

## **COMFORTDELGRO BECOMES FIRST LAND TRANSPORT COMPANY TO ADOPT GREEN LOANS WITH AN A\$25 MILLION FACILITY FROM OCBC BANK**

20 January 2020 – Green fleet. And now, green loans too!

ComfortDelGro Corporation has become the first land transport company headquartered in Singapore to adopt the green financing solution commonly known as a Green Loan. The A\$25 million facility was secured by the Group's Australian subsidiary, ComfortDelGro Corporation Australia Pty Ltd, from OCBC Bank to finance its hybrid bus fleet in Victoria.

Proceeds from the loan, which has been structured in accordance with the Green Loan Principles issued in 2018 by the Loan Market Association and Asia Pacific Loan Market Association, will be used to finance 50 hybrid buses. Delivery of these environmentally friendly buses has already started with the last batch of buses expected in mid-2022.

All 50 low-floor buses will feature Volvo's Parallel Hybrid driveline and meet Euro VI emission standards. Tests have shown that the Volvo hybrid driveline reduces nitrogen oxide and particulate emissions by up to 50% and lowers fuel consumption by up to 39% in mixed traffic. The hybrid buses use 30% less fuel and emit significantly less noise when idling at and departing from stops.

Mr Yang Ban Seng, Managing Director and Group CEO of ComfortDelGro: "This green loan marks another milestone for ComfortDelGro in our sustainability journey, following the inclusion of the Group in the prestigious Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific) in September 2019. As an environment-conscious transport company, sustainability considerations are indeed at the core of our business strategy, and this green financing is a natural fit for us."

OCBC Bank ended 2019 atop two sustainable finance league tables in Asia Pacific ex Japan – Bloomberg's 2019 Mandated Lead Arranger (MLA) league table for green loans and renewable energy loans and Debtwire's 2019 MLA league table for green loans and

sustainability-linked loans – and aims to build on its lead by bringing green finance to a wider range of sectors. This green loan broadens its capabilities and expands its sustainable finance portfolio to the transportation sector which is an important step towards its goal of building a S\$10 billion sustainable finance portfolio by 2022.

Ms Elaine Lam, Head of Global Corporate Banking, OCBC Bank, said: “Investment in low carbon public transportation is critical to developing sustainable cities and thereby contributing towards UN Sustainable Development Goal 11 (Sustainable Cities and Communities). OCBC is pleased to advise ComfortDelGro on its Green Finance Framework and support its sustainable operations in Australia. We hope this green loan by ComfortDelGro sends a positive message to encourage peer industry players to take steps to support sustainable urban development through green financing options.”

ComfortDelGro Australia is a wholly owned subsidiary of ComfortDelGro, which has been recognised as one of the world's most sustainable companies. This Green Loan further attests to ComfortDelGro's commitment towards sustainability within the transportation sector as it focusses on Climate Strategy, Fuel Efficiency, Corporate Governance, Risk and Crisis Management, Labour Practices as well as Talent Attraction and Retention.

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## **Background**

### **ComfortDelGro**

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of over 41,600 buses, taxis and rental vehicles. We also run 83km of light and heavy rail networks in Singapore. Our global operations span seven countries – Singapore, Australia, China, the United Kingdom, Ireland, Vietnam and Malaysia.

### **OCBC Bank**

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has about 560 branches and representative offices in 19 countries and regions. These include over 290 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 90 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit [www.ocbc.com](http://www.ocbc.com).