

Sustainability Report

Introduction

At ComfortDelGro Corporation Limited, corporate social responsibility is not just a catchphrase. It is an integral part of our moral fabric – closely intertwined with everything that we do.

Our guiding principle is simple: Pursue benefits for both the business and the society concurrently. This two-pronged approach involves us finding ways to develop our business whilst creating a sustainable environment. In all that we do, we are constantly looking at ways in which we can help the communities we operate in to grow and flourish – in tandem with our business.

Put simply, it is about Shared Value Creation.

Society

In our business, moving people between destinations is central to everything we do. We are constantly looking at new and better ways to do this – and are constantly finding ways to reach out to an even wider range of commuters.

To this end, we have invested substantially in wheelchair-friendly buses which are capable of transporting persons-in-wheelchairs safely and comfortably. In fact, our 75%-owned subsidiary in Singapore,

SBS Transit Ltd, has invested over S\$1.3 billion in such buses since 2005.

In 2014, we placed an order worth S\$311 million for 665 Euro 5 buses, all of which come with wheelchair-friendly features. SBS Transit also rolled out 20 wheelchair accessible bus services during the year as it continued to extend its reach to commuters. To raise awareness amongst the physically-disabled, SBS Transit also conducted tours highlighting its barrier-free facilities at its Downtown Line train stations.

In London, all bus routes operated by Metroline Limited are served by low-floor vehicles with a dedicated wheelchair space and an access ramp. These buses can also 'kneel' to reduce the step-up from the pavement. In Ireland, Irish Citylink ComfortDelGro Limited had, in over two years, introduced three wheelchair-accessible coaches. The Company and Scottish Citylink Coaches Limited also donated travel vouchers to various charity organisations including hospitals to help with the travel needs of patients and their caregivers. Indeed, this is one way in which we, as a Group, have broadened our reach to commuters whilst extending help to those in need.

In China, Nanjing ComfortDelGro Dajian Taxi Co. Ltd, gave the disabled free rides on Disability Day. Shanghai City Qi Ai Taxi

Services Co., Ltd, Chengdu ComfortDelGro Qing Yang Driving School Co., Ltd and Chengdu Jitong Integrated Vehicle Inspection Co., Ltd also did their part for the disabled by contributing close to S\$87,300 to the Employment Fund for the Handicapped.

In Singapore, ComfortDelGro Taxis contributed another S\$10,000 during the year to the Handicare Cab Scheme, which waives the booking fees of all taxi trips booked by members of the Handicaps Welfare Association. This programme, which has been in place since 1999, aims to not only make commuting easier for the handicapped, but also help our taxi drivers expand their customer base.

Similarly, ComfortDelGro Engineering Pte Ltd in Singapore provided vehicle maintenance services at subsidised rates to 13 charitable organisations under the National Council of Social Services, five more than the previous year.

In Australia, ComfortDelGro Cabcharge Pty Ltd provided discounted charters to 72 schools visiting Western Sydney Parklands, ensuring that buses were fully utilised at all times. Similarly, we provided free transfers to elderly widows visiting the Keilor Cemetery within the Brimbank area in Melbourne.



ComfortDelGro Group
donated close to
\$1 million
to Charity

More than
\$112,500
was donated to our Home
Improvement Fund

West China
Business Unit donated
\$10,285
to build a new water
reserve in Chengdu

Across the Group, there have been many other instances where we have reached out to the communities we operate in.

In Singapore, for example, ComfortDelGro helped improve the quality of living of the elderly through our long-time partnership with voluntary welfare organisation, Lions Befrienders Service Association (Singapore). In all, more than S\$112,500 has been donated to the Home Improvement Programme Fund through which we have been able to carry out several projects. These include the replacement of old mattresses and bed frames, the purchase of new electrical appliances like washing machines, refrigerators, rice cookers, televisions, radios, electric kettles and fans – all aimed at making the lives of the elderly living in one-room rental flats better.

Our taxi drivers have kept up the practice of delivering unsold bread, meals and library books to the less fortunate and giving cancer-stricken children, the visually-impaired and the disabled free rides. The CabbyCare Charity Group also participated in Hair for Hope, an annual fundraising event by the Children's Cancer Foundation. In all, 50 taxi drivers raised a total of S\$11,300 for the Foundation.

A number of ComfortDelGro Engineering's clients, or SPARK Ambassadors as they are called, brought needy children out on excursions. Similarly, our testing and inspection services subsidiary, VICOM Ltd, reached out to children and young adults receiving palliative care by donating taxi vouchers for their travel needs – and in so doing, helped our taxi drivers expand their customer base.

In the United Kingdom (UK), as part of the Transport for London's Year of the Bus Campaign, Metroline opened the doors of Potters Bar and Alperton Garages to about 2,500 visitors from the local communities over two volunteer-led Open Days. Over

S\$10,400 was raised from ticket sales and donated to the British Heart Foundation and St Luke's Hospice. Metroline also supported Brathay Trust, which aims to reduce anti-social behaviour amongst vulnerable, abused and disengaged young people through education and mentorship. CityFleet Networks Limited also sponsored over S\$5,600 to various charities, including magical taxi tours for terminally-ill children.

In China, six of our taxi companies – CityCab (Shenyang) Co., Ltd, Jilin ComfortDelGro Taxi Co., Ltd, Nanjing ComfortDelGro Dajian Taxi, Nanning Comfort Transportation Co., Ltd, Shenyang ComfortDelGro Taxi Co., Ltd and Suzhou Comfort Taxi Co., Ltd – provided free taxi trips to needy students during the country's National Education Entrance Examination, while Nanning Comfort Transportation provided free trips to blood donors in celebration of Lei Feng Day.

Our West China Business Unit donated S\$10,285 to the agricultural village of Zhang Dian, located in the remote mountains of Qiong Lai Prefecture, Jin Niu Sub-District in Chengdu, so that it could build a new water reserve facility. Nanning Comfort Transportation also completed upgrading the facilities of Guangxi Wangzhuang Elementary School in Quli Village of Fusui County.

In Vietnam, Vietnam Taxi Co., Ltd helped repair roads surrounding a children's hospital, while ComfortDelGro Savico Taxi Company donated towards the Flood Prevention Fund.

In all, the Group donated close to S\$1 million during the year to various charity and welfare organisations.

Product Responsibility: Safety

Safety is of paramount importance to us. The safety of our passengers, our staff and

other road users is not something we ever compromise. To this end, we invest heavily in training and re-training courses, ensuring our people constantly uphold safety practices.

Technology is also very much leveraged on in the area of safety. Both ComfortDelGro Taxis and SBS Transit had put "Mobileye" on trial on board 30 taxis and 70 buses respectively. Featuring a smart camera, "Mobileye" is able to detect, analyse and monitor road conditions while the vehicle is moving and provide real-time audio-visual warnings via a display unit to the driver. At our Tianhe Bus Station in Guangzhou, handheld speed meters were introduced to track and ensure that buses travel within speed limits.

The Group, through its subsidiaries, ComfortDelGro Driving Centre Pte Ltd, ComfortDelGro Taxis and VICOM, also contributed to the Singapore Road Safety Council's Road Safety Public Awareness Campaign. Besides spending a total of 432 hours educating students on the importance of road safety, ComfortDelGro Driving Centre also collaborated with the Traffic Police to develop and launch a new Driver Improvement Point System in January 2014.

Along a similar vein, SBS Transit conducted 73 school talks on safety and graciousness on board buses and trains to some 32,510 students. It also conducted four train safety and evacuation exercises this year for the communities along the North East Line (NEL) in collaboration with the local constituency offices. About 800 residents attended these exercises.

Given the ageing population, SBS Transit launched the "Hold On!" Campaign in September 2014 as a reminder to all passengers, particularly the elderly, to hold onto stanchion poles and hand grips while travelling on board buses. SBS Transit

SBS Transit ordered
665
Euro 5 wheelchair-friendly
buses in 2014

Smart camera
tried on
100
taxis and buses

ComfortDelGro
Driving Centre spent
432 hours
educating students
on Road Safety

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did this in a fun and visually appealing manner by organising an art competition with the safety theme. In all, close to 600 entries from about 70 primary schools were submitted. Commuters were invited to vote for their favourite entry where 17 entries were shortlisted and displayed at bus interchanges. Posters of the winning entry were subsequently displayed on board all SBS Transit's buses. To further drive home the safety message, more than 10,000 shopping bags with the safety message prominently printed on, were also produced and given away as visual reminders to commuters.

Road safety training, road shows, campaigns and spot checks were carried out by different businesses across the Group to improve the knowledge and driving skills of our taxi drivers and bus drivers as well as to weed out bad driving habits. ComfortDelGro Taxis, for example, carried out a familiarisation course for some 4,600 taxi drivers who were handling automatic taxis for the first time. In China, Shenyang ComfortDelGro Taxi continued to send its drivers to training courses including those on defensive driving, road safety and professional ethics. It also worked closely with its branches to strengthen safety and service standards.

In the area of security, SBS Transit worked with the Police to create greater awareness in crime prevention amongst commuters. Publicity efforts included putting up posters and signs on buses and trains to deter crimes such as outrage of modesty on public transport. It is also working with the Police to produce a video on anti-molest for bus commuters.

To clamp down on fare evasion and other anti-social behaviour on board buses, ComfortDelGro Cabcharge established a community engagement plan that focussed on right behaviours. An example was its collaboration with Victoria Maori Wardens

Inc in July 2014. Voluntary Maori wardens travelling on CDC Melbourne buses interact with youths of Pacific Islander or Maori background. As these wardens are elders within their community, the youths responded well to them. As a result, bus drivers reported a drop in the number of cases of fare evasion and violence on board buses.

In the area of workplace safety, VICOM carried out extensive works at its inspection centres, such as extending metal railing barriers and installing additional danger signs alongside inspection pits to further enhance safety at its inspection centres, while Setsco Services Pte Ltd (SETSCO) successfully attained its Occupational Health and Safety Advisory Services (OHSAS) 18001:2007 recertification. SBS Transit's rail operation, on the other hand, obtained its BS OHSAS 18001 recertification. ComfortDelGro Bus Pte Ltd also successfully attained its BizSafe Level 3 recertification.

ComfortDelGro Engineering, which had earlier obtained its OHSAS 18001:2007 and BizSafe Star in 2013, passed its surveillance audit held at its Defu and Loyang workshops. It also sent its staff to work safety courses such as the Singapore Workforce Skills Qualifications' Workplace Safety and Health Policies Procedure course, and the OHSAS 18001 Awareness training.

ComfortDelGro Driving Centre also formed a Workplace Safety & Health Committee during the year to look into compiling and developing workplace safety procedures, as well as ensuring that safety practices are complied with strictly. In Guangzhou, Tianhe Bus Station provided its night-shift staff with light-reflecting vests to ensure that they are visible to all motorists. For its efforts in staying accident-free, it was recognised as an Advanced Company for Safety by the Guangzhou Safety Committee.

Elsewhere in China, ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd received the Chevron Chuandongbei Health, Safety and Environment Award for consistently maintaining a low accident rate.

Social: Human Rights and Labour Practices

ComfortDelGro is guided by strict human rights and labour practices. In all that we do, we abide by the basic tenet of respecting, protecting and fulfilling human rights and fundamental freedoms.

We implement our guiding principles in a non-discriminatory manner, paying particular attention to the rights and needs of, as well as the challenges faced by, individuals within our Group that may be at heightened risk of becoming vulnerable or marginalised. We believe that regardless of race, language, religion, sex or age, all our staff should be treated equitably and given fair opportunities to grow and develop in accordance to their levels of competence.

Indeed, we are keenly aware that the continued performance and future success of ComfortDelGro depends on a strong and sustainable talent pipeline. We therefore remain committed to identifying and developing employees to become high-performing leaders with a strong value system.

As part of our rigorous process to ensure a steady pipeline of quality management staff, our high-performing staff are also subject to a Promotion Board to assess their general management, people and leadership attributes. Besides the psychometric tools used for recruitment, senior Business Unit Heads and Group Officers were also actively involved in the assessment of high potentials that were brought in to complement the talent pipeline.

Provided automatic taxi familiarisation for some

4,600
taxi drivers

Metroline operates more than

170
hybrid buses

43%

of ComfortDelGro Cabcharge's Sydney fleet is environmentally friendly

During the year, the next tier of talents completed the Axle Programme, a cross-business unit and off-line mentoring initiative that was started in mid-2012. As part of our talents' self-directed learning and development, they reviewed and discussed various leadership articles and competencies on the e-learning platforms of C-Suite Connection and Leadership Link. Selected talents continued to be given exposure to our overseas operations through special projects and assignments.

We believe that our holistic approach in managing and engaging our talents will allow us to have a more sustainable pipeline of future leaders who are committed, dedicated and able to achieve greater performances. Their enhanced development will give them the necessary organisational perspectives and adept leadership abilities to deal with the increasingly complex and competitive business environment whilst leading their people to reach greater heights.

As a responsible corporate citizen, we also strongly believe in ensuring compliance in all our operations and businesses.

We do not condone any corrupt practices or anti-competitive behaviour. We have in place a procurement policy which, among other things, conducts supplier assessment for their corporate social responsibility efforts.

Environmental

Our commitment to the environment is unflinching. Whether it is the vehicles we run, or the buildings we operate in, we are committed to ensuring that our Green quotient is kept high.

In Singapore, for example, our 16,855-strong taxi fleet is completely Euro 4 and Euro 5-compliant. In China, all of Nanjing ComfortDelGro Dajian

taxis are Compressed Natural Gas (CNG)-driven, whereas the vehicle fleets operated by CityCab (Shenyang), Chengdu ComfortDelGro Taxi Co., Ltd, ComfortDelGro Rent-A-Car (Chengdu), Chongqing ComfortDelGro Driver Training Co., Ltd, Jilin ComfortDelGro Taxi, Nanjing ComfortDelGro Dajian Taxi and Shenyang ComfortDelGro Taxi are mainly Euro 4-compliant. Nanjing ComfortDelGro Dajian Taxi continues to cultivate the 500 trees it planted in 2012 to offset its carbon footprint.

In the UK, CityFleet Networks piloted an electric taxi which operates on two independent electric motors. Its private hire business has also started offering electric vehicles as another option to customers. All coaches operated by Scottish Citylink and Irish Citylink ComfortDelGro are at least Euro 4-compliant. Scottish Citylink had also, in July 2014, rolled out two of six new state-of-the-art Euro 6 Volvo coaches for its service between Glasgow and Skye. The remaining four will be rolled out in 2015.

Our bus fleets throughout the world are similarly friendly to Mother Nature. SBS Transit, for example, took delivery of another 465 Euro 5 double deck and single deck buses during the year, bringing its total public bus fleet in 2014 to 3,448, of which 79% is Euro 4 or higher. ComfortDelGro Bus presently operates 24 Euro 5 buses in its fleet.

In the UK, Metroline operates more than 170 hybrid buses. During the year, it took delivery of 23 Euro 6 Volvo B5LH hybrid buses and is expecting delivery of another 12, along with 16 Euro 6 Enviro 400 hybrid buses in early-2015. Metroline also placed an order for the Euro 6 Enviro 200 with flywheel energy technology in November 2014. These buses, which are lighter in weight, improve fuel economy by up to

35%. Over 100 Euro 3 buses had SCR/CRT exhaust kits fitted, bringing their emissions up to Euro 5 standards.

As a member of the Roads and Traffic Authority Clean Fleet Programme, ComfortDelGro Cabcharge is committed to providing fleet maintenance that meets regulatory requirements. During the year, ComfortDelGro Cabcharge added 38 Euro 5 Environmentally Efficient Vehicles to its Sydney fleet, making 43% of its entire fleet environmentally friendly vehicles. It also added 11 Euro 5 buses into its operations in Melbourne, making one-third of the vehicles that it operates there environmentally friendly.

In all, carbon dioxide emissions by our bus and coach businesses fell by 4% in 2014, compared to the previous year.

Our other businesses also operate environmentally friendly vehicles in their fleets. For example, ComfortDelGro Driving Centre has 25 vehicles that are Euro-4 compliant, while SETSCO has 36 vehicles that are Euro 4 and Euro 5-compliant.

We also continuously worked at inculcating a Green culture amongst our staff. For Chingay 2015, Singapore's largest street performance which took place in February 2015, we contributed about 1,000 "flowers" made of recycled plastic bags, as part of our commitment to environmentalism. Another 900 "flowers" were also lovingly created by 90 of our staff, who gave up their lunch hours to cut and paint plastic PET bottles.

Our commitment to the environment also involves reducing water and electricity consumption, recycling paper, used tyres, scrapped metals, lubricants and batteries. In Guangzhou, for example, Tianhe Bus Station goes beyond just conserving water and electricity to using recycled boxes for its parcel delivery service. The Station,

4%

reduction in CO₂ emissions for our bus and coach businesses

500

trees planted by Nanjing ComfortDelGro Dajian Taxi

ComfortDelGro Group contributed

1,900

recycled "flowers" for Chingay 2015

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which offers direct parcel delivery services to more than 190 bus terminals located across China, collects about 100 used boxes a month from suppliers as well as its various departments, and then provides them for customers to use.

As a result of our continued efforts, we reduced water consumption by about 10% and contained the increase in electricity consumption to just 6%.

On 5 June 2014, a newspaper recycling competition across the Group was organised in conjunction with Eco Action Day. A total of 530kg of newspapers was collected in just one day – more than eight times what the Group usually collects on average in a day.

And, for the third consecutive year, we observed Earth Hour with headquarters and various subsidiaries in Singapore as well as Australia, China and Vietnam switching non-essential lights on their premises off for an hour.

Conclusion

At ComfortDelGro, we are fully cognizant of the fact that in providing the services that meet the transportation needs of the commuting public, there will invariably be a consequence on the environment and communities. We will however continue to look at the various technologies that we can invest in, as well as new behaviours that we can adopt, to reduce our negative impact.

ComfortDelGro
Group collected
530kg
of newspapers in
one day

10%
reduction in
water consumption

Tianhe Bus
Station recycles
100
used boxes
every month