The Smallest Footprint

We are committed to minimising our environmental impact and building operational resilience to the effects of climate change for our business and the communities.

The Singtel Group Environment Strategy guides our focus on climate action and product stewardship (see Figure 1). More information is on our **website**.

Figure 1:
Singtel Group's Environment Strategy



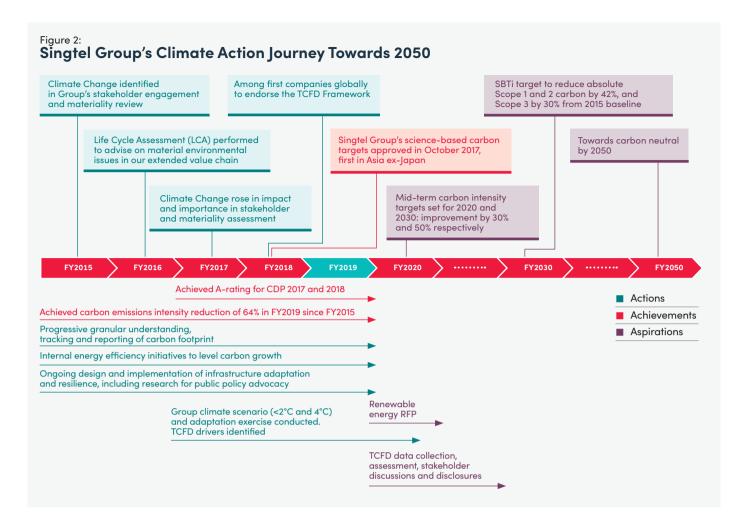
ADDRESSING CLIMATE CHANGE

CLIMATE CHANGE AND CARBON

Singapore named 2018 the 'Year of Climate Action' and 2019 the 'Year towards Zero Waste'. In October 2018, the Intergovernmental Panel on Climate Change (IPCC) Report targeted global warming to below 1.5 degrees Celsius by the end of the century, compared to the earlier 2 degrees Celsius. It forewarned disastrous consequences if the target is not met.

Singtel's journey in climate action and environmental sustainability began much earlier, as we recognised that it is not an overnight journey (see Figure 2 and Table 1).

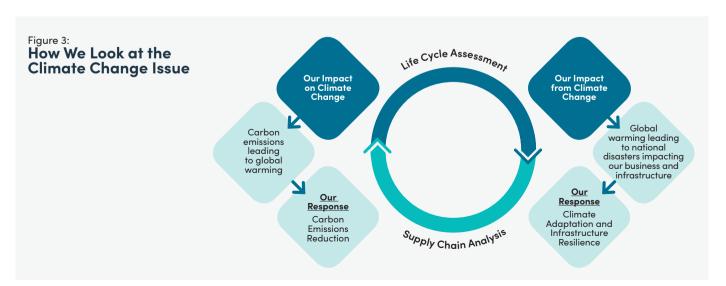
We continue to adopt a holistic approach in addressing the threat of climate change through mitigation and adaptation efforts, focusing on improving our energy performance and efficiency measures, as well as building resilience across our operations.



In our formal 2015 stakeholder engagement and materiality exercise, climate change emerged as a concern of moderate importance by our stakeholders. They also assessed that its impact to our business is moderate. Energy efficiency was then Singtel Group's key concern given our growing network infrastructure.

We proceeded to embark on a series of investigations and work which proved to be invaluable to our climate strategy and roadmap, helping us to identify the complexities and interdependencies of the issue. In our following 2017 stakeholder engagement and materiality review, our stakeholders assessed that our

key impact on climate change was mainly from the business' growing carbon footprint. Our business resilience and continuity during major natural climate disasters were the major business risks we faced from the potential impact of climate change (see Figure 3).



Climate Change and Carbon

As it is important to understand our initiatives in the past and how they interrelate to our current focus and strategy going forward, we have summarised the major actions, insights and milestones in our climate strategy and journey (see Table 1).

Table 1: Major Environmental Initiatives by the Singtel Group

YEAR	INITIATIVES/ MILESTONES	RELEVANT INSIGHTS INTO CLIMATE CHANGE AND CARBON	OUR ACTIONS	REPORT		
2010 to present	Progressive depth and breadth of carbon disclosure, reporting and external assurance	Understanding our carbon footprint and drivers.	Continuous refinement and validation to achieve a comprehensive view of our carbon footprint.	Sustainability Reports and CDP		
2013 to present	Founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities (ABR)	Research and insights into social and economic impact of natural disasters. Advocacy of government policy and budget in support of adaptation and building resilience, and address the interdependencies under the topic.	Five research reports.	ABR Reports from 2013 to November 2017		
2015	Stakeholder and Materiality Assessment	Climate change emerged as a topic of moderate importance and moderate impact.	Mid-term energy and carbon intensity targets set for 2020 and 2030: improvement by 30% and 50% respectively. Widen depth and scope of carbon reporting to CDP for Singapore and Australia.	SR2016		
2016	Life Cycle Assessment	Climate change and carbon were the most material environmental issues of concern. Almost two-thirds of our carbon footprint were in our supply chain. This was highly relevant in setting science-based Scope 3 carbon reduction targets.	Environment strategy updated to strengthen focus on climate change and carbon. Climate risk and carbon assessment updated for our Sustainable Supply Chain Management framework.	SR2016		
2016	Climate Scenario Assessment: Undertook <2°C and 4°C climate scenario modelling to understand localised climate and business impact to Singapore and Australian operations	<2°C adopted as main scenario for adaptation planning and subsequent target setting under SBTi. Increased risks of inundation affecting business continuity and operations, from combination of future sea level rise and intensity and frequency of rainfall and cyclonic activity. Impact from major interdependent infrastructure such as power networks (e.g. outage), and transport infrastructure (e.g. diversity routing and facilities access). Bushfire risks only moderate given main impact in lower density regional areas.	Adaptation planning and initiatives such as raising equipment levels, draining and flood management at risk prone sites. Upgrade of power generators for redundancy and longer self-sufficient operations. Self-generating power backup at all major points of interconnection. Transmission diversity to minimise impact from single point of failure.	SR2016 – present		

Singtel's Efforts on SBTi and TCFD

SBTi

We provide a progress update of our ongoing efforts and results from organic energy efficiency initiatives in this report. However, these efforts alone will not be able to move the needle in achieving a significant reduction in our carbon footprint. Hence, we are currently requesting for proposals from suppliers of larger scale sources of renewable energy over a longer period of time leading up to 2030, and aligned with our SBTi targets.

We plan to report on the assessment outcome in next year's report.

In October 2018, the IPCC released an updated report calling for governments and corporates to work towards a more aggressive target of <1.5°C.

Singtel was an early adopter of the SBTi in 2016, having our carbon targets based on <2°C approved in 2017.

SBTi acknowledged the early work of companies like Singtel and has given

us up to five years from the original approval date to update our scenarios and targets.

While this needs to be done before 2022, our current focus and priority are to identify the roadmap and initiatives we can take to exceed our original approved absolute carbon reduction targets. We also plan to work towards a more aggressive aspiration target of being carbon neutral by 2050.

ENVIRONMENT

GOVERNANCE

Climate Change and Carbon

Table 2: Singtel's Indicative Climate Risk Related Financial Indicators

INCOME IMPACT BALANCE SHEET IMPACT Physical Risks Revenue impact Asset impairment or write-down from damage Climate-related natural disasters Market share impact affecting business performance and Capital investment for adaptation or Insurance premiums network resilience and continuity resilience building Operational cost of disaster recovery Capitalised cost of disaster recovery Supply chain risks Customer revenue from ICT service diversity **Transitional Risks** Carbon tax Investments in energy efficient technologies or upgrades Towards a low carbon economy **Energy costs** (e.g. chillers and lighting) Carbon offsets Renewable energy projects Renewable energy purchase ICT solutions enabling carbon footprint reduction for customers **Liability Risks** Service Level Agreement with enterprise Provisions for contingent liabilities Contractual and legal obligations customers

TCFD

We endorsed the TCFD recommended framework in mid-2017 and have made progress towards its adoption. The topic of climate risks has since been embedded in our updated corporate risk register and reviewed at various levels of management and the Board with mid to long-term targets.

During the year, we began our engagement with various parts of the business to identify key indicators and business drivers which may have a direct or indirect financial impact from the long-term effects of climate change. We summarise what some of these climate-related financial risks and opportunities may be, organised by physical, transitional or liability risks that have an impact on Singtel Group's income and balance sheet performance in the long run (see Table 2). Our next steps include verifying the financial data and modelling to validate how material these indicators are to Singtel's long-term financial performance.

Internal: Having identified the relevant indicators, our focus for the next two years is to engage our internal stakeholders in progressively identifying the financial data sources to build, test and refine the historical data allocated to climate–related risks. We believe that baselining historical financial information is critical before we begin overlaying forward–looking assumptions and modelling, which will be based on previous and emerging scenarios as well as sensitivity analysis on the different climate change scenarios.

External: We will engage our external stakeholders to test and refine these indicators identified above, especially with the growing interest by investors and major funds. We also recognise that these stakeholders are also starting their own journey of understanding and applying the TCFD guidelines.



ENERGY PERFORMANCE AND EFFICIENCY: INITIATIVES AND OUTCOMES

We have been working on a number of programmes targeting energy reduction across key energy intensive touchpoints of our operations in Singapore and Australia, such as network infrastructure, data centres, satellite earth stations and office buildings (see Figure 4). For more details on our approach, please refer to our website.

Figure 4: **Examples of Energy Programmes and Achievements**



Replacing, overhauling and optimising chillers and related equipment

Over the years, we have been regularly replacing and overhauling chiller units and related Mechanical and Engineering (M&E) equipment at our exchanges and office buildings in Singapore, targeting those that have been in operation for 15 years or more.



PROGRESS IN FY2019

(Estimated Energy Savings and Emissions Avoidance)

- (a) Optimisation of chillers at Pickering **Operations Complex** and 1 Serangoon North: 2,746 MWh/year (9,886 GJ/year) or 1,151 tCO₂e/year
- (b) Replacement of older and less efficient air cooled chiller to water cooled chiller at NCS Bedok: 1,949 MWh/year (7,015 GJ/year) or 817 tCO₂e/year
- (c) New chiller and 13 AHUs replacement at NCS Hub: 546 MWh/year (1,965 Gl/year) or 229 tCO₂e/year



Retrofitting M&E equipment We have made concerted

efforts to retrofit our Mechanical and Engineering (M&E) equipment such as Air Handling Units (AHUs) and cooling towers in Singapore.



PROGRESS IN FY2019

(Estimated Energy Savings and Emissions Avoidance)

- (a) Retrofit AHUs with variable speed drives (VSDs) at 1 Serangoon North: 202 MWh/year (725 GJ/year) or 84 tCO₂e/year
- (b) Retrofit cooling tower with chemical and power free water treatment system at DC West Data 46 MWh/year (167 GJ/year) or 20 tCO₂e/year



Switching to energy saving lighting

PROGRESS IN FY2019

(Estimated Energy Savings and

Emissions Avoidance)

(a) Pickering Operations Complex:

or 98 tCO₂e/year

or 226 tCO,e/year (c) Optus Offices:

or 1,560 tCO e/year

(b) NCS Hub:

234 MWh/year (844 GJ/year)

540 MWh/year (1,944 GJ/year)

Concerted efforts made to retrofit to LED lightings in Singapore and Australia.



PROGRESS IN FY2019

(Estimated Energy Savings and **Emissions Avoidance)**

4,097 MWh/year (14,749 GJ/year) or 3,441 tCO e/year

Upgrading of fresh air cooling

Multi-year initiative to replace current

fresh air fans with modern DC variable

speed fans and larger intake units

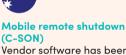
intake and reduce reliance on air

conditioners in Australia.

with the capability to double the air

FY2019: Installation completed

Cumulative: 730 sites



Vendor software has been deployed to shut down mobile equipment in Australia during periods of low traffic to reduce energy consumption.



PROGRESS IN FY2019

(Estimated Energy Savings and **Emissions Avoidance)**

430 MWh/year (1,548 GJ/year) or 361 tCO,e/year in Australia



1,857 MWh/year (6,685 GJ/year)



Converting to energy efficient mobile base stations

We continue to upgrade our mobile networks in Singapore and convert to energy efficient mobile base stations.



(Estimated Energy Savings and Emissions Avoidance)

Energy efficient mobile base stations: 99.21% in Singapore

Electricity use per cell carrier: Improved to 3,097 kWh from 3,238 kWh last year





CREATING AN IMPACT: OUR TEN-YEAR JOURNEY WITH NPARKS

Singtel has been working with National Parks Board (NParks) in the past ten years for our annual Plant-A-Tree Day in Singapore. We engage staff to get close to nature by planting local tree species at various national parks to raise their awareness of the importance of environmental conservation and minimising our environmental footprint to reduce adverse impact on Mother Nature.

For our tenth Plant-A-Tree Day, 200 staff volunteers and 20 APSN Tanglin School students planted 100 tree saplings along the Changi Coastal Park Connector Network.

In support of 2018 as the Year of Climate Action in Singapore and celebration of our tenth anniversary, we collaborated with WWF to reforest Rimbang Baling, which is part of the UNESCO Tropical Rainforest Heritage of Sumatra, Indonesia. Home to the critically endangered Sumatran Tigers, as well as 170 plant and 50 mammal species, Rimbang Baling has been vanishing at the rate of three football fields a minute. Every Singtel staff volunteer pledged support through WWF Forest Cards and each adopted tree was planted by WWF in Rimbang Baling.

10 years of Plant-A-Tree Day

- 1,205 trees planted
- **2,320** staff volunteers
- 85 APSN Tanglin School students
- \$\$331,000 donated to the Garden City Fund

CLIMATE CHANGE RESILIENCE

Climate change resilience is important to the Singtel Group as we continue to integrate resilience and adaptation into our business and network operations. It is critical for us to review current and new climate related risks and trends in countries such as Australia that are prone to major cyclones and inundations so we can take the necessary steps to prepare and respond to these risks.

We continue to contribute as a founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities (ABR). We are pleased that ABR's previous research and policy recommendations have been recognised with the Australian Government's formation of the National Resilience Taskforce in 2018 and development of the National Disaster Risk Reduction (NDRR) Framework launched in April 2019, a copy of which can be viewed online. ABR will continue to be actively involved in the NDRR Industry Advisory Forum, which an ABR representative will chair and shape the implementation of the NDRR framework.

During the year, we continued to upgrade mobile sites with power generators and batteries to last up to seven days without utilising the public grid in cyclone prone regions in Australia, as the public power grid is often adversely affected during cyclones and inundations. We also invested in transmission and last-mile diversity and redundancy paths for other cyclone prone areas. To strengthen our network diversity and redundancy, we invested A\$2.14 million in another diverse transmission path along the critical Brisbane-Sydney-Melbourne route to reduce any impact if both Optus coastal and inland routes are simultaneously cut.

We spent another A\$600,000 on two new SATCATS (mobile cell on wheels) to support communities affected by bushfires in New South Wales and Western Australia and cyclones in Queensland. These provide extra network capacity and coverage during disaster response efforts.

Our climate adaptation and resilience efforts are not only limited to our infrastructure. During times of natural disasters, we deploy Optus Trucks which enable the public to charge their mobile phones during extended power outages in their communities, as we recognise how important it is to stay in touch with loved ones when natural disasters strike.

GIVING A HELPING HAND



The Optus Truck at Huon Valley in Tasmania

In early 2019, bushfires burned in the Huon Valley, south of Hobart in Tasmania, depicting contrasting disaster scenes in Australia. At its peak, more than 700 residents were living at the bushfire evacuation centre in Huonville. Our team drove one of our ten Optus Trucks down to the centre to lend a helping hand to the local community.

The Optus Regional LED Screen Truck is a 5,100 kg Fuso Canter 615 wide cab decked out with 3.5m x 1.7m screen. We set it up in the neighbouring showground area to provide charging stations for mobile devices, free Optus prepaid handsets and prepaid vouchers as well as water, bags and battery packs. We also live-streamed 16 channels of emergency service updates on TV screens and broadcast updates about the bushfire situation from a local radio station. For the young ones, we played a daily movie on the TV screen and handed out sweet treats.

Product Stewardship

WASTE MANAGEMENT

Electronic, packaging and corporate waste such as paper are the key sources of waste generated from across our operations and value chain. We focus on reducing and recycling our own waste, collaborating with partners and suppliers, and redesigning our product offerings to minimise our impact in this area.

E-waste

The Singapore Government is tackling e-waste with the Extended Producer Responsibility (EPR) scheme to be implemented in 2021. Singtel is committed to playing our part in contributing towards this effort.

E-waste is the most material waste stream in our sector, due to the potential pollutive nature of metal, plastic and battery from mobile phones. Our focus is on increasing the recovery and recycling of mobile phones from our customers.

In Australia, we recycle over 98% of our own e-waste and continue to support the Mobile Muster programme, a national industry-wide collaboration stewardship scheme that allows customers to recycle their old mobile phones at any Optus retail store.

We also promoted the Planet Ark National Recycling Week 2018 together with Optus Sport host Mel McLaughlin



Optus Sport host Mel McLaughlin championing e-waste recycling effort to benefit the environment, equivalent to planting 259 trees

to encourage customers to recycle their old mobile phones at Mobile Muster collection points.

Through these efforts, we diverted more than four tonnes of e-waste or 53,437 handsets and batteries from landfill in Australia in 2018, saving 10 tonnes of carbon emissions and conserving 50 tonnes of mineral resource.

As a member of Mobile Muster, we also support its 'Take 3 for the Sea' campaign, which aims to raise awareness of plastic pollution and simple solutions to prevent it. Take 3 targets coastal litter reduction through the education of consumers by delivering education programmes in schools, surf clubs and communities around Australia.

FIRST ANNIVERSARY OF ReCYCLE

On World Environment Day in 2017, we launched ReCYCLE, a national mobile phone recovery and recycling project with SingPost. Customers can drop off their unwanted phones at our retail outlets or mail them using special postage-waived envelopes via any of Singapore's 700-plus letter boxes.

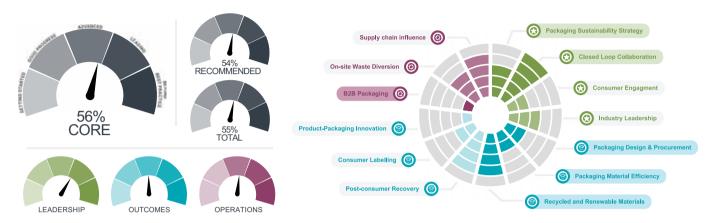
To mark the first anniversary of ReCYCLE, we conducted a lucky draw to encourage consumers to recycle their e-waste. We saw a 500% increase in number of envelopes received during the campaign period.

Since its launch, we have seen a 400% compounded growth in collection rates. Our effort has recovered over 24,000 kg of mobile phones, batteries and accessories.



Product Stewardship

Figure 5:
APCO's Optus Performance Report 2018



Optus was placed in the 'Advanced' category based on our sustainable packaging achievements. Figure 5 shows our performance report by APCO, indicating areas where we do well and their recommendations.

During the year, we also received the APCO Award for our sustainable packaging achievements and efforts in the telecommunications sector. Optus was used as a best practice response case study in APCO member material for Criteria 2.3 Recycled & Renewable Materials for our efforts in this area.

Paper waste

We estimated that we print more than a million pages of paper across Singtel every month. Working with Group IT, we launched the PrintLess campaign by going digital and reducing traditional printing. This helps us to lower our environmental footprint and reduce paper and ink costs from printing and copying, while enhancing information security and management.

In FY2019, we digitised about 18,000 personnel files, totalling three million pages. We have also digitised the signing of 100% of all employee-related contracts and letters. This paperless strategy has helped us reduce monthly printing volume for HR-related matters by 47%.

OPTUS' COMMITMENT TO SUSTAINABLE PACKAGING

Strategy, targets, governance:

Developed a new four-year Sustainable Packaging Strategy 2018-2021 to explore the viability of more than 50 aspirational targets to reduce packaging waste in line with the new APCO framework in the 13 focus areas.

Governance:

Created a new Sustainable Packaging Checklist for our internal stakeholders to align packaging best practices for existing and new products.



Key achievements:

Recall un-sold SIMs close to expiry and then push them out to quicker-selling channels. Those SIMs that cannot be redistributed or already expired are recycled. A total of 490,000 SIM cards was recycled as part of this initiative, preventing about 1.47 tonnes of material entering landfill and saved A\$2 million per annum.



■ Developed a new retail bag made from renewable paper which is 100% recyclable, biodegradable and also uses soy-based inks, which are renewable and low in volatile organic compounds (VOC), diverting 110 tonnes of material from landfill per annum and resulting in savings of about A\$120,000 in printing costs.

Goal:

By 2025, we aspire to make all packaging 100% reusable, recyclable or compostable by working with industry partners for design and material innovation.

Environmental Performance Indicators

Fusing	SINGTEL			OPTUS			SINGTEL GROUP		
Environment	2019	2018	2017	2019	2018	2017	2019	2018	2017
Total energy use (GJ)	1,347,094	1,395,100	1,404,843	1,749,622	1,724,106	1,702,440	3,096,716	3,119,206	3,107,283
Energy intensity (GJ/S\$million revenue)	161	169	177	194	191	194	178	181	186
Energy intensity (GJ/TB*)	0.35	0.43	0.53	0.59	0.71	0.92	0.46	0.55	0.69
(i) Electricity Use (GJ)	1,323,825	1,372,809	1,385,099	1,719,144	1,692,773	1,665,694	3,042,969	3,065,582	3,050,793
Electricity Use (MWh)	367,729	381,336	384,750	477,540	470,215	462,693	845,269	851,551	847,443
Electricity Intensity (GJ/S\$million revenue)	158	167	175	191	187	190	175	178	183
Electricity Intensity (GJ/TB)	0.35	0.42	0.52	0.58	0.70	0.90	0.45	0.54	0.67
Electricity Intensity (kWh/TB)	97	118	144	160	195	251	125	151	187
(ii) Fuel use from non-renewable sources (GJ)	22,877	21,935	19,369	30,014	30,869	36,282	52,891	52,804	55,651
(iii) Fuel use from renewable sources (GJ)	392	356	375	464	464	464	856	820	839
Solar energy (MWh)	109	99	104	129	129	129	238	228	233
Total carbon emissions (tonnes CO ₂ equivalent) ¹	164,629	174,391	173,811	418,060	418,760	418,269	582,689	593,151	592,080
(i) Scope 1	4,085	3,367	1,992	2,567	2,725	2,495	6,652	6,092	4,487
Refrigerants	2,455	1,828	643	470²	589²	N.A. ²	2,925	2,417	643
Fuel combustion	733	587	582	291	329	397	1,024	916	979
Company fleet	897	952	767	1,806	1,807	2,097	2,703	2,759	2,864
(ii) Scope 2	154,152	164,470	165,943	402,290	399,257	397,785	556,442	563,727	563,728
(iii) Scope 3	6,392	6,554	5,876	13,203	16,778	17,989	19,595	23,332	23,865
Contractor fleet	411	687	733	1,264	1,168	1,119	1,675	1,855	1,852
Air travel	4,000	3,845	3,113	5,738	8,004	8,551	9,738	11,849	11,664
Employee commute ³	1,821	1,821	1,821	6,201	7,606	8,319	8,022	9,427	10,140
Retail franchisees	160	201	209	N.A.	N.A.	N.A.	160	201	209
Carbon Intensity (†CO ₂ e/S\$ million revenue)	20	21	22	46	46	48	34	34	35
Carbon Intensity (tCO ₂ e/TB) ⁴	0.04	0.05	0.06	0.14	0.17	0.22	0.08	0.10	0.13
Total Water Use (m³)	753,238 ⁵	752,207	814,447	78,774 ⁶	74,235	82,111	832,012	826,442	896,558
Water Intensity (m³/S\$million revenue)	91	90	103	N.A.	N.A.	N.A.	48	47	54
Total Waste: hazardous and non-hazardous (tonnes)	7,538	6,289	4,613	2,294 ⁷	2,197 ⁷	1,853 ⁷	9,832	8,486	6,466
Total Non-Hazardous Waste by disposal method (tonnes)	2,130	2,227	2,194	1,6837	1,972 ⁷	1,1777	3,813	4,199	3,371
Incineration with energy recovered	1,972	1,968	2,116	N.A.	N.A.	N.A.	1,972	1,968	2,116
Landfill	0	0	0	1,476	1,720	517	1,476	1,720	517
Recycle / Reuse	158	259	78	207	252	660	365	511	738
Total Hazardous Waste by disposal method (tonnes)	5,408	4,062	2,419	611 ⁷	225 ⁷	677 ⁷	6,019	4,287	3,095
Incineration with energy recovered	282	388	285	N.A.	N.A.	N.A.	282	388	285
Landfill	776	593	184	8	3	10	784	596	193
Recycle / Reuse	4,350	3,081	1,950	603	222	667	4,953	3,303	2,617
Customer E-waste Recycling (tonnes)	63	36	21	4	4	4	67	40	25

- intotes:

 The refers to terabyte of data transported across our network.

 The carbon emissions reported in the table are based on the reporting requirements of the WRI and WBCSD 'GHG Protocol Corporate Accounting and Reporting Standard'. The equivalent CO₂ emissions for electricity use are calculated based on the updated simple operating margin grid emission factors from the National Environment Agency in Singapore for the relevant time period and from corresponding states in Australia. Scope 1 direct emissions and Scope 3 indirect emissions are calculated using BEIS (Department for Business, Energy & Industrial Strategy) Greenhouse gas reporting: conversion factors 2018. Scope 3 air travel emission factors are derived from WRI.

 Optus uses a combination of air, water and refrigerant cooling systems. Refrigerants tracked from FY2018.

 Employee commute carbon emissions data will be updated only when there is a significant change in our company's operations or workforce in Singapore. Employee commute carbon emissions data in Australia applies to Optus Campus in Sydney.

- Covers Scope 1 and 2 only.

 Total volume withdrawn from municipal water supplies and includes use of 132,374 m³ NEWater instead of potable water. Water stress areas are not applicable.
- Total volume withdrawn from municipal water supplies and includes rainwater harvesting of 15,513 m³ instead of potable water. Water use for Optus Sydney campus only. Data covers waste directly managed by Optus' contracted waste vendor.