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With 2018 being Year of Climate Action, enough momentum has been generated over the years resulting in surge of initiatives

PHASING out disposable plastics? Check. Installation of LED lighting? Check. Rainwater collection system? Check. Solar panels? Check. Setting up an edible rooftop garden? Yes, check that too.

These are just some of the many sustainability initiatives implemented by organisations in Singapore amid an apparent wave of going green.

With 2018 being earmarked as the Republic's Year of Climate Action, it remains unsurprising that there has been a surge in green initiatives.

In fact, most organisations have been actively promoting and championing their sustainability efforts recently but are these initiatives only due to 2018 being the Year of Climate Action?

To sum it up, the simple answer appears to be no. Yes, 2018 has seen a lot of publicity pertaining to the environment and sustainability but to attribute that to the Year of Climate Action is erroneous.

This sustainability initiative did not happen overnight; rather, it has gained traction over the past five to 10 years.

"At the start, we saw only a handful of companies consider sustainability, primarily from the lens of corporate social responsibility," said Fang Eu-Lin, PwC Singapore's sustainability and climate change leader. "The key shift was observed a few years ago when companies recognised the concept of 'materiality' and enhanced focus towards issues where they had the greatest impact and which were important to their stakeholders."

Truth be told, various organisations have long embarked on their sustainability journey.

Some such as Citi Singapore had even started their global green efforts "more than 10 years ago" and StarHub even acknowledged that it "started its green journey even before the government announced this year as the Year of Climate Action".

Local real estate developer CapitaLand also had in place an "in-house guide developed since 2007 to ensure environmental considerations are factored in at all stages of a project".

According to Ms Fang, there are many factors driving environmental stewardship across corporations.

"These range from operational efficiencies to alignment with national and global priorities," she remarked. "There is increasing evidence of cost savings and product innovation through adoption of green practices and many companies have started to realise this. Various policy actions such as the Paris Agreement, Task force on Climate related Financial Disclosures (TCFD), SGX sustainability reporting requirements and Sustainable Development Goals (SDGs) are agendas that businesses want to align with and these are helping to drive the green movement."

In fact, organisations have even stood up for their actions, emphasising their social responsibility in undertaking these efforts.

This was echoed by J D Kasamoto, general manager, service and environment division of Ricoh Asia Pacific. "We firmly believe that companies with the ability to tackle climate change should do so, and this can be achieved by offering specific, practical solutions to the many problems we face."

But here comes the burgeoning question - are these commitments genuine or are they lip service?

A quick glance at some of the actions undertaken by various organisations in Singapore shows that most also adopt a bottom-up approach in their solutions, highlighting their attempts to reach out to a wider spectrum of society.

One way of doing so is by ramping up ground-up efforts in the community, which includes efforts such as participating in school projects, phasing out the use of plastic water bottles and harvesting fruits and vegetables to donate to the less fortunate.

Other efforts beyond the community sphere exist as well, such as the installation of solar panels, rainwater collection system and installation of the more environmentally-friendly LED lighting.

Cost saving appears to be a source of motivation for organisations to go green.

According to Tan Seng Chai, group chief people officer of CapitaLand Group and chairman of the company's sustainability steering committee, considerable savings have been made. "We have managed to reduce energy and water intensity (per m^2) by 23.4 per cent and 24.1 per cent respectively for our operational properties and reduced our carbon emission intensity by 29.4 per cent, compared to the base year of 2008. This amounted to utilities cost avoidance in excess of S$140 million for CapitaLand since 2009."

"Our energy-saving initiatives have helped the bank reduce electricity consumption by some 9.6 GWh and achieve cost savings of S$3.8 million in 2017, compared to 2016," added Mikkel Larsen, DBS's chief sustainability officer.

Citi Singapore also reported significant cost savings through their initiatives. According to the bank, they reduced 725,570kwh of energy usage in 2017 compared to 2016, which translated to cost savings of S$150,000 in 2017.

Agreeing with this sentiment, PwC's Ms Fang further commented: "Contrary to conventional thinking, going green does not necessarily mean there will be an added cost burden. Adoption of green practices can result in cost savings and risk reduction."

KPMG's Singapore head of sustainability advisory & assurance, Ian Hong, also commented: "Both climate adaptation and climate mitigation responses require resource investments, and the benefits may be seen only in the medium or long term."

Going green also benefits businesses in the long run with its economic benefits. "It is increasingly accepted that embracing environmental sustainability and green practices would have economic benefits - from winning support from like-minded investors and customers and hence increasing profitability; meeting regulatory requirements to opportunities to tap into new markets and innovation," said Koh Ching Ching, head, group corporate communications, OCBC Bank.

This trend also appears to be here to stay.

Noting that "going green" is a business imperative, Mr Hong said: "Trust is built only when organisations are consistent in what they say and do. With heightened public attention on responsible business practices, organisations need to be accountable for their climate response or risk being called out. Once an organisation's credibility is destroyed, it loses its licence to operate."

"Good business and sustainability are not mutually exclusive," commented Judy Hsu, regional CEO, Asean and South Asia, Standard Chartered Bank. "In fact, balancing sustainable development and sustainable finance is the new normal. It is about backing businesses that take care of our natural resources and build local communities."

This was further substantiated by Ms Fang, who said: "There is strong indication that most of these practices will not end without creating an actual impact ... over time these activities may become the norm, rather than being an exception."