plans

SPS' strategic plans for our products, services and operations are devised based on intelligence collected from the utilities

market, customers' feedback and regulatory requirements.



Incorporating market and customer requirements into the strategic planning process

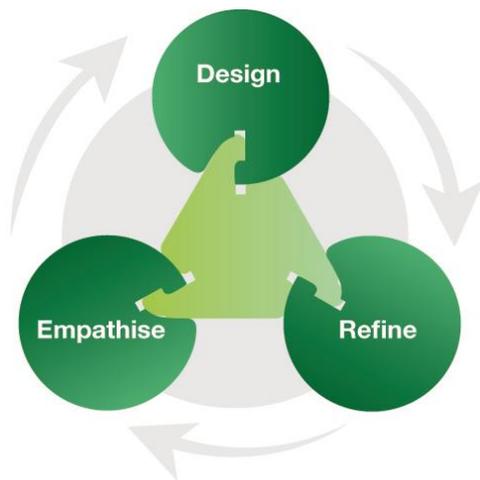
2.2 CUSTOMER EXPERIENCE

a. Incorporating customer expectations in designing touchpoints, products, processes, and services

SPS constantly co-creates with its customers in developing products and services. SPS firmly believes the collaborations will lead to enhanced experiences, and the needs of customers will be better met. This is also an excellent way to cultivate and retain customer loyalty to the SP brand.

The feedback channels mentioned in customer requirements is where SPS gathers customers' thoughts on our services and products. Through this, SPS gains a better understanding of their needs and is better able to create services and products that our customers really need.

CUSTOMERS



Hardcopy Bill Redesign

The SPS bill was redesigned and launched with a fresh new look in 2016. The new bill is easier to read and understand, and it contains more information in the same two-page space than before. The new bill features “neighbours’ usage” information with the aim of encouraging utility-saving behaviours, as well as sharing utility tips to help customers manage their consumption and lower energy usage.

SP Utilities app

The SP Utilities mobile app was enhanced with new features as follows:

- a. Login using fingerprint
- b. Push notifications
- c. Retrieval of account information
- d. Credit card payment options

Features such as comparing one’s energy utilisation with that of one’s neighbours’ were introduced to help customers manage their consumption and lower their energy usage.

Some other examples of initiatives with customers’ involvement are as follows:

Interactive Voice Response (IVR) Enhancement

Automation of the IVR flow over our customer hotline allows customers to

perform self-service transactions instead of calling in and speaking with a Customer Care Officer.

On-site Turn-on Initiative

The on-site turn-on initiative was launched with the intention to provide new condominium homeowners with the ease of a) opening a utility account with SPS, and, b) turning on the utility supply for customers on the spot when they collect their keys from the developers.

-
- b. Addressing and analysing customer feedback
-

SPS has various branches and sections supporting multiple channel options such as phone, email, online, and social media, for both contestable and non-contestable customers to transact with, or send their queries to. The majority of the feedback is sent to SPS through these channels. We also receive feedback through our principals, partners and government agencies. We see customers’ complaints as golden opportunities for us to improve our services, products and work processes.

2.3 CUSTOMER SATISFACTION

-
- a. Determines and improves customer satisfaction to various customer segments
-

SPS uses internal and external channels to gather customers’ needs and expectations, and measures customers’ satisfaction with the addition of the complaint and

CUSTOMERS

compliment ratio. Internally, quality audits are performed monthly to assess the performance of each section. We also incorporate Mystery Shopper Audits to ensure the quality of our services is top-notch.

Results from surveys and feedback by our customers provide us insights into customer satisfaction.

For our frontline staff, SPS is guided by our STAR service philosophy to improve customer satisfaction and experience. The STAR strategic service intent consists of the following four attributes:

- Smile**
SPS staff should possess soft skills such as being approachable, attentive, pleasant and empathetic.
- Timely**
SPS staff should provide prompt, efficient service, and be responsive towards customers.
- Accessible**
SPS staff should provide a one-stop service that is informative, convenient, and hassle-free.
- Reliable**
SPS staff should be responsible, knowledgeable, effective, committed and well-disciplined.

Staff is rewarded for their STAR efforts through the following platforms:

- i. Annual Service Quality Day
- ii. Best Service Award ceremony (twice a year)
- iii. CX Lead e-Newsletter (previously known as GEMS e-Newsletter)

- b. Determines current and future drivers of customer satisfaction

SPS recognises the importance of analysing the current needs of our customers and anticipating future ones. With OEM commencing in 2018, SPS needs to strive for better performance to maintain its competitiveness to remain the leading

utility provider in Singapore. Furthermore, SPS has to meet stringent regulated service standards set by EMA.

SPS employs both internal and external channels to gather the needs of customer through feedback at various intervals. These are reported to the senior management who will then discuss the service direction and measures to be taken to address customers' needs at periodic strategic retreats.

- c. Incorporates customer insights and feedback into the strategic improvement plans



Incorporation of Customers' Requirements and Needs into Strategic and Improvement Plans

Examples of some of the strategic and improvement plans implemented in past years:

Wireless Workforce Management System (WWMS)

- Optimised resource allocation
- Shorter waiting time for customers
- Real-time information for better customer service

Work-from-Home Scheme

- Higher staff productivity
- Work-life Harmony for staff

STRATEGY

3.1 STRATEGY DEVELOPMENT

- a. Determines organisational challenges and anticipates external changes and risks

Strategy development is a key focus of SPS and a key driver of many company activities. While strategy development and corporate planning function is led by the MD Office, strategy is part and parcel of the Leadership Team's core responsibilities and is integrated into the Company's daily operations and initiatives.

The SPS Leadership Team utilises the strategy development process to address challenges in the industry and business environment. The process enables the Leadership Team to brainstorm and debate key strategies required to address these threats and opportunities. SPS' strategy is also aligned with the SP Group's overall strategic direction.

- b. Develops long and short-term strategies to achieve organisational goals

SPS utilises the COPS strategy, to enable the Company's and our employees to achieve the organisation's mission and vision.

- c. Engages key stakeholders in the strategy development process

SPS regularly engages key internal and external stakeholders to garner feedback

and insights in developing and review of the Company's strategy.

3.2 STRATEGY IMPLEMENTATION

- a. Develops and implements long and short-term action plans

After setting overarching strategic objectives and goals, the Leadership Team works together to identify key initiatives to reach its goals.

All initiatives are evaluated in aggregate to ensure timely implementation to enable SPS to meet its KPIs and long-term goals.

- b. Manages organisational risks associated with plans

The SP Group Risk Management unit (GRM) developed a manual to assist staff in identifying risk events and mitigations so that they can monitor risk events. SPS ensures that risks are periodically reported and reviewed through reporting to SPS' management through risk dashboard.

- c. Allocates resources in a timely manner to achieve strategic goals

Once specific initiatives have been identified, the Leadership Team sets up various project teams or task forces to embark on the planning and execution of the respective project and product initiatives.

SPS' management continually provide feedback and comments to teams on project direction and execution in the course of regular project updates. This allows the teams to refine implementation and efforts to increase the effectiveness of the projects.

d. Engages key stakeholders in the strategy implementation process

SPS' management regularly engages key internal and external stakeholders, to update them on the Company's initiatives and implementation process, as well as SPS' approach to changes in the landscape and key strategic focus.

e. Measures performance against plans and targets

SPS' strategic focus/goals are translated into KPIs which incorporated in the budget for the respective financial year. The results are translated into COPS Scorecard which measures the performance of SPS' management according to SPS' COPS strategic targets.

4.1 HUMAN RESOURCE PLANNING

- a. Anticipates HR needs and develops HR plans and policies that are aligned to strategic goals and organisational values
-

We have in place a comprehensive human resource plan that covers the key strategic and operational priorities of SP Group's businesses, including SPS. The scope ranges from recruitment and talent management and development, to the management of compensation, benefits and staff policies and procedures.

The human resource plan is mapped into the Human Resource Framework. It comprises six major components: Human resource System, Talent Attraction and Acquisition, Performance and Competency Management, Leadership Development and Management, Learning and Organisational Development and Rewards and Recognition. It is designed to support SP Group's Vision, Mission, Values and its four strategic thrusts under COPS [Commercial, Operations, People and Stakeholders] at the broader group level and SPS' Management's strategic focus at the business entity level. The underpinning foundation for the framework would be the SAIL [Safety, Accountability, Institution First and Continuous Learning] principles.

These important platforms ensure the strategic alignment of human resource plans and policies to the Company's business objectives and priorities. This is

translated into programmes and initiatives that support organisational goals of keeping pace with the digital transformation of the business, fostering an innovation culture, building capabilities in support of new business growth areas and grooming next generation leaders, so that SPS is well positioned for continued growth and success.

- b. Establishes a recruitment and selection process to meet organisational needs
-

In the face of constantly evolving employment trends and intense competition for talent, we recognise the importance of staying agile and being aware of the social environment in our talent attraction and acquisition strategy. The Human Resource Department leverages on a variety of tools and social media channels to cultivate a positive employer brand so as to attract quality applicants with the right skills, abilities, experiences and values.

- c. Identifies and groom employees for high performance
-

The Human Resource Department actively partners heads of department in grooming high-potential officers. This includes devising, implementing, tracking and reviewing the progress of the officers' individual development plans, which are specifically designed to address their development needs and help build their competency. The Human Resource Department also ensures that appropriate

developmental activities are assigned, to staff.

4.2 EMPLOYEE LEARNING AND DEVELOPMENT

- a. Engages employees to identify current and new competencies required to achieve organisational goals
-

A holistic approach is adopted in managing our employees' learning and development needs so as to ensure alignment with organisational goals. Employees' Learning Needs Analysis (LNA), including competency development requirements, are mapped across three dimensions, i.e. at the corporate, departmental and individual levels.

- b. Provides learning and development opportunities to employees to achieve organisational and personal growth
-

SPS is committed to supporting its employees in their professional and personal growth as this is a critical aspect of employee engagement and contributes towards building a skilled workforce.

In addition to structured training, the company sponsorship scheme for part-time higher education is extended to those who demonstrate potential in assuming higher responsibilities and wish to upgrade themselves.

Employees are also provided with support through the Personal Development Subsidy (PDS), which is aimed at encouraging them to pursue continuous learning.

4.3 EMPLOYEE ENGAGEMENT AND WELL-BEING

- a. Supports individual and team participation to achieve strategic goals
-

A culture of well-being is strongly promoted so as to cultivate engaged employees who are able to perform at their best and contribute to the team and organisational performance and goals.

To boost engagement level and individual and team participation rates, and ultimately drive the innovation mindset within the organisation, a number of initiatives and measures have been introduced. This includes the provision of an iPad to each employee, which effectively gives everyone an active role to play in the digitisation process.

Mobile apps for field staff to submit data remotely have been developed, which help reduce paperwork for our officers.

Sparkle, a peer recognition app, was launched to enhance the level of engagement among employees and promote the desired culture.

An On-the-Go Panel Clinics (OPC) app was also developed and implemented to allow

PEOPLE

employees to access the list of panel clinics using their phones.

- b. **Develops a work environment that enhances employees' health and well-being**



Health and Wellness Framework

We focus on creating a work environment that promotes and advances our employees' health and well-being.

In line with the preventive healthcare approach of our health and wellness programmes, existing initiatives were reviewed over the last two years and re-consolidated with the new primary focus on enabling employees to be accountable for their personal health and well-being.

- i. Health and Wellness Talks
- ii. Sports Activities and intercompany games
- iii. Preventive Health Screening
- iv. Dietary Awareness initiatives such as Fruit Day

- c. **Measures Employee Engagement and Well-Being**

SPS' management continues to leverage on existing proven channels of communication and feedback as a means of measuring

employee engagement and wellbeing within the organisation. These include:

Let's Hear!

This series of Townhall sessions held at different district offices is streamed live to all employees for wider outreach. The Managing Director of SPS uses this forum to share updates with everyone on SPS' business directions, strategies and vision.

Let's Chat!

Let's Chat is a monthly informal meeting conducted by the Managing Director of SPS and his direct reports at all the different district offices. Employees are encouraged to speak their minds and provide their feedback freely so that concerns and queries can be directly addressed.

4.4 EMPLOYEE PERFORMANCE AND RECOGNITION

- a. **Supports high performance, productivity and innovative behaviours to achieve strategic goals**



Performance Management Framework

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The Company's expectations, KPIs and deliverables are communicated to all employees before the start of each new FY. Targeted development plans are also mapped out in discussion with them at the same time. Through the goal management and career development modules, the employees are able to update and keep track of their KPI completion status as well as that of their development plans more regularly. This also helps facilitate more frequent conversations between them and their Reporting Officers (ROs) on their performance and progress.

b. Reinforces desired behaviours and organisational values

There are also specific awards that are aimed at cultivating desired behaviours and organisational values. These include:

Awards for demonstrating innovation

- Value Creation Idea award
- Economic Value Project award
- Top Idea and Think Out of the Box awards, which are given out during the Annual Productivity Day to deserving employees
- Idea Champion and Super Saver awards are respectively given to deserving departments that contribute the most number of ideas and most savings

Best Service Awards for demonstrating good service

This is an internal award that aims to motivate service employees VMW. It is based on SPS' STAR philosophy.

Award for demonstrating safety

The Zero Accident Award is given to field employees who achieve an accident-free record in the year.

c. Provides a variety of rewards and recognition to achieve organisational values and strategic goals

To attract and retain talent, the Human Resource Department ensures that we maintain pay competitiveness.

This entails a structured approach towards managing pay, which involves regular job evaluations and differentiated salary benchmarking exercises.

EMPLOYEE BENEFITS

Leave

Employees are eligible for the following types of leave:

- i. Special leave in the event of the demise of immediate family members, for marriage preparation or to prepare for examinations
- ii. Family care leave
- iii. Paternity leave
- iv. Shared parental leave where mothers can share on one week of their maternity leave with the child's father
- v. Childcare leave
- vi. No-pay leave
- vii. Adoption leave

Medical

Under the portable medical benefits scheme, monthly contributions are made to employees' Medisave accounts.

PEOPLE

Flexible (FLEX) Benefits

A fixed amount of FLEX dollars can be used for expenses relating to personal travel, children's education, outpatient medical, dental and preventive healthcare treatments, among other items.

SOCIAL WELL-BEING INITIATIVES

ReCharge! Committee

This committee functions as a recreation club and seeks to forge team spirit and employee well-being through sports, social and recreational activities.

ENVIRONMENTAL SAFETY AND HEALTH INITIATIVES

Safety Committee

The SPS Safety Committee was set up to foster and reinforce a safety culture within the organisation.

Safety Inspections

Safety inspections by SPS' Managing Director and the SPS Safety Committee are carried out at the different office premises to ensure a safe work environment.

Safety Pledge

The pledge serves to reinforce and remind every employee that safety is regarded as our highest priority.

Safety Talks

Safety Day is organised by the SPS Safety Committee to demonstrate the Company's commitment to the safety of our employees strive for zero accidents and uphold safe working practices.

Zero-Accident Award

The Zero-Accident Award for field employees who spend their time predominantly at work sites.

PROCESS

5.1 INNOVATION CAPABILITIES

- a. Describe how the organisation gathers, evaluates and implements innovative ideas for products, services and related processes to create value

Create and sustain a culture of innovation in SPS

In SPS, senior leaders adopt both top-down and bottom-up strategies to shape and sustain the culture of innovation.

One of the key focuses in SPS emphasises on being innovative by exploring new ways to enhance service levels using lesser resources and at lower cost.

Operational Excellence Committee (OEC)

OEC seeks to empower and motivate staff in a culture of continuous improvement and innovation. The LT sets the strategic direction for OEC which then translates this into key objectives and goals for departments.

Processes Management

For major projects that require collaboration between internal and



external stakeholders, the following project management steps will be adopted:

Value Creation (VC) Programme

Value Creation programme executed through projects and VOICES management platforms aims to reinforce a culture of continuous innovative enhancements featuring recognition and rewards for the generation of value adding ideas.

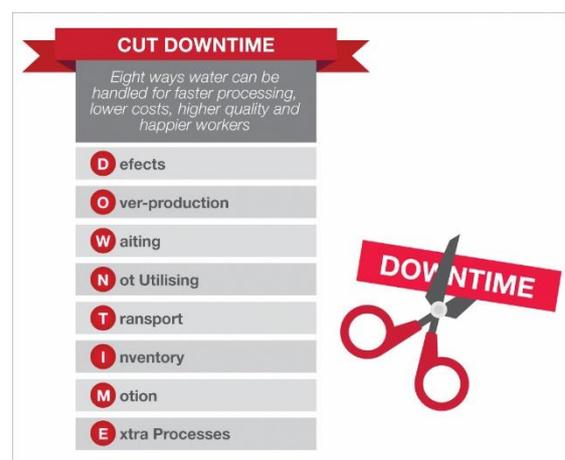
Creation	Submission of ideas via online platforms
Evaluation	Evaluation by heads of branch
Implementation	Appointment of implementer. Finance will ensure that the EVA savings are properly accounted for through statistics provided by project leaders.
Recognition	Monetary recognition

4-Step-VC Process

RESOURCES AVAILABLE

Productivity related trainings

Productivity related trainings like LEAN Foundation Training and Productivity e-Learning are provided to equip staff with LEAN tools to identify waste (DOWNTIME) in day-to-day work and understand general principles relating to productivity.



DOWNTIME disseminated in SPS

Productivity Tools

SPS actively harnesses technology to enhance the efficiency and accessibility of

PROCESS

its work processes. Every staff is issued a tablet as a productivity tool. The tablet connects staff wherever they are and allows access to real-time information.

- b. Describe how the organisation involves key stakeholders in generating and implementing innovative ideas and solutions

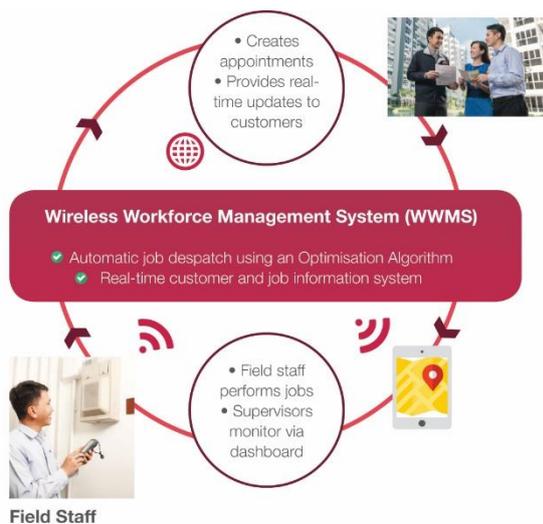
Productivity Day	Innovation talks and presentation of productivity awards
Screen Saver Design Competition	Competition for screen savers promoting awareness of productivity and innovation
EVP Planning Exercise	Every section to brainstorm at least one EVP in each financial year

Events and programmes promoting productivity and innovation

ENHANCING PRODUCTIVITY

Wireless Workforce Management System (WWMS)

The WWMS was carefully designed to enhance the productivity of field service staff.



Smart Workforce Management

It allows field service operation staff to view their allocated jobs, arrive at the right

location, perform the right meter readings and complete task within the allocated time.

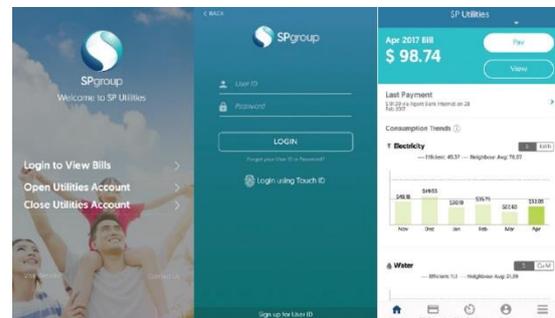
Smart Meter Network

The project clinched the Smart Grid Project of the Year award in 2014 for successfully implementing a Smart Meter Network that allows 99.5% reliable remote meter reads. The Smart Meter Network is critical in providing near real-time data to enable consumers to make informed choices and better manage their energy consumption.

ENHANCING CUSTOMER EXPERIENCE

SP Utilities App

SPS strives to further improve user experience and increase customer engagement by launching SP Utilities App. This is an enhancement to the current SPS Mobile App and was re-launched as SP Utilities App in March 17.



SP Utilities App Screenshots

Hardcopy Bill Redesign

SPS' utility bill was redesigned based on feedback gathered from usability tests with the public in a collaborative project by SPS, Energy Market Authority (EMA), PUB and City Gas.

The project went through extensive design thinking during its development.

PROCESS

ANTICIPATE CUSTOMERS' NEEDS WITH FUTUREPROOFING INNOVATIONS

SP Kiosk

The SP Kiosk serves as a virtual customer service officer that offers a one-stop service. This digital customer service channel provides an assurance of customer security and reliability.

5.2 PROCESS MANAGEMENT

- a. Describe how the organisation manages key and support production and service delivery processes to meet customer and operational requirements

Guided by strategic objectives, the key processes of SPS revolve around anticipating the needs of our customers.

Key Measurement and Requirements

SPS is guided by both regulated and internal KPIs. In addition to these KPIs, SPS is certified with ISO 9001 to ensure our consistency in providing services that meet both customer and regulatory requirements.

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- b. Describe how the organisation drives process improvements to enhance productivity and ensure timely delivery

SPS constantly reviews its processes and seeks to improve them to enhance service delivery to our customers.

ISO9001 Management Committee

ISO Management Committee ensures proper system maintenance is in place.

Operational Excellence Committee (OEC)

The OEC monitors SPS' performance on VC programmes by tracking cost savings and projects. OEC aims to inculcate a culture of continuous productivity in SPS.

Digital Transformation with Productivity Tools

Digital Workplace was introduced to provide a secure and open platform for SPS' staff to communicate and collaborate.

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- c. Describe how the organisation sustains its key processes in times of emergencies to ensure business sustainability

Corporate Governance and Vigilance

SPS has put in place the necessary internal controls, risk management systems and audit processes to ensure the Company's complies with applicable laws and regulations.

Business Continuity Management (BCM)

The BCM Working Committee aligns to the SP Group's policies. It ensures the resilience of SPS' operations by building the Company's preparedness for emergency incidents and establishing effective incident response plans and detailed continuity and recovery arrangements.

KNOWLEDGE

6.1 KNOWLEDGE MANAGEMENT

- a. Describe how the organisation collects and manages information for strategy development, decision making and organisational learning

The Information Management System serves as a structured guide for SPS to systematically gather information and translate them into knowledge, learning and insights.

SPS selects and collects information that enables it to effectively carry out its key business processes such as provision of utility supplies, metering data management, billing, payment collection and customer service. SPS employs a wide range of IT systems to help us deliver our core work along the different strategic thrusts.



UPortal (Non-contestable) and MyPower (Contestable)

Knowledge is shared and learned internally through internal platforms like Townhalls and various internal events. We also organise external learning trips to learn about best practices from other leading organisations and engage our customers, regulators and partners to gather meaningful feedback. Through assessment and audits, we learn more about our

organisation via the established Business Excellence and ISO Quality Management systems. In this process, we identify what we are doing well, our areas for improvements, and our blind spots.

Internally, we empower staff to participate in projects and contribute Value Creation Ideas and provide customised trainings based on individual and operational needs.

- b. Describe how the organisation ensures the accuracy, reliability and accessibility of information

As our IT systems contain confidential data, multiple layers of security are put in place to maintain the security of the information.

6.2 ANALYTICS FOR PERFORMANCE MANAGEMENT

- a. Describe how the organisation leverages on information and knowledge to create value

Creating Value for Our Customers through KPI Trending

One example of how SPS collects and manages information is the gathering of input for regular Managers' Meetings. All branches and sections in SPS will submit their KPIs for reporting and discussions.

Providing Enhanced Feedback of Information to Customers

We analyse the consumption data of our customers by comparing that data with

KNOWLEDGE

those of their efficient neighbours staying within the same housing type of the same block and also the national average for the same housing type. This result is presented in the form of consumption graphs in UPortal, SPS Mobile App and hardcopy bills. By providing this enhanced information to our customers on their utilities usage, we aim to reshape behaviour to achieve a sustained reduction in utilities consumption.

- b. Describe how the organisation conducts competitive analysis and benchmarking to improve performance
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Benchmarking Studies

The benchmarking study is conducted in comparison with service providers offering similar scope of services in other electricity markets.

The findings of the benchmarking studies have consistently highlighted the high level of cost efficiency of SPS while providing its customers the highest service levels.

Learning Trip

In order to broaden its scope and expose staff to innovative ideas, SPS has also embarked on overseas trips and local visits to learn from world-class organisations.

