

Environment

Singtel adopts Science Based Targets to keep global warming below 2°C

The Singtel Group became the first company in Asia excluding Japan to have our carbon reduction targets approved by the Science Based Targets initiative (SBTi) in October 2017. SBTi is a collaborative effort between CDP, World Resources Institute (WRI), World Wide Fund for Nature (WWF) and the United Nations Global Compact (UNGC) and aims to assist businesses to align with the Paris COP21 climate deal to keep global warming below 2°C.

SBTi Methodology

The SBTi methodology starts with what global carbon reductions are needed to come below 2°C and these absolute reductions are allocated by sector supply chains and countries of operation. Singtel adopted the sector decarbonisation approach and selected a market-based mechanism for meeting our targets. The country aspect also factors in current and future carbon coefficients of power generation in a particular country.

For example, for Optus in Australia, we took into account that today’s energy is mainly derived from coal power generation, which has higher carbon coefficient compared to Singapore which uses mainly natural gas for power generation.

Why SBTi

Adoption of the SBTi targets is a follow-up to the [Life Cycle Assessment](#) (LCA) that we conducted in FY2016. The LCA identified carbon as a key area of focus across our value chain and helped us identify that 60% of the Group’s carbon footprint was in our supply chain. We also recognised that with the growth of our business, there is a projected ongoing increase in energy consumption and carbon emissions leading up to 2030.

The SBTi framework and methodology has provided us with a ‘top down’ means to develop our aspirational

targets and guide the business strategy going forward, one that is in line with the global intent to keep the global temperature rise to below 2°C. The SBTi framework and methodology are helpful in setting our targets that are related to our businesses and areas of operation.

Our targets

The Singtel Group aims to cut our absolute Scope 1 and 2 direct and indirect carbon emissions across our Singapore and Australian operations by 42% from 2015 base year by 2030. This is after factoring in further organic business growth. We will also work with our suppliers to reduce Scope 3 third-party emissions by 30% over the same period.

Looking ahead

We understand that a large quantum of these reductions will come through our supply chain. As we continue to work on the energy and operational efficiency initiatives in our operations, we will work progressively with our major vendors to understand how they can reduce their own carbon footprint.

Factoring in the supply side, we aim to work closely with energy providers and the authorities due to the dependency for some of the reductions on our renewable energy roadmap. We will also explore a larger scale direct renewable energy deployment in our infrastructure or bigger scale projects in both Australia and Singapore where available and economically viable.

“I applaud Singtel for taking the lead in corporate responsibility and ask that more companies, big and small, undertake efforts to study and publish their carbon footprint. Being transparent is the first and crucial step to reducing carbon emissions. We also encourage companies to undertake efforts to build operational resilience in the face of climate change.”

MR MASAGOS ZULKIFLI, MINISTER OF THE ENVIRONMENT AND WATER RESOURCES, SINGAPORE, AT THE RESPONSIBLE BUSINESS FORUM, 22 NOVEMBER 2017

