

COMFORTDELGRO

CREATING LONG-TERM VALUE MATERIALITY
DIVERSITY ECONOMIC PERFORMANCE EMPLOYEE TRAINING
GREEN STATEMENT ALTERNATIVE FUELS WATER CONSERVATION
PROMOTE PUBLIC TRANSPORT ENVIRONMENT VEHICLE EMISSIONS PROFILE
WASTE MANAGEMENT HEALTH & SAFETY
EMERGENCY PREPAREDNESS VEHICLE INSPECTION
SUPPLIERS & PARTNERS CUSTOMERS SHAREHOLDERS
REGULATORS EMPLOYEES OUR



WORKPLACE TALENT DEVELOPMENT REACHING OUT
ACCESSIBILITY SOCIETY OUR APPROACH TO SUSTAINABILITY
RISK MANAGEMENT FINANCIAL RISKS AUDIT PROCESS

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ABOUT THIS REPORT

ComfortDelGro Corporation Limited reaffirms our commitment to sustainability with the publication of this, our first standalone Sustainability Report 2015.

This Report, which focusses on the economic, environmental and social impact caused by our everyday activities, was prepared in accordance with the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines at Core level.

Given GRI G4's focus on materiality, this Report focusses on aspects which have been deemed as material to ComfortDelGro's businesses and key Stakeholders.

Your feedback is welcome and you can reach us at sustainability@comfortdelgro.com.

Reporting Period and Scope

This Report articulates ComfortDelGro's strategies and practices in all aspects of sustainability, and provides a detailed account of our sustainability performance in our Singapore operations, which account for 60.0% of total Group revenue. It is based on the Group's financial year from 1 January to 31 December 2015 and will be published annually. As this is our first standalone Sustainability Report, we have provided very limited historical information.

This Report supplements ComfortDelGro's Annual Report 2015, which can be found on our corporate website www.comfortdelgro.com. The Sustainability Report underscores our commitment to keep all Stakeholders – Customers, Employees, Investors, Business Partners, Regulators and Community members – abreast of efforts and developments in the field of Corporate Social Responsibility. In accordance with our efforts to be more environmentally friendly, print copies of this Report, together with the Annual Report, will only be made available to Shareholders who request for them.

Independent Consultancy

An independent Sustainability consulting firm, Paia Consulting, was appointed to provide external assistance with the development of the contents of this Report, in line with the GRI G4 (Core) guidelines. We intend to seek external assurance in the future.

MESSAGE FROM THE GROUP CEO

AS WE WORK AT IMPROVING OUR SUSTAINABILITY PROFILE, WE CONTINUE TO KEEP IN VIEW OUR CORE VALUES OF SETTING REALISTIC AND CHALLENGING GOALS WHILST UPHOLDING THE TENETS OF INTEGRITY AND ETHICS.



Introduction

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

It is, in fact, central to the way we conduct our business. From health and safety to recycling and waste management, from energy efficiency to people empowerment, we have been, and continue to be, deeply committed to ensuring that our best efforts are deployed at all times. Indeed, our guiding principle has been to pursue benefits for both the Group and the society at large. It is a two-pronged approach in which we look at ways to create a sustainable environment while we develop and grow our business.

Put simply, it is about Shared Value Creation.

Our Commitment

Certainly, this has been a part of our corporate culture since our inception in 2003. As our businesses have grown through the years, so too has our commitment to the issues that we accord great importance – either because of their impact on us or our Stakeholders, or on society and the environment at large.

For example, in 2007, we formally articulated our commitment to the environment in a Green Statement. We also set up a Green Committee to champion environmentalism within the Group.

To safeguard our employees' rights, we work closely with our Unions and enter into Collective Agreements which include salaries, working hours and conditions, leave, medical benefits as well as health insurance. Employee handbooks are also given to our staff so that they are always aware of their rights.

We are also deeply committed to our customers and this is clearly articulated in our customer charters.

During the year, we have also improved our emissions profile per passenger journey and increased the proportion of waste recycled. We have, and continue to, encourage and promote the use of public transport so as to ensure a modal shift away from car use.

In this, our maiden Sustainability Report entitled "ComfortDelGro: Creating Value Together", we share our approach to integrating sustainability into our policies, structure, management and operations. For this first Report, we focus on our Singapore operations, providing insights into the way we do business, while highlighting the economic, environmental and social aspects of our developments and operations in accordance with the Global Reporting Initiative Guidelines (G4 Core). We intend to include developments in our overseas businesses in future Reports.

Sustainability Review

In FY 2015, we undertook an extensive review of our Group's sustainability practices, benchmarking our activities against the industry's best and affirming our commitment to our Stakeholders.

As part of this review, we undertook a materiality test and based on that, focussed this Report on issues that matter most to our businesses and our Stakeholders, both internal and external. These include environmental stewardship, economic performance, health and safety, labour practices, energy efficiency, accessibility and social responsibility.

Conclusion

As a global transport Group, we are fully cognisant that what we do has an impact on the environment. To this end, we have, and continue to, work closely with Regulators as well as vehicle manufacturers and suppliers to reduce our overall carbon footprint.

As we work at improving our sustainability profile, we continue to keep in view our Core Values of setting realistic and challenging goals whilst upholding the tenets of integrity and ethics.

Kua Hong Pak

Managing Director / Group CEO

COMFORTDELGRO IN FOCUS

SOCIAL IMPACT*

Female employees:

14%



5

Major nationalities in our workforce:



28% 22% 14% 10% 10%

Employees who are at least 60 years old:

CLOSE TO 15%



Donation to Charity in 2015:



OVER S\$1 MILLION

Number of free taxi trips by CabbyCare Charity Group:

4,150

FREE TRIPS



CLOSE TO 91%

of SBS Transit's basic bus services are wheelchair friendly

Passenger injuries:

1.56 PER ONE MILLION KM



Accident Severity Rate:

29.66

(2014 Industry Average: 41.0)



Accident Frequency Rate:

1.71

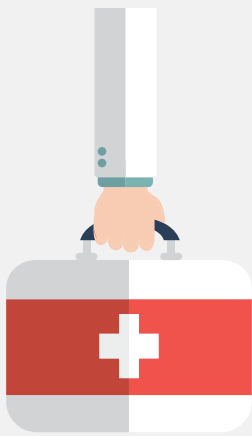
(2014 Industry Average: 0.60)

*For Singapore operations only

ENVIRONMENTAL IMPACT*

Workplace fatalities:

0



Non-fatal workplace injuries:

72

Number of vehicles in Singapore fitted with CCTVs or in-vehicle cameras:



ABOUT

93%

Greenhouse Gas emissions:



1,120,332
TONNES CO₂e

Waste collected:



3,442
TONNES

Energy used:



259,790,516 KWH

Water used:



1,854,305 M³

Paper recycled:



48,730 KG
(2014: 21,850)

Paper used:



30,906 REAMS
(2014: 35,068)

*For Singapore operations only

MATERIALITY

Materiality guides ComfortDelGro on issues to focus on for long-term sustainability. This being our first standalone Sustainability Report, we conducted an in-depth materiality assessment based on internal and external stakeholder expectations.

The issues that have been identified as material to us are environmental and social issues that reflect significant impact of our operations, or could substantively influence the assessments and decisions of our Stakeholders. Based on international best practice, we have made an initial prioritisation of the issues using the internationally accepted AccountAbility 5-Part Materiality Test model, embedded in the AA1000 standard.

The materiality assessment involved ComfortDelGro's Senior Management as well as External Stakeholders. Their rating is shown in the diagram provided. [G4-18]

Accessibility

As a provider of land transport services, accessibility is a critical part of our business focus. We are committed to providing our services equitably to serve all customers – independent of age or ability. To this end, we invest extensively in systems, processes and new technologies including wheelchair-accessible and low-floor buses.

Anti-Corruption

Business and ethical integrity are pillars of our corporate psyche. The ComfortDelGro Group does not tolerate corruption in any part of its business.

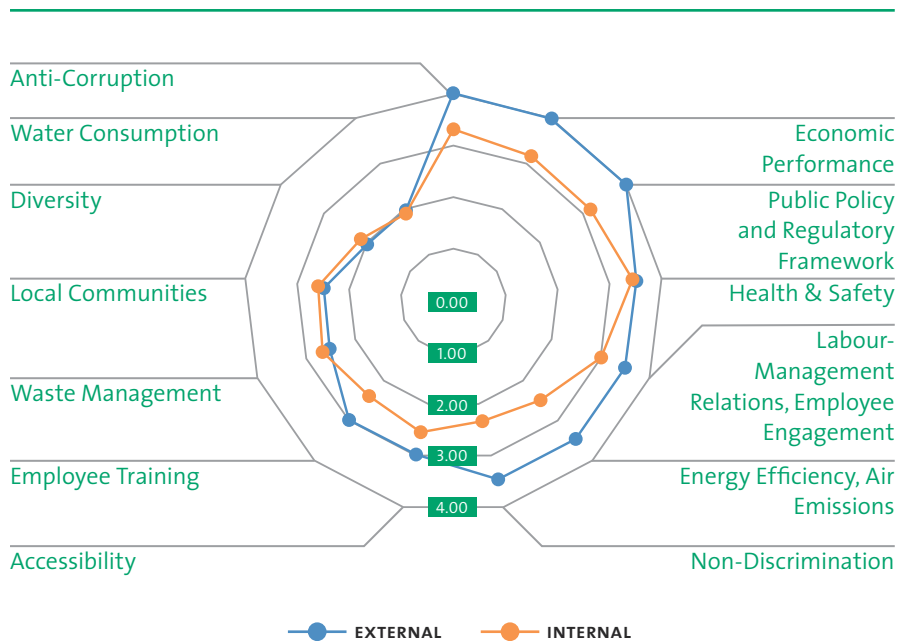
TABLE: LIST OF MATERIAL ISSUES

Level of Relevance	Material Issue
High	Anti-Corruption (I&E) Economic Performance (I&E) Energy Efficiency, Air Emissions (I&E) Health & Safety (I&E) Labour-Management Relations, Employee Engagement (I) Non-Discrimination (I&E) Public Policy and Regulatory Framework (I&E)
Medium	Accessibility (E) Diversity (I&E) Employee Training (I) Local Communities (E) Waste Management (I&E) Water Consumption (I&E)

(I=Internally relevant, E=Externally relevant)

[G4-19, G4-20, G4-21]

DIAGRAM: RANKING OF MATERIAL ISSUES BY STAKEHOLDERS



Our fight against corruption is guided by the following principles:

- The ComfortDelGro Group shall not participate in or endorse any corrupt practices.
- Representatives of the Group shall not offer customers, potential customers, suppliers, consultants, governments, agencies of governments, or any representative of such entities, any rewards or benefits in violation of applicable laws or established business practices stricter than applicable laws, in order to obtain or retain business or to gain any other improper advantage.
- Our employees shall not accept payments, gifts or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in their business decisions.

Diversity

ComfortDelGro embraces diversity. We believe in creating an inclusive environment where our employees treat each other equally, honestly and with respect. We want to nurture a culture where diverse perspectives can help drive our Group forward.

We strive to provide a fair and supportive work environment for all our employees, regardless of their age, sex, marital status, sexual orientation, disability, race, colour, nationality, ethnic or national origin, religion, or affiliation to any political party or trade union. We aim to employ people who reflect the diverse nature of society and we value each of our employees for the contribution they make, both individually, and as part of the Group.

Our policy applies to recruitment and selection, terms and conditions of employment including pay, promotion, training, transfer, references and every other aspect of employment.

Economic Performance

ComfortDelGro believes in creating long-term economic value for our Shareholders as well as the key Stakeholders by adopting responsible business practices and growing the business in a sustainable manner.

Details of the Group's economic performance for 2015 can be found in our Annual Report 2015.

Energy Use and Air Emissions

The ComfortDelGro Group is committed to managing and minimising the impact of our business operations on the environment. Our commitment to the environment is steadfast. 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.

We endeavour to continue to improve the management of our environmental impact by reducing resource usage and minimising waste. We are firmly committed to investing in new, more environmentally friendly vehicles, so as to reduce our emissions footprint.

Health & Safety

As a land transport Group, managing the health and safety of our customers, our employees and the public is not just a priority, it is a necessity. With close to 46,650 vehicles plying the roads in seven countries, we have in place stringent checks, systems and processes to ensure that health and safety is never compromised. We have also invested heavily in training and retraining courses, run safety awareness and training programmes to instil and reinforce a safety and security conscious culture in employees at all levels. This safety focus continues to be strongly reflected in the Group's policies, procedures and training.

Labour-Management Relations, Employee Engagement

Our people are undoubtedly our most valued assets. Without them, we would not be where we are today. Indeed,

we strongly subscribe to the view that a happy and motivated workforce will ultimately translate into happy and satisfied customers. In the long run, this can only result in growth for the organisation.

To this end, we provide equal opportunities to our staff, invest in comprehensive training to develop them to their maximum potential and engage them actively in what we do. Significantly, as an employer, we ensure that all terms and conditions of employment, along with policies and procedures, comply with relevant regulations.

Local Communities

ComfortDelGro is committed to community contribution in all the geographies we operate in. We actively reach out in various areas including education, welfare, disaster relief and health.

Public Policy and Regulatory Framework

ComfortDelGro engages with Governments at many different levels to help shape public policy and regulations that support the land transport sector. We also work closely with Regulators, Association Partners and Unions on issues which affect our business and our Stakeholders.

Employee Training

ComfortDelGro invests continually in our employees to develop their skills and talent. We ensure that our employees understand their responsibilities and are given access to necessary training to equip them to do their jobs better.

While most of the material issues are relevant to all our Business Units, issues like Public Policy, Accessibility and Local Communities are most relevant for our bus and train businesses. Environmental material issues are of highest significance for our bus, train and taxi businesses.

THE GREEN STATEMENT

The ComfortDelGro Group of Companies aims to minimise the impact of its activities on the Environment by ensuring continuous improvement in environmental performance whilst bearing in mind prevailing technical and operational constraints. The Group is also committed to complying with all statutory and regulatory requirements.

Our overall goal in environmental management is to minimise the harmful effects of our operations across Singapore, United Kingdom, Ireland, China, Australia, Vietnam and Malaysia on the environment.

By striving to reduce the environmental footprint of each passenger journey, ComfortDelGro can contribute to reductions in air pollution from road transport and carbon dioxide emissions. A complete elimination of harmful emissions is, however, not possible and we will explore how best we can offset any negative impact we have on the environment.

We endeavour to continue to improve the management of our environmental impact by reducing resource usage and minimising waste. We will continue to make ongoing investments in new vehicles so as to reduce our emissions profile. We will also continue to support research into alternative fuels.



ENVIRONMENT

ComfortDelGro Taxis rolled out
150 Euro 6 limousines in
May 2015

SBS Transit's trial of two hybrid
buses recorded fuel savings from
23% to 25%
during trial

84%
of SBS Transit's buses are
at least Euro 4 or better

First Inspection Passing Rate
for ComfortDelGro Taxis:
99.5%

The ComfortDelGro Group is committed to minimising environmental impact. In fact, the very nature of a large part of our business is to try to steer communities away from the use of private cars. We are continually looking at ways to manage and minimise the impact of our business operations on the environment. Our commitment to the environment is steadfast. 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.

We endeavour to continue to improve the management of our environmental impact by reducing resource usage and minimising waste. We are firmly committed to investing in new, more environmentally friendly vehicles, so as to reduce our emissions footprint.

We effectively manage energy efficiency, air emissions, waste and water consumption. Our environmental policy has been implemented for close to a decade under the supervision of our Green Committee, involving Senior Management and all relevant Business Units/Central Functions. ComfortDelGro compiles the necessary data and reviews its performance regularly, deciding on and implementing improvement measures.

Our longer term environmental goals are:

- To improve our emissions profile per passenger journey and per passenger kilometre;
- To reduce waste and to increase the proportion of waste reused/recycled;
- To improve the environmental management standards across the Group;
- To continue to encourage and promote the use of public transport so as to ensure a modal shift away from car use;
- To continue to support initiatives on research and trial the use of alternative fuels;
- To continuously work at inculcating and strengthening the Green Culture amongst the staff.

To achieve this, we will:

- Identify, assess and actively manage all material aspects of our environmental impact;
- Continually improve the environmental performance and minimise impact through resource and energy management and pollution prevention;
- Manage our carbon footprint and energy consumption through use of technology, process improvements, energy optimisation and other efficiency measures; and
- Adopt plans and measures throughout our operations and infrastructure to mitigate the longer term risks of climate change.

These goals and strategies are clearly outlined and displayed in all our offices to motivate our staff.

Vehicle Emissions Profile

ComfortDelGro has always been among the first adopters of the Government's Green Policies in deploying suitable vehicles for service in support of the environment.



All of
ComfortDelGro
taxis are
environmentally
friendly

For example, ComfortDelGro Taxis registered its first Euro 5 Hyundai i-40 taxi in August 2013. It also became the first taxi operator in Southeast Asia to roll out Euro 6 limousines in May 2015, several years ahead of the Government's deadline of January 2018 for diesel vehicles to meet the Euro 6 standards.

The 150 limousines come with Adblue tanks that help reduce harmful emissions by transforming 90% of the nitrogen oxide into environmentally friendly particles such as water and nitrogen. They also emit only 124g of carbon per kilometre compared to 129g/km for the Euro 5 and 132g/km for the older Euro 4 models. The carbon emissions from the newer fleet with better emission standards, as shown below, is also lower:

- Euro 4 Hyundai Sonata – 184g/km
- Euro 5 Hyundai i-40 – 159g/km

ENVIRONMENT

As at December 2015, our taxi fleet comprised 70% Euro 4 taxis, 29% Euro 5 taxis and 1% Euro 6 taxis.

Our bus fleets are also environmentally friendly. In 2008, SBS Transit became the first operator in Asia to purchase Euro 5 European Enhanced Environmentally Friendly Vehicles (EEV) buses, which reduce the emission of unburnt hydrocarbons by 46% as compared to the standard Euro 5 models. In 2010, SBS Transit started a trial of two hybrid electric buses. This was a first in the Singapore public transport industry. Fuel savings ranging from 23% to 25% was recorded during the trial period. That same year, a brief trial was also conducted with a hydrogen fuel cell bus. In 2015, SBS Transit trialled a hybrid bus for a second time, and added another 348 Euro 5 double deck and single deck buses to its fleet.

By end of 2015, about 84% of SBS Transit's entire bus fleet in Singapore, translating to about 3,070 buses, was labelled Euro 4 or better. The average age of its bus fleet was 5.6 years compared to 5.7 years in 2014.

Our buses covered more ground – from 239,707,645km in 2014 to 251,038,943km in 2015. An increase in passenger volume meant we added more double deck buses to our fleet, resulting in greater energy consumption per kilometre, but a reduced energy consumption per passenger journey.

Our other Business Units in Singapore also added to their fleets. ComfortDelGro Bus replaced 32 of its older buses with Euro 5 buses and ComfortDelGro Driving Centre more than doubled its fleet of Euro 4 vehicles during the year.

We do not just buy Green Vehicles, we also work hand in hand with our vehicle manufacturers and fuel suppliers in the field of Green Engineering, providing them with valuable feedback with regards to the engineering performance of prototype vehicles and fuel technologies.

ComfortDelGro is also committed to ensuring that harmful emissions of all vehicles are minimised as far as possible.

Our subsidiary, VICOM, operates a S\$5.8 million facility that can conduct vehicle exhaust gaseous and particulate matter emission tests in compliance with Euro 5 or more stringent exhaust emission standards. The VICOM Emission Test Laboratory works closely with the Authorities to ensure that newly registered diesel and petrol-driven vehicles, as well as motorcycles and scooters comply with the more stringent emission standards that was implemented in 2014. As a partner of the National Environment Agency's (NEA) Programme for Environmental Experiential Learning, VICOM

also helps to demonstrate the importance of regular vehicle inspections to road users and overseas regulators which ultimately helps to ensure that vehicles comply with the fuel emission standards.

Since 2005, VICOM's wholly-owned subsidiary, SETSCO, has been providing testing and auditing services for the Singapore Environment Council's (SEC) Singapore Green Labelling Scheme. This label endorses consumer products and services that have a smaller carbon footprint in the environment.

Greenhouse Gas emissions from fuel and electricity for our businesses was 1,120,332 tonnes CO₂e in 2015 including fuel and electricity for our public scheduled and private charter buses, trains, automotive engineering, taxis, driving centre and car rental & leasing as well as corporate businesses.

Fuel Efficiency

Being in the land transport business, fuel efficiency ranks high on our priority list. This is especially important given the amount of time our vehicles spend on the road. Most of our taxis, for example, run practically non-stop as the bulk of them operates on dual shifts.

We estimated that our corporate business, public scheduled and private charter buses as well as taxis used 390.1 million litres of fuel in 2015.¹

With advancements in vehicular technology, ComfortDelGro Taxis has been deploying taxis with smaller engine capacities, without compromising on performance. The two-litre Euro 4 Hyundai Sonata taxi has, for instance, been replaced by the 1.7-litre Euro 5 Hyundai i-40 model.

TABLE 1: ELECTRICITY CONSUMPTION

Electricity Consumption (kWh)	2014	2015
Total	227,272,705	259,790,516

The vast majority of our electricity consumption is used for operating trains. Electricity consumption in 2015 increased by 14.3% (Table 1) as a result of an increase in businesses and better data coverage.

¹ This estimate includes the actual diesel consumption by our public scheduled and private charter buses as well as taxis. It excludes the fuel consumption of vehicle fleets belonging to our driving centre and car rental & leasing businesses.

Rigorous Maintenance

The saying goes that prevention is better than cure. This is certainly true for vehicles and machinery. Indeed, vehicles that are operating at less than optimal level tend to emit more harmful emissions. This is why we have a rigorous maintenance regime in place.

In the case of ComfortDelGro Taxis, all taxis are sent to the workshops on a monthly basis for preventive maintenance. As a result, we have been achieving an average of 99.5% first Inspection Passing Rate for our fleet against the Land Transport Authority's (LTA) Quality of Service standard of 98%.

ComfortDelGro Engineering has been working with Shell Petroleum Singapore since 2012 to test a new form of automatic transmission fluid aimed at extending the fluid change interval for Hyundai Sonata taxis from the usual 40,000km to 80,000km. The aim is to reduce the amount of downtime for taxi drivers as well as the cost and impact on the environment.

Our buses are also put through a very strict maintenance schedule. This involves preventive maintenance based on mileage travelled and a monthly safety check.

For single deck buses, preventive maintenance is carried out every 30,000km which works out to be once every four months. Double deck buses are put on an even tighter schedule given their weight and are checked every 15,000km, or about once every eight to 10 weeks.



SBS Transit buses achieved a **100%** pass rate for the Roadworthiness Certification for 2015

In between these preventive maintenance checks, buses go through safety checks on all safety-related components like the brakes, exhaust and steering.

Under the LTA regulations, all buses have to go for half-yearly Roadworthiness Certification carried out by authorised inspection centres. This certification involves a series of checks, including steering, oil leakage, suspension system, corrosion, brakes and smoke emission. The bodywork of

buses is also checked for passenger safety and put through an emissions test. SBS Transit achieved a 100% pass rate for 2015.

Waste Management

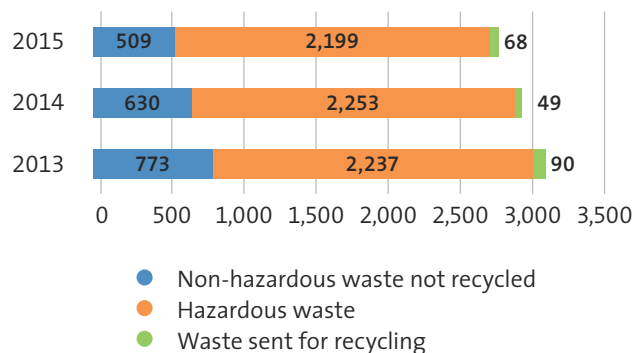
We have in place measures to manage waste. For example, ComfortDelGro Engineering has an automated Central Oil Management and Dispensing System, where technicians only need to disengage the hose and the system will do the rest. There is no mess, no spillage and no wastage. Better yet, the system eliminates the need for bottles and drums which were previously needed to store these fluids.

All waste from across our Business Units is collected by companies licensed by the NEA. This ensures that all hazardous items are responsibly disposed.

In 2015, our engineering business generated 2,776 tonnes of waste materials (Table 2), which includes batteries, engine oil, tyres, metal, drums, papers and cartons. The main cause of scrap reduction was the use of longer lasting transportation fluid and a reduction in taxi parts replaced given a younger fleet.

TABLE 2: WASTE DISPOSAL BY COMFORTDELGRO ENGINEERING

Waste (tonnes)	2013	2014	2015
Total	3,100	2,932	2,776



For SBS Transit, the waste disposal, also through a licensed NEA collector, is reflected in Table 3.

TABLE 3: WASTE DISPOSAL BY SBS TRANSIT

Waste (tonnes)	2015
Non-hazardous waste not recycled	360.0
Hazardous waste	305.6

ENVIRONMENT

In addition, 732 drums were disposed during the year. SBS Transit also sold old buses to a scrap merchant through a tender process.

Water

Given our fleet size, the most significant use of water in the Group pertains to the washing of vehicles. Given the limited supply of water in Singapore, we are fully cognisant of the need to be prudent.

TABLE 4: WATER CONSUMPTION

Water Consumption (m ³)	2014	2015
Total	1,613,670	1,854,305

Water consumption in 2015 increased by 14.9% (Table 4). This was a result of increased businesses and better data coverage.

Minimising Environmental Impact Across Our Offices

Our commitment to the environment involves recycling as well as reducing electricity and water consumption in our offices.



ComfortDelGro bought less paper and yet recycled more in 2015

Recycling bins are placed at strategic locations in our offices to encourage staff to recycle. We also organise recycling days where employees are encouraged to bring paper, plastic and cans from their homes for “deposit” into the bins. In 2015, a total of 48,730kg of paper was collected for recycling in Singapore – more than double the 21,850kg of paper recycled in 2014 and by far the most we have recycled in a single year. What is even more significant is that the volume of paper purchased as a Group has fallen

over the last five years – from 39,305 reams in 2011 to 30,906 reams in 2015. Effectively, ComfortDelGro consumed less paper but recycled more in 2015.

We have also leveraged on technology to improve the rate of energy consumption in our offices. For example, we devised the Energy Saving System which synchronises the control of lighting in the building with the employee pass security system. When the first employee “taps in” for the day, the lights in the essential work area are switched on automatically. And because each office space is demarcated into multiple zones, lights are only switched on when staff in those areas are “sensed” to be around. Similarly, when the last person leaves his/her workstation and taps out of the office, all lights in the essential work area will be switched off automatically.

We seek to engage staff in a range of environmental activities that were held in 2015, including participation in Earth Hour on 28 March and recycling pre-loved items through a garage sale on 5 June. A recycling effort in honour of Singapore’s 50th National Day where 1,000 plastic flowers and five “Trees of Hope” made up of painted recyclable bottles were made by staff for display at Chingay 2015.

ComfortDelGro has also actively encouraged staff to use water and electricity responsibly. Tips on how to save water, electricity and other resources – not just in the office but at home too – are regularly communicated to staff, either through emails or through notice board posters.

Awards and Accolades

ComfortDelGro first received the Eco Office Label from the SEC in December 2009. We were recertified in 2012 and then again on 23 October 2015.

VICOM and SETSCO each received the Eco Office Label in 2014.

SETSCO has also successfully obtained the ISO 50001 certification on Electrical Energy Management of Laboratory Operation from Certification International Singapore in June 2015. ISO 50001 Energy Management System (EnMS) standard is a globally accepted framework for managing energy, providing technical and management strategies for companies to increase energy efficiency, reduce costs, and improve environmental performance.

HEALTH & SAFETY

Total distance travelled in Singapore:

2,942.1 million km

Passenger injuries:

1.56/one million km

Accident Severity Rate:

29.66
(2014 Industry Average: 41.0)

Accident Frequency Rate:

1.71
(2014 Industry Average: 0.60)

The safety and security of our passengers and fellow road users rank high on our priority list, and we invest extensively in these areas. We have also invested heavily in training and retraining and run safety awareness and training programmes to instil and reinforce a safety and security conscious culture in employees at all levels. This focus continues to be strongly reflected in the Group's policies, procedures and training.

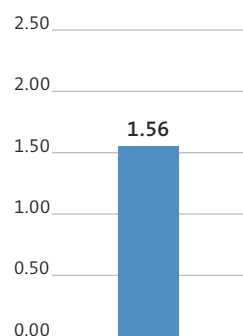
Year in Review

Road and passenger safety has, and will continue to be, a key area of focus for the Group.

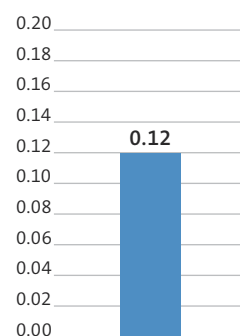
For the year ended 31 December 2015, the Group's vehicles in Singapore made trips totalling 2,942.1 million kilometres¹ – that is about 73,335 times round the globe². Accidents resulting in 548 injury cases translated into 1.56 passenger injuries per one million kilometres travelled in Singapore, or 0.12 injuries per one thousand journeys³. There were eight bus-related accidents which sadly resulted in fatalities. In terms of vehicle collisions, we averaged 0.70 collisions for every one million kilometres with a total of 2,066 collisions⁴.

In the workplace, the Group recorded zero workplace fatalities and a total of 72 non-fatal workplace injuries⁵, resulting in 1,251 lost days⁶ in 2015.

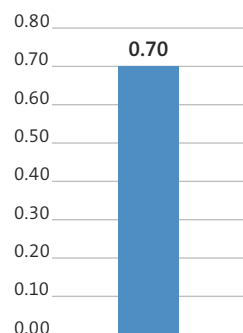
Of the 72 cases, a majority 71% involved male employees – similar to the proportion of male employees in the Group's Singapore operations. A very small proportion of incidents involved contract workers.



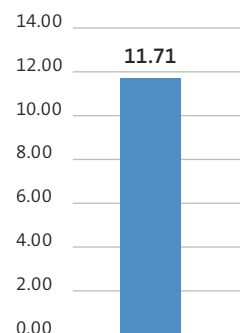
2015
PASSENGER INJURY RATE
PER MILLION KM



2015
PASSENGER INJURY RATE
PER THOUSAND JOURNEYS



2015
VEHICLE COLLISION RATE
PER MILLION KM



2015
VEHICLE COLLISION RATE
PER MILLION JOURNEYS

¹Excluding taxis, the total distance travelled was 352.03 million kilometres.

²Source: Universe Today (www.universetoday.com/26461/circumference-of-the-earth/).

³Excludes taxi passenger injuries.

⁴Includes accidents that involved our public scheduled and private charter buses and learner driver vehicles, as well as taxi accidents that were within the Land Transport Authority's Quality of Service (QoS) accident criteria. Excludes non-traffic accidents on board public scheduled buses.

⁵Does not include injuries of our taxi drivers which are not employees of the Group.

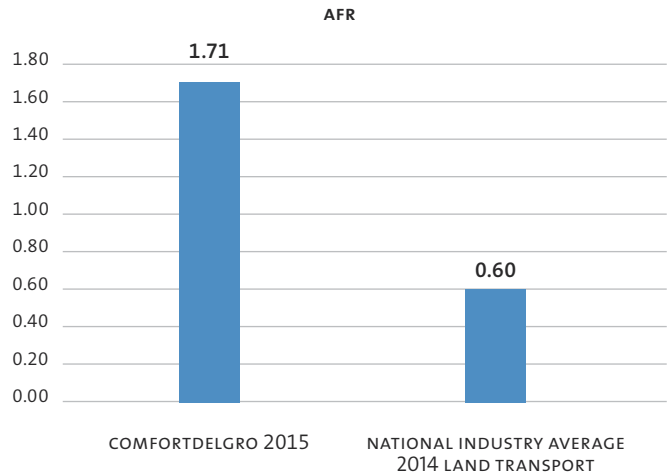
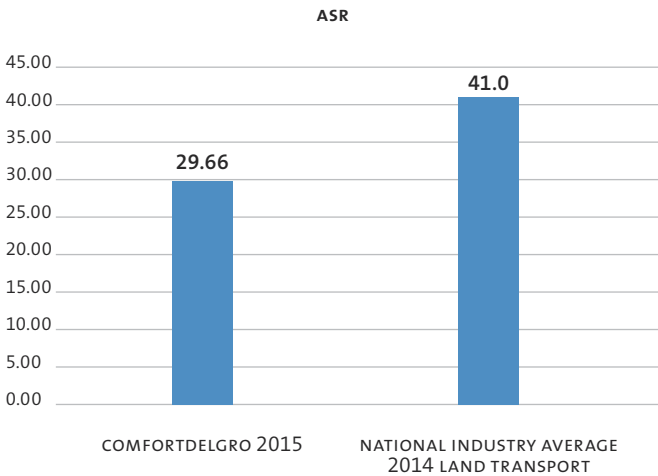
⁶Lost days are defined as days that could not be worked as a result of a worker or workers who are unable to perform the usual work because of an occupational accident or disease.

HEALTH & SAFETY

Analysing the data, we see that workplace non-fatal injuries involved mainly:

- Work-related Traffic⁷(40%);
- Cuts/Struck by or against Objects (21%); and
- Slips, Trips and Falls (17%).

Incident Types	Number
Work-related Traffic	29
Cuts/Struck by or against Objects	15
Slips, Trips and Falls	12
Exposure to Extreme Temperature/Harmful Substance	7
Caught between Objects	5
Assault	2
Fall from Height	1
Over-exertion	1



A comparison with the Singaporean Workplace Safety and Health Indicator by Industry showed that ComfortDelGro’s Accident Severity Rate⁸ (ASR) in 2015 of 29.66, was lower than the National Industry Average of 41.0 in 2014⁹. On the other hand, the Group’s Accident Frequency Rate¹⁰ (AFR) of 1.71 was higher than the National Industry Average of 0.60. We are working to reduce the AFR in 2016.

Workplace Safety & Health Committees

All our Business Units in Singapore have dedicated Workplace Safety & Health (WSH) Committees.

This decentralised approach is more practical in terms of engaging and intensifying staff engagement on the Business Units level. It also instils in them a sense of ownership over health and safety issues that arise from day-to-day operations.

Senior Management is actively involved in the WSH Committees. For example, VICOM’s WSH Committee, which comprises nine members, including a representative from each of its seven inspection centres, is chaired by a Management representative.

Similarly, ComfortDelGro Engineering’s nine-member WSH Committee is led by Management, which meets once every month to review health and safety issues. Another 8% or 60 staff are appointed Safety Captains to assist the Fire Safety

⁷A work-related traffic accident, as defined by the Singapore Ministry of Manpower, is any unintended event that causes bodily injury to a vocational driver or rider while he or she is driving any vehicle in the course of work.

⁸Accident Severity Rate refers to the number of man-days lost to workplace accidents per million man-hours worked.

⁹Source: Singapore Yearbook of Manpower Statistics 2015 by the Ministry of Manpower. Latest 2015 figures are not available as of print time.

¹⁰Accident Frequency Rate refers to the number of workplace accidents per million man-hours worked.

Manager in ensuring safety measures are complied with. Safety patrols are also conducted on a weekly basis.

SBS Transit has a Safety Steering Committee chaired by its Senior Management from its bus and rail businesses. The Committee is instrumental in promoting health and safety within the Company.

SBS Transit's rail business has two Senior Management Safety Committees for North East Line (NEL) and Downtown Line (DTL) in addition to the three separate WSH Committees for NEL, DTL and its Sengkang and Punggol Light Rail Transit systems.

ComfortDelGro Driving Centre also has an Accident Review Committee which was formed more than a decade ago to evaluate and assess accidents before providing counsel for preventive measures. The Committee has a high participation rate from its Management and staff.

ComfortDelGro Rent-A-Car has set up a Risk Management and Risk Assessment team in place of a WSH Committee.

Emergency Preparedness

To respond appropriately to potential emergency situations, our Business Units assess health and safety risks of their operations and take adequate precautionary measures.

For example, ComfortDelGro Driving Centre recognises risks in two particular service areas – fire hazard at its petrol kiosk and health risks due to the close proximity between driving instructors and their learners in a training vehicle. In response to these risks, ComfortDelGro Driving Centre has in place a Company Emergency Response Team (CERT) to deal with emergencies quickly and effectively.

Training, Protective Equipment & Check-ups for Prevention

ComfortDelGro constantly puts a high emphasis on training to safeguard and improve safety standards, both at the workplace and for our passengers. We also ensure that all staff are adequately protected with the proper protective gear depending on their vocation.

At SBS Transit, all new Bus Captains (BCs) undergoing basic training are schooled in safe and defensive driving. Training is intensive and spans between 31 and 52 days. Besides theory lessons, new BCs undergo practical training and have to pass the Class 4A driving test that is stringently administered by the Traffic Police before they are qualified to drive a bus. Upon completion of their training, BCs are then paired with Service Mentors, who would accompany them on their trips and share with them practical safety tips.

Experienced BCs are also sent for regular refresher training courses aimed at enhancing their safe driving skills. BCs are also regularly briefed and reminded to observe safe driving habits through case studies which involve actual accidents. Pedestrian Drills, Junction Drills and Bus Stop Drills exist to inculcate the importance of road safety. Random spot checks are conducted to ensure BCs religiously comply with these safety drills.

On top of these, BCs are also put through a mandatory "Driving Skills Enhancement Programme" to obtain an objective assessment of their driving competency with areas identified for improvement. This is done using technology based on the Vigil Vanguard System, which comprises motion sensors, cameras and mapping software. Our BCs' driving behaviour is closely monitored through Vigil's video recording function and shown to the BCs to help them improve.

ComfortDelGro Taxis carries out equally stringent screening of new taxi drivers, including going through their past safety records, before hiring out taxis to them. New taxi drivers have to go through an induction briefing, comprising basic service training and a module on defensive driving. They are also sent for auto transmission familiarisation training.

To incentivise taxi drivers to maintain an accident-free record, ComfortDelGro Taxis rewards them with No Claim Bonuses. Taxi drivers who are deemed to be accident-prone are sent for the defensive driving course at ComfortDelGro Driving Centre. Upon completion of the defensive driving course, taxi drivers' accident records are monitored for the next six months. Those involved in yet another accident within the six-month period will have their service contracts revoked. About 2.6% of ComfortDelGro's pool of 37,000 taxi drivers underwent the defensive driving course in 2015.

ComfortDelGro Driving Centre, which builds its entire business model on safe and responsible driving, conducts mandatory safety briefings for all students. Its Circuit Observation Programme requires Chief Instructors to observe circuit training and coaching methodology and to document any action that could compromise safety and quality standards. These observations are then shared with driving instructors at the instructors' dialogue sessions conducted at the end of each coaching session. The Centre also works closely with the Traffic Police to alter test routes that are deemed too dangerous for learners.

SBS Transit organises a Safety & Health Programme & Education event every year where guest speakers share their expertise in health and safety issues. Staff are also encouraged to share their experiences and insights.

HEALTH & SAFETY

SBS Transit’s bus and rail engineering staff are trained and qualified to perform their various jobs in accordance with the “Work at Height” regulation, which came into effect in May 2014.

Similarly, SETSCO staff who have to work at heights above three metres, are put through safety orientation courses organised by clients in the construction, shipyard, marine and oil/petrochemical sectors. Other courses such as risk management, first aid as well as forklift driving are also conducted for staff throughout the year. SETSCO employees, who are exposed to prolonged noise at volumes above 85 decibels, may be at risk of noise-induced deafness, while those in charge of radiographic testing could risk radiation over-exposure. To tackle the former, ear plugs or mufflers are issued to employees and breaks in between jobs are planned for. These employees are also sent for annual medical check-ups, which include hearing tests. In the case of radiographic testing, licensed staff are required to wear a thermo luminescent dosimeter (TLD) badge, which is submitted to the National Environment Agency every month, to ensure they are not overly exposed to radiation. Similarly, these employees are sent for annual medical check-ups to ensure that they stay in the pink of health.

VICOM vehicle inspectors, who have to deal with heavy machinery as part of their job scope, undergo a Technical Knowledge Evaluation examination to ensure that they are kept abreast of the latest advancement in vehicle technology as well as inspection rules and regulations. A new Safety Demerit Points System is currently in place to ensure that they comply with safety rules. Recognising that both vehicle inspectors and motorists could face the risk of slips, trips and falls, as well as accidents, VICOM had all inspection lane pit openings painted yellow for better visibility. This is in addition to the barriers and warning signs that are already in place. Walkways for motorists are also painted to clearly demarcate them from inspection areas.

ComfortDelGro Engineering sends its employees to health and safety courses accredited by the Singapore Workforce Skills Qualifications, a national credentialing system developed by the Singapore Workforce Development Agency and the WSH Council.

Elsewhere, our taxi companies in East China give accident-prone taxi drivers remedial training before they are back on the roads. In Vietnam, ComfortDelGro Savico Taxi cabbies attend traffic safety and safe driving courses.

In the United Kingdom, our Metroline drivers are provided with written and graphical information on routes in a further bid to make driving that much easier. Booklets identifying the characteristics, as well as risk assessments of routes, bus stands and garages are given to all drivers.

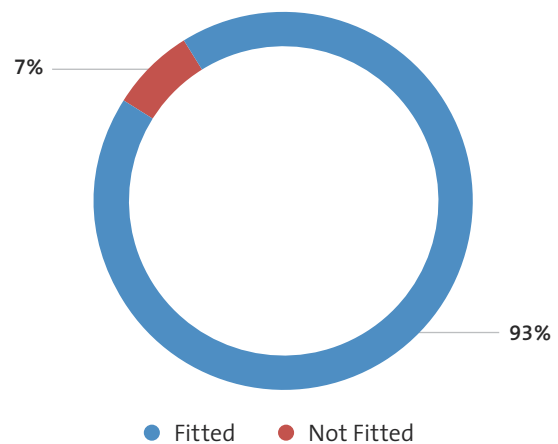
Preventive Maintenance Checks & Vehicle Inspection

Our vehicle fleets in Singapore undergo regular preventive maintenance checks. ComfortDelGro taxis are checked once a month, while buses are checked once every 45 to 60 days. Rental cars undergo six-monthly preventive maintenance checks. As part of regulatory requirement, vehicles that are at least three years old are inspected at VICOM to ensure they meet safety standards for roadworthiness.

Technology

At ComfortDelGro, we are always finding new ways to leverage on technology to improve the way we do things. Safety is no exception.

VEHICLES FITTED WITH CCTV OR IN-VEHICLE CAMERAS (%)



All 16,997 ComfortDelGro taxis in Singapore are, for example, fitted with an in-vehicle camera as an added safety and security measure. The taxi’s in-vehicle camera, which has special “low-light” recording functions, comes with a 140° focus lens and a 2.7” LCD screen. It is programmed to start recording once the engine is turned on and will do so continuously for up to four hours. Its sensor is also able to activate one-minute video recordings the moment it detects sudden shocks to the taxi. Video footage captured by these cameras has helped to reduce at-fault accident cases by about 5%. Plans are in the pipeline to replace the older cameras in 2016.



About **93%** of our vehicles in Singapore are fitted with CCTVs or in-vehicle cameras

About 58% of ComfortDelGro Driving Centre’s training vehicles come with an in-vehicle camera which captures footage for training purposes. More vehicles will be fitted with such cameras in 2016.

About 120 or 62% of our private charter buses and over 3,410 or 93% of our public scheduled buses are equipped with CCTVs. In all, about 93% of our vehicles in Singapore are fitted with CCTVs or in-vehicle cameras.

To further enhance road safety, our buses come with speed-limiting devices that help keep the speed of the bus to no more than 60km/h. Similarly, the Mobile Data Terminal (MDT) in our taxis comes with speed alerts that automatically prompt our taxi drivers to slow down when they have exceeded the speed limit.

ComfortDelGro Taxis and SBS Transit trialled the “Mobileye” on board 30 taxis and 70 buses respectively in 2014. 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 warning via a display unit to the driver. Based on data collected in 2015, more than half of the BCs whose services had “Mobileye” improved their driving behaviour when the system was turned on and more than two-thirds of them improved when they were coached. SBS Transit is looking at installing “Mobileye” in more buses in 2016.

To further enhance road safety, SBS Transit started trialling a newly-developed alert system by the Agency for Science, Technology and Research’s (A*STAR) Institute for Infocomm Research, the Land Transport Authority and IHI Corporation on 10 of its buses at a traffic junction of Jurong East for three months starting from January 2016. This system alerts BCs of the presence of pedestrians and vehicles when they are navigating traffic junctions.

Community Engagement

While the importance of safe driving cannot be emphasised enough, passengers and other road users also have a role to play in ensuring that roads remain safe.

For SBS Transit, commuter safety is enhanced through the use of priority seats reserved for elderly passengers, physically-disabled, or mothers-to-be. Passengers are also reminded to observe safe travelling habits through prominently displayed

safety posters and messages onboard buses, trains and stations. These include holding onto handrails and stanchion poles, and not running around onboard buses and trains.

The Group, through ComfortDelGro Driving Centre, SBS Transit and VICOM, engages the community through several road safety talks throughout the year.

ComfortDelGro Driving Centre conducted 675 hours of road safety talks to Primary 5 students in 2015 – 56% more than the year before. The number of secondary school students attending these talks, which focussed on pedestrian and cycling safety, also doubled to 6,550. Similarly, SBS Transit reached out to 37,150 students through 100 school talks and visits to our operations. VICOM also conducted talks on vehicle inspection and safety checks for both local and overseas regulators, schools and tertiary institutions at its inspection centres. A total of five talks involving some 200 participants were conducted by VICOM in 2015.

With the opening of DTL2 on 27 December 2015, SBS Transit conducted four community engagement programmes for the communities along the Line in collaboration with schools and the local constituency offices. It will conduct more of such sessions in 2016. It also carried out a one-month escalator safety campaign at the stations on the NEL, with special focus at the Chinatown Station, which sees a predominantly high proportion of elderly commuters.

Recognition

ComfortDelGro Engineering, SBS Transit’s Rail Operations and Engineering, Moove Media and SETSCO have successfully obtained the Occupational Health and Safety Management Systems (OHSAS) 18001:2007 certification – confirming that we have met international occupational health and safety standards.

ComfortDelGro Engineering and SETSCO have also successfully attained the bizSAFE Star award while ComfortDelGro Bus has been awarded the bizSAFE Level 3 award. SBS Transit is a bizSAFE Partner.

OUR STAKEHOLDERS AND PARTNERS



Various feedback channels are made available, and employees are equipped with the necessary skills and knowledge to provide customers with a

best-in-class experience



At Singapore Corporate Awards 2015, VICOM won the

Best Investor Relations Award (Bronze)

for companies with S\$300 million to S\$1 billion in market capitalisation

ComfortDelGro is guided by the principle of creating sustainable value for its Stakeholders – be they Customers, Shareholders, Employees, Partners or Regulators. [G4-24]

Key Stakeholders are identified as part of the Risk Management process, based on the extent in which they can affect or are affected by the operations of the Group. [G4-25]

Given the significant roles they play, ComfortDelGro reaches out actively to key Stakeholders through various channels.



Customers

Good customer service is a fundamental aspect of our business. In fostering a customer-centric culture, a “customer first” mindset permeates through the Group and a robust customer engagement process is adopted.

To this end, employees are equipped with the necessary skills and knowledge to provide customers with a best-in-class experience. Courses that are conducted include technical training courses like “Apply Workplace Safety & Health” and “Perform Maintenance in Electrical and

Electronic System” as well as service-centric training like “Demonstrate the Service Vision” and “Manage a Diverse Service Environment”.

Frontline staff in all our businesses actively engage customers through various means including outreach programmes where potential and existing customers are invited to visit our operations once every few months. We also reach out to our customers through information counters, hotlines, as well as monthly Meet-the-Managers sessions.

Customers are encouraged to send us their feedback through customer questionnaires, online feedback forms or via our service hotlines. Other than product and service enquiries, the key areas of concern amongst customers are safety, accessibility and the overall service experience.



Shareholders

We are committed to disseminating accurate and pertinent information to the marketplace in a timely manner as part of good corporate governance. Our Investor Relations (IR) programme balances regular, effective and fair

communications with Shareholders and the investment community with commercial sensitivities. The IR team works closely with Senior Management to proactively carry out this engagement programme.

During the year, the IR team met more than 330 groups of investors, analysts and equity sales personnel over nearly 200 meetings.

Besides face-to-face office meetings and conference calls, we also participated in 10 investor conferences and non-deal road shows in Singapore, Kuala Lumpur, Hong Kong and Tokyo. These provided access to a wide cross-section of investors from around the world. To broaden our outreach, we participated in the Singapore Exchange (SGX) Corporate Connect Seminar where we presented to over 200 retail investors.

We organised briefings for the media and sell-side analysts for the full-year results and conducted dial-in conference calls with sell-side analysts for other quarterly results. Three post-results luncheons were organised where we met fund managers based in Singapore.

ComfortDelGro attracts active research coverage from sell-side analysts and the stock is now covered by 13 local and international research houses. Some 140 reports on the Company and the industry were published during the year. The IR team has regular interactions

with the analysts to ensure a thorough understanding of our business models and strategies, operations and financial performance.

Shareholders have the opportunity to interact with the Board and Senior Management at our Annual General Meeting held in our headquarters. Voting is by way of electronic poll for greater transparency in the voting process and the detailed results are announced immediately at the Meeting and subsequently released to the SGX.

All material announcements are posted in the IR section of the corporate website to ensure equal and timely access to information.

At the Singapore Corporate Awards 2015 held in July 2015, our subsidiary, VICOM, won the Best Investor Relations Award (Bronze) for companies with S\$300 million to S\$1 billion in market capitalisation.

At the Securities Investors Association Singapore (SIAS) Investors' Choice Awards 2015 held in October 2015, ComfortDelGro won the "Most Transparent Company Award" in the Travel, Leisure & Automobiles & Parts category.



Employees

With a global workforce of over 22,300, employee engagement is a critical aspect of our human resource management. Talent management and succession planning rank high on ComfortDelGro's priority list.

Through regular employee engagement programmes including seminars, training courses, quarterly newsletters and weekly dialogue sessions, we are able to encourage critical thinking and

innovation, build team spirit and groom the next generation of leaders.

Managers are empowered and encouraged to hold regular feedback sessions with their subordinates. The annual appraisal performance session serves as a platform for employees to discuss their work performance and map out their career progression. Common issues raised by employees include training and remuneration. More information can be found on pages 20 to 27.



Partners and Suppliers

We work closely with our partners and suppliers to ensure the smooth delivery of our services. We recognise our dependency on the timely delivery of key parts and components and the quality of our subcontractors. This is a key risk which we have identified and which we manage diligently. We also have in place detailed risk management contingency plans where needed.

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 a strict procurement policy which, among other things, conducts supplier assessment to ensure there is no adverse impact on society. Among other things, suppliers are required to have strict environmental policies, adopt fair employment practices, have clear health and safety policies, and adhere to strict anti-corruption policies.



Regulators

ComfortDelGro is firmly committed to complying with all legal and regulatory requirements.

As the provision of public land transport services is highly regulated, the Group, through our various Business Units, holds regular weekly dialogue sessions with the various regulators including the Land Transport Authority, the SGX, the National Environment Agency and the Ministry of Manpower.

A range of topics are discussed at such meetings, including unfolding trends, new technologies, safety, competition, environmental and accessibility issues.

Where regulators seek consultation in reviewing existing and emerging policies, we are responsive and strive to provide constructive feedback.

[G4-26, G4-27]

OUR PEOPLE

In 2015, the Group
employed 22,303 staff
– about 3% more than the previous year

ComfortDelGro staff comes from a
**diverse group
of nationalities,**
including Singaporeans at 28%

Our people are undoubtedly our most valued assets. Without them, we would not be where we are today. Indeed, we strongly subscribe to the view that a happy and motivated workforce will ultimately translate into happy and satisfied customers. In the long run, this can only result in growth for the organisation.

To this end, we provide equal opportunities to our staff, invest in comprehensive training to develop them to their maximum potential and engage them actively in what we do. Significantly, as an employer, we ensure that all terms and conditions of employment, along with policies and procedures, comply with relevant regulations.

Our people are guided by the common Vision which is “To be the world’s land transport operator of choice”. This is inculcated in all employees, from the moment they step through our doors – literally. At our Headquarters in Singapore, the Vision, Mission, Strategies and Core Values are carved in metal and prominently displayed in the lobby. Posters are also placed around the offices, in the lifts and in publications to serve as constant reminders of our corporate aspiration and how we must never sway from our core values of honesty, integrity and ethics.



Our Strategies for Success:



Look Beyond the Horizon

- Innovate and be receptive to new ideas and opportunities
- Solve problems in a prompt and effective manner
- Anticipate and embrace change

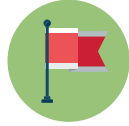
Do the Right Things – Right

- Never take our eyes off the ball
- Deploy people and assets for value enhancement
- Admit and learn from mistakes

Grow Our Talent Base

- Set the performance bar above industry norms
- Give credit where credit is due
- Reward equitably

Our Core Values:



Results Orientation

We will:

- Set challenging goals
- Focus on results
- Identify and solve problems
- Have a sense of urgency and ownership



Integrity and Ethics

We will:

- Conduct our affairs in a manner consistent with the highest ethical and professional standards
- Engage in fair and honest business practices
- Show respect for each other, our customers, business partners, suppliers, shareholders, the authorities and the communities we operate in
- Communicate in a factual, honest and prompt manner
- Be open and transparent in our dealings
- Exhibit strong environmental stewardship



Commitment

We will:

- Anticipate our customers' needs and constantly upgrade ourselves to provide them with outstanding service
- Foster an environment of trust by engaging the communities we serve
- Reward our shareholders by delivering steady and sustainable results through growth in our businesses
- Care for our staff by providing a challenging environment with ample opportunities for growth and development. Build on staff capabilities through effective recruitment, training and career planning so as to develop their full potential. Promote teamwork, initiative and creativity
- Stay committed to the authorities by complying with regulatory requirements



OUR PEOPLE

Diversity with Equal Opportunities

At ComfortDelGro, we believe that diversity in the workplace is fundamental to growth and professional development. It benefits not just the individual, but the Company as well, exposing the individual to different ideas, skills, views and attitudes. A diversified workforce – whether in terms of gender, race or nationality – is also more attractive to new talent.

In 2015, the Group employed 22,303 staff – about 3% more than the previous year. As a global group with operations in seven countries, we have a broad mix of nationalities among our staff, with Singaporeans accounting for 28%. The major nationalities include Malaysians at 22%, British at 14%, Australians and People's Republic of China nationals at 10% each.

In Singapore, we have 12,494 permanent employees across our different Business Units. In addition, we have another 191 employees who are on part-time contracts, bringing the total staff strength to 12,685. Separately, we have another distinct but significant group who are the taxi drivers. Comprising about 37,000 individuals, they are not employees but are customers who hire their vehicles from us.

We have an all-inclusive work culture, with people of different ages, ethnicity and gender working together in harmony. Indeed, our workforce reflects the diversity of the communities we operate in, helping us to better serve our customers. In fact, the composition of our employees' ethnicity mirrors that of Singapore's population profile – 73% of our staff are Chinese compared to 76% in the population; 14% are Malays versus 15% nationally and 9.7% are Indians versus 7.4% locally.

Operating in a multi-cultural country, we respect and celebrate ethnic diversity. For example, on the eve of Deepavali which is a major Indian festival, our Indian employees enjoy early release from work to prepare for their celebrations. This practice is also observed for the other major festivals of the different ethnic groups. During company-wide national celebrations such as Singapore's annual National Day Observance Ceremony, the entertainment and sing-along session are representative of our four major ethnic races.

With diversity in our workforce, it is essential that we also offer equal opportunities for our employees to grow. In this regard, 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 ensure that employees are selected based on merit and competency.

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 who may be at heightened risk of becoming vulnerable

or marginalised. We believe that regardless of age, sex, marital status, sexual orientation, disability, race, colour, nationality, ethnic or national origin, religion, or affiliation to any political party or trade union, all our staff should be treated equitably and given fair opportunities to grow and develop in accordance to their levels of competence. Accordingly, our remuneration is pegged to competency and market competitiveness. For instance, in 2015, all Singaporean Bus Captains (BCs) start off at a basic salary of S\$1,775, regardless of race or age.

We believe that with a fair, supportive and inclusive workplace, our people will be able to perform to their full potential. This is why we have pledged our commitment to adhere to fair employment practices and are a member of the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP), a national agency that is helmed by the National Employers Federation and the National Trades Union Congress (NTUC). We adhere to the five key principles of fair employment practices – recruiting and selecting employees on the basis of merit, treating them fairly and with respect, providing them with equal opportunities for training and development, rewarding them based on their ability, performance, and contribution and abiding by labour laws and the Tripartite Guidelines.

In employee recruitment, our advertisements do not mention age, race, gender or religion as a job requirement. At the interviews, applicants are not required to state their race, religion and marital status as they are assessed on competency and suitability.

Older workers have, and continue to be, a valued part of our workforce. They tend to be mature, reliable and bring a wealth of experience with them. To this end, we have raised our retirement age to 67 years old – five years more than the legislated 62 years old. Employees can opt for retirement at 62 or continue until they are 67. Although it is permissible by law to reduce their pay once they reach the legislated retirement age, our older employees continue to enjoy the same benefits and compensation as they had before if they continue to work in the same job. Those who retire at 67 but are assessed to be still medically fit and are willing to continue working are offered annual contracts, subject to availability of such positions. In 2015, close to 15% of our workforce in Singapore, or 1,844 of them, were at least 60 years old.

We strongly subscribe to zero tolerance for discrimination at the workplace, with no report of any discrimination lodged against the Company in 2015.

Employee Engagement

We believe that engaged employees are motivated to do better. This is good not only for their own development, but for the Company as well. For this reason, ComfortDelGro actively engages its employees through various platforms and avenues.

At the start of every year, our Chairman and Managing Director/Group Chief Executive Officer meet Senior Management at a breakfast meeting where they lay out the challenges that are expected in the months ahead. Action plans and strategies are also discussed at this annual meeting.

Regular briefing sessions are organised by Management to share information and align business goals and objectives with employees.

At the operational level, employees attend meetings and briefings on a regular basis. These are complemented by workshops, seminars and conferences. The frequency varies depending on the need. For instance, managers from the bus operations attend quarterly briefings to be updated on key issues and concerns as well as changes that will be rolled out in the months to come. For BCs, briefing sessions on safety and customer service are conducted once a month throughout the various interchanges and depots. Our technicians at the various workshops also attend the daily 'toolbox' sessions conducted by their supervisors to be updated on the work schedules of the day.

Our Bus and Rail Business Unit in Singapore also holds annual employee communication sessions to enable Senior Management to communicate and interact with staff. At these sessions, information on the unit's performance, key business focus and directions are shared with staff. Employees can also ask the Chief Executive Officer (CEO) questions during the Question-and-Answer session.

On information related to human resource matters such as terms and conditions of employment, policies and benefits,

these are available in the Employee Handbook which is given to all staff on their first day of work. They are also available on the Group's intranet.



Employees who have stayed at their jobs for between 15 and 35 years are recognised at every five-year interval through the

Long Service Awards

and years of contribution through the Long Service Awards where a certificate and a monetary gift are presented.

Besides dialogues and sharing of information, we also believe in recognising staff for their contributions. Employees who have stayed at their jobs for between 15 and 35 years are recognised at every five-year interval for their loyalty

Apart from this, employees who provide quality service to customers receive recognition for their good efforts. Internal awards include Employee of the Month and CEO commendation awards which are held quarterly as well as annually by the different Business Units. External awards include National Kindness Award-Transport Gold, which is an industry award, and the Excellent Service Award, which is a national award. In 2015, 217 ComfortDelGro staff out of a total of 417 award recipients received the National Kindness Award-Transport Gold where the Minister of Transport was the Guest-of-Honour at the ceremony.

On a global level, ComfortDelGro also recognises employees who have gone beyond their call of duty to carry out their jobs. We have been conferring the annual Passion! Award on deserving employees since 2008. The winner is flown into Singapore¹ for the presentation of the Award and also given an all expenses paid trip to Singapore or one of the other six countries we operate in – depending on where the winner hails from.

More than just work, we also seek to create a positive environment for our people where they can have fun and de-stress. Monthly birthday celebrations, annual Dinner and Dance, department lunches and excursions to places of interest are some of the activities organised. These activities also serve to foster friendships and closer ties among colleagues and facilitate better working relationships.

To promote a healthy lifestyle, lunch talks, bowling competitions, cross-country runs, yoga and Zumba sessions as well as weekly brisk walking and jogging sessions are held for the benefit and enjoyment of staff. Certainly, having healthy employees is important to our productivity.

We have also gone a step further by working with the Health Promotion Board (HPB) and the Union to conduct voluntary employee health screenings. Participants also receive coaching on how to eat and live better where their progress is tracked to encourage positive change. Operators of the staff canteens also chip in by offering healthier food options. This health screening and intervention programme is also extended to our taxi drivers although they are not our employees.

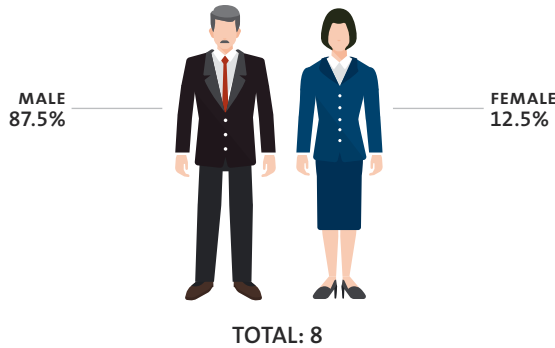
In 2015, our Singapore Taxi Business Unit received the Gold Award at the Singapore HEALTH Awards 2015 organised by the HPB. It also received the Singapore Human Resource Award 2015 in the Quality Worklife, Physical and Mental Well-being category which was organised by the Singapore Human Resource Institute.

¹Except for when the winner is from Singapore.

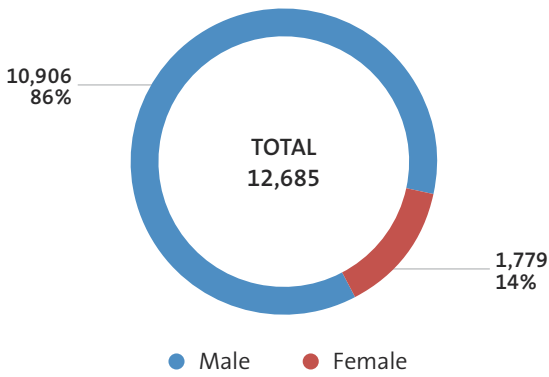
OUR PEOPLE

OUR PEOPLE AT A GLANCE*

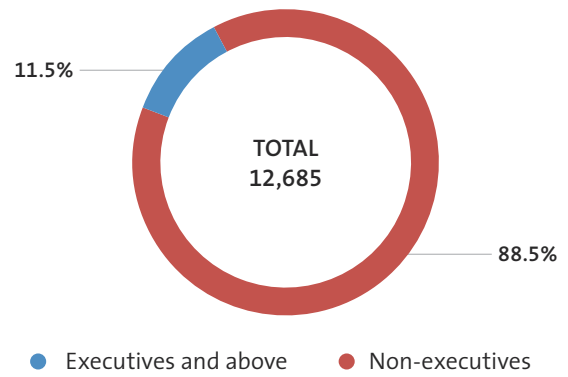
Board of Directors by Gender (Please refer to page 48 in the ComfortDelGro Annual Report for the Board's composition.)



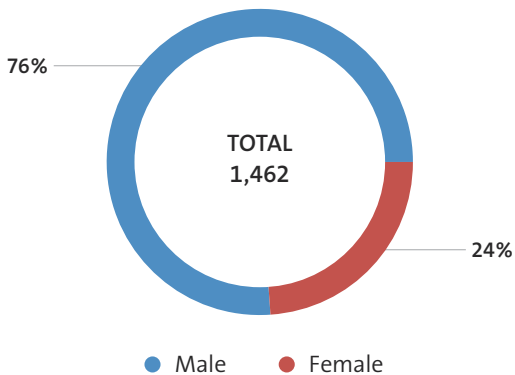
Employees by Gender



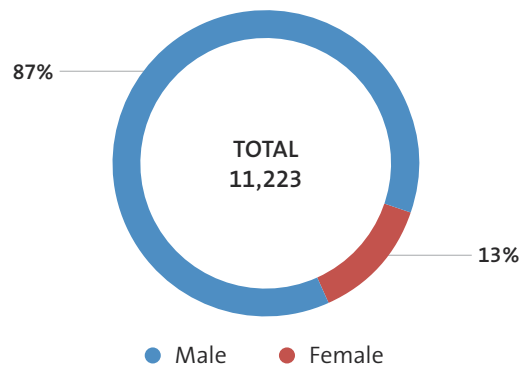
Employees by Category



Executives and Above by Gender

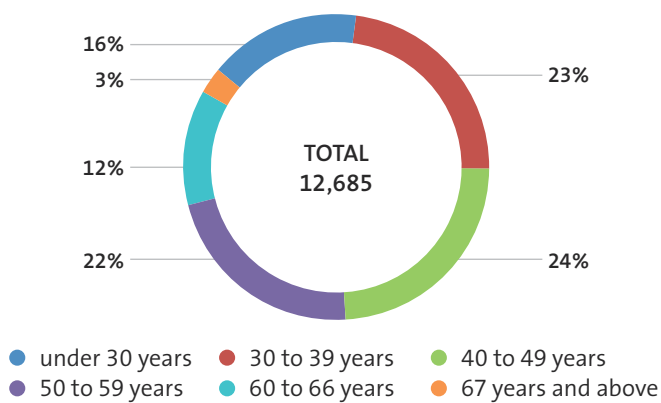


Non-executives by Gender

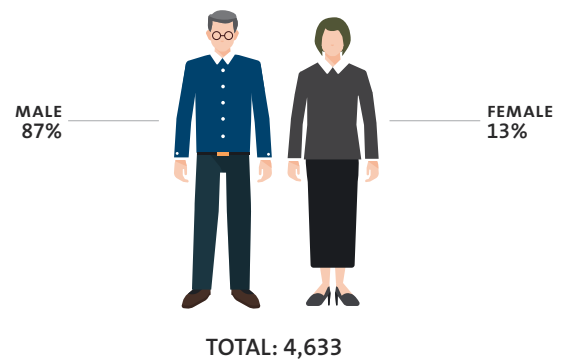


* For Singapore operations only

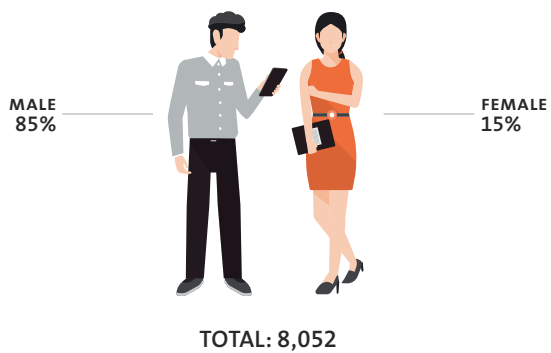
Employees by Age



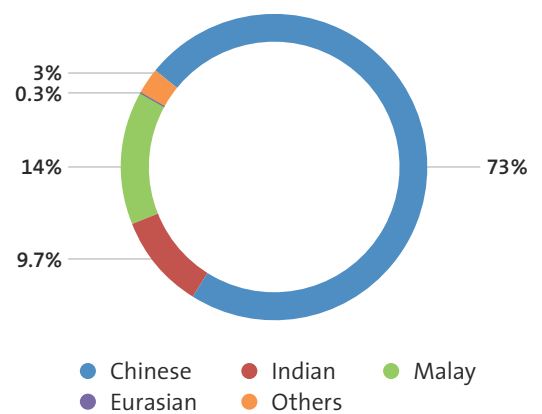
Employees by Gender over 50 years old



Employees by Gender under 50 years old



Employees by Ethnicity



* For Singapore operations only

OUR PEOPLE

Caring for our employees also extends to their family members. Bursary awards and scholarships are presented to the children of our staff who are in primary school up to university level. Besides children of BCs and rail employees, this scheme is also offered to those of our taxi drivers. For 2015, 703 children of our employees in our Singapore Bus, Rail and Taxi Business Units received over S\$182,000 in study awards to encourage them to

continue in their studies. In China, Nanjing ComfortDelGro Dajian, Nanning Comfort Transportation and Suzhou Comfort Taxi collectively contributed a total of S\$19,611 to their cabbies' families, while Chongqing ComfortDelGro Driver Training donated S\$1,110 to aid a fellow colleague in need.

Employee Satisfaction Surveys are conducted once every two to three years. These are conducted in-house by the different Business Units and the identities of employees remain anonymous to encourage honest feedback. The most recent survey was conducted in 2015 involving our staff from our automotive engineering unit in Singapore. The findings indicate that 81.8% of respondents were happy working in the unit, up from 78.4% in 2012. The next survey to be conducted will involve our Bus and Rail Business Unit employees in Singapore in 2016.

Labour-Management Relations

ComfortDelGro believes in developing and sustaining a harmonious tripartite labour-union-management relationship. In fact, labour relations is a key function of daily life in the organisation.

In Singapore, bargainable employees are represented by the National Transport Workers' Union (NTWU) which is affiliated to the NTUC – a national confederation of trade unions. 75.3% of our staff in Singapore are covered by Collective Agreements. With the extension and expansion of scope of coverage by the NTWU, and in the spirit of Tripartism, ComfortDelGro recognises NTWU as the collective representative body for our executives in the different Business Units in Singapore. Since June 2015, executives have also opted to join the Union which can now make representations on their behalf with changes to the labour laws. In October 2015, the Pro-tem Committee for the Professionals, Managers and Executives Branch was formed.

Working hand in hand in the spirit of mutual respect and trust, Management and Union constantly collaborate to improve the welfare and well-being of employees. To ensure that communication channels are always kept open, employees are elected and appointed union representatives by union members to provide the crucial link between Management and Union.

Our Collective Agreements with the Union are renewed once every three years. When there are major changes to working conditions due to operational requirements, the changes to be effected are always first discussed with the Union. It is only when an agreement or a consensus is reached that the changes are announced for implementation. A reasonable time frame of between one and three months' notice is typically given to the affected staff and are communicated officially in writing through letters, circulars or emails. Briefing sessions are organised to communicate any changes where needed.



The Group's Singapore Bus and Rail Business Unit received the prestigious

NTUC Plaque of Commendation (Star) Award

in 2013, becoming the first Public Transport Operator to receive this honour

For promoting good labour-union-management relations, the Group's Singapore Bus and Rail Business Unit received the prestigious NTUC Plaque of Commendation (Star) Award in 2013, becoming the first Public Transport Operator to receive this honour. This Award launched in 2006 by the NTUC honours organisations which have made significant contributions in promoting

good labour management relations over the years. Since its inception, only 11 companies have been conferred this honour.

Training and Talent Development

ComfortDelGro invests continually in its employees to develop their skills and talent. We ensure that employees understand their responsibilities and are given access to necessary training to equip them to do their jobs better.

For non-executive staff, training is structured to cater to operational needs where the subjects cover technical aspects, regulatory and safety and soft skills. These include Class 4 and 5 driving, defensive driving, preventive maintenance, report writing and customer service training.

Executive staff attend training sessions which are aimed at enhancing their functional knowledge as well as skills in finance, decision-making, leadership and people management. They also attend training to implement regulatory and key

management programmes such as Occupational Health and Safety, Business Continuity Planning and Enterprise Risk Management.

We also sponsor employees in specialised areas. For example, we sponsored five employees to undertake a part-time two-and-a-half year Diploma programme in rail engineering to help raise their skills levels.

Our Bus and Rail Business Unit in Singapore has been successfully certified in achieving the People Developer Standard which is the national mark of excellence for staff training and development since 1999.

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In 2015,
our employees averaged
**19.8 hours
of training**

In 2015, our employees averaged 19.8 hours of training. Male employees clocked in 27.4 hours of training while female employees, who generally worked in the support departments, attended 7.6 hours of training on average.

For executive level staff, they received on average 16 hours of training while non-executive level staff attended on average 37 hours of training.

All employees receive performance and career development reviews at least once a year. We practise an open system in our employee appraisals where the supervisor conducts a one-to-one review with the staff based on his/her performance.

Employees are assessed based on their competency and contributions while executive level staff are also measured on their achievement of their key performance tasks and targets.

As part of our rigorous process, to ensure a steady pipeline of quality management staff, our high-performing staff are 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 are also actively involved in the assessment and recruitment of high potentials.

We also have in place various programmes and processes that focus on key areas, including building management bench strength, talent management, succession planning, performance management and compensation and benefits. In addition, we have established a cross-business unit and off-line mentoring initiative among our high-performing employees.

We believe that our holistic approach in managing and engaging our talent will result in a more sustainable pipeline of future leaders who are committed, dedicated and able to achieve greater performance. Their enhanced development will give them the necessary organisational perspectives and adept leadership abilities to deal with the increasingly complex and competitive business environment.

REACHING OUT



ComfortDelGro Taxis made about
64,200 subsidised
trips for HWA



The Group has donated a total of
S\$1.49 million
to NTUC Eldercare over a decade

At ComfortDelGro Group, community engagement is not just a catchphrase. It is an integral part of our moral fabric – closely intertwined with everything 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 – in tandem with our business.

We believe that business should not just be governed by the mind – but the heart and soul as well. We do this not just because it is the right thing to do but because we care.

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

The nature of our business involves community engagement in most of our operations. But even as we deliver services to the communities, we are also mindful of any potential negative environmental or safety impact that may result from the roll-out of our operations, particularly the bus and taxi businesses. To this end, we have, and continue to take, preventive measures including investing in environmentally friendly vehicles as well as stepping up

safety checks and training. We also reach out to the communities by conducting safety talks.

Accessibility

To attract an even wider range of customers, we have invested substantially in wheelchair friendly buses that are capable of transporting persons-in-wheelchairs (PIWs) safely and comfortably in Singapore. In fact, our 75%-owned subsidiary in Singapore, SBS Transit, was the first public transport operator in Singapore to offer wheelchair-accessible bus (WAB) services, and has invested over S\$1.2 billion in such buses since 2005. All wheelchairs, manual or motorised, are allowed on board if they are within the dimensions of 70cm in width and 120cm in length. All SBS Transit Bus Captains (BCs) of WAB services and ComfortDelGro bus drivers have been trained to operate the ramp and assist PIWs to board and alight from WABs.

In 2015, SBS Transit rolled out 25 additional WAB services, bringing the total number of such services that it operates to 195. This accounted for close to 91% of its basic bus services. The plan is for SBS Transit's bus services to be completely wheelchair accessible by 2018. Furthermore, SBS Transit works in partnership with the Guide Dog Association of Singapore to help visually-handicapped commuters familiarise themselves with the layout of different bus models in their fleet.

Our train lines have barrier-free facilities such as wider fare-gates

and lifts to help improve accessibility for wheelchair-bound commuters. There are also tactiles installed on the station walkways to guide the visually-handicapped as they make their way in and out of our stations. SBS Transit also conducts tours highlighting the barrier-free facilities at its new Downtown Line (DTL).

All 16,997 ComfortDelGro taxis in Singapore are able to ferry wheelchair-bound passengers. Limousine drivers are trained in the correct way to help PIWs. ComfortDelGro Taxis also works in close partnership with the Guide Dog Association of Singapore and has invited members and their guide dogs to attend taxi drivers' focus group sessions to help drivers feel more at ease with guide dogs. In addition, the profiles of guide dogs and their owners are published in the taxi drivers' newsletter to help them identify these special passengers.

We also reach out to the disabled by giving them free or subsidised rides.

For example, ComfortDelGro Taxis has, since 1999, provided subsidised taxi booking services to wheelchair-bound customers who qualify under the criteria set by the Handicaps Welfare Association (HWA). To-date, ComfortDelGro Taxis has made about 64,200 of these subsidised trips, translating into S\$340,000-worth of subsidies.

On 25 December 2015, ComfortDelGro Taxis donated 50 cents for every completed booking job to HWA. A total

of S\$30,000 was raised and channelled towards HWA's transportation needs, including ferrying members to work, school and to the hospital for their medical checks.

Separately, CabbyCare Charity Group (CabbyCare), ComfortDelGro Taxis' 260-strong taxi driver volunteer group supported HWA in its annual fundraising car wash event in April 2015.

During the year, CabbyCare also provided free trips to the physically-handicapped, such as the Singapore General Hospital's Amputees Support Group, Movement for the Intellectually Disabled of Singapore and Promisedland Community Services, for their outings. Other Business Units such as SETSCO helped raise funds for the Society for the Physically Disabled (SPD) through Christmas carolling.

Our international subsidiaries also reached out to the less fortunate in their communities. Nanjing ComfortDelGro Dajian, for example, gave free rides to the disabled on Disability Day, while Guangzhou Xin Tian Wei Transportation Development, Shanghai City Qi Ai Taxi Services, Chengdu ComfortDelGro Qing Yang Driving School and Chengdu Jitong Integrated Vehicle Inspection contributed over S\$100,000 to the Employment Fund for the Handicapped.

In the United Kingdom, Metroline became the first London bus operator to sign the Royal National Institute of Blind People's accessibility charter to ensure services are accessible to customers who have lost their sense of sight. Part of the campaign saw bus drivers 'swap' places with blind and partially sighted customers so that they could better understand the challenges these passengers faced when they commute by bus.

Society

Reaching out to the less fortunate is something that is close to the hearts of everyone at the ComfortDelGro Group. No action is too small and

no contribution too insignificant. The Group continued to care for the poor and needy, the elderly and the sick, donating over S\$1 million in 2015 to various charities and welfare organisations.

Supporting the Needy

In celebration of Singapore's 50 years of nation building (SG50), we organised the "ComfortDelGro Celebrates SG50" Charity Drive on 14 May 2015 to raise S\$500,000 for Lions Befrienders Service Association (Singapore) (Lions Befrienders), HWA, Cerebral Palsy Alliance Singapore and the Singapore Association of the Visually Handicapped.

A total of 50,000 little red dots, which drew inspiration from the affectionate term that has been used to describe Singapore, were sold at S\$10 each at selected ComfortDelGro premises as well as Singapore Petroleum Company's pump stations islandwide. Miniature little red dots, in the form of key chains, were also sold at all SBS Transit bus interchanges as well as train stations along the North East Line and DTL, raising another S\$100,000 in the process.

SBS Transit also gave S\$2.6 million of free bus and train rides on 9 August 2015 as part of the SG50 celebrations. This came on top of the S\$5.5 million that was handed out to lower income households earlier in the year.

In 2015, ComfortDelGro Taxis and CabbyCare volunteered with Willing Hearts, a non-profit organisation that operates a kitchen which distributes daily meals to the needy. SETSCO also teamed up with Willing Hearts to prepare cooked meals for the needy.

CabbyCare kept up its practice of delivering unsold bread, meals and library books to the needy – for free. In all, CabbyCare made about 4,150 such trips in 2015, and the fares that were forfeited from these trips in the year alone came up to a total of S\$311,950.

ComfortDelGro Engineering provides maintenance services at subsidised rates to 13 charitable organisations under the National Council of Social Services.

As for our overseas businesses, ComfortDelGro Cabcharge in Melbourne, Australia, particularly CDC Ballarat, converted a decommissioned bus into a soup kitchen bus for OnTrack Foundation, which supports the homeless in the outer areas like Delacombe and Wendouree.

In Vietnam, Vietnam Taxi (Vinataxi) sponsored S\$31,510 towards the Lawrence S Ting Charity Walk that supports the poor and needy in the City, while ComfortDelGro Savico Taxi donated about S\$4,410 towards the poor and the Flood Prevention Fund.

Six taxi companies in China – CityCab (Shenyang), Jilin ComfortDelGro Taxi, Nanjing ComfortDelGro Dajian Taxi, Nanning Comfort Transportation, Shenyang ComfortDelGro Taxi and Suzhou Comfort Taxi – provided free taxi trips to needy students during the country's National Education Entrance Examination. Nanning Comfort Transportation also provided free trips to blood donors in celebration of Lei Feng Day, which is held in honour of a patriotic and selfless Chinese soldier.

In Western Australia, Swan Taxis donated S\$2,094 to Pek Care International that looks after the welfare of children in Africa by providing them with essentials such as water and food as well as education.

Serving the Elderly

The elderly poor have a special place in our hearts. We have, since 2005, been contributing to NTUC Eldercare, which provides social day care services to the elderly poor. To-date, we have contributed a total of S\$1.49 million to this cause.

Since 2010, we have partnered the Lions Befrienders to help the seniors who live in rented one-room flats.

REACHING OUT

Besides bringing the seniors out on regular excursions, we also helped spruce up their homes. Among the projects we have completed include cleaning homes, and buying essentials like new mattresses and bed frames as well as new electrical appliances like washing machines, refrigerators, rice cookers, television sets and electric kettles.

Moove Media, our outdoor advertising arm, uses its iconic Moove cows not only as a marketing tool, but also to raise funds for the needy. To celebrate the SG50, Moove displayed over 600 SG50 Pioneer Cows islandwide for about three weeks, and later sold them to the public. The proceeds went to the elderly poor.

In November 2015, ComfortDelGro Taxis sponsored two stalls for the Kwong Wai Shiu Hospital's 105th Anniversary and Community Care Day, while its staff signed up to be befrienders to the elderly.

As the population ages, there is also an increase in demand for transportation services for the elderly.

In 2015, ComfortDelGro Taxis started providing daily taxi services for the elderly needing to go to the Senior Care Centres (SCCs) through a transportation programme developed by the Agency for Integrated Care (AIC). Participating ComfortDelGro taxi drivers have to commit at least four hours to provide these two-way transfers for the elderly from Mondays to Fridays. Following the success of the trial in April 2015, a total of 21 ComfortDelGro taxi drivers have signed up for the AIC programme. They serve a total of over 100 elderly across 12 SCCs. As at 31 March 2016, over 18,700 trips have been made.

Caring for the Terminally-ill

We are also avid supporters of non-profit organisations that look after the sick and the terminally-ill.

ComfortDelGro Engineering engages its customers, also called SPARK™ Ambassadors, in its outreach programmes. For example, in June 2015, it organised its first car boot sale, where 20 of its SPARK™ Ambassadors stood for hours under the hot sun selling groceries out of their car boots to raise funds for Children's Cancer Foundation (CCF). It also placed 12 donation boxes at its car care centres. As a result, a total of S\$28,744 was raised for CCF.

In June 2015, ComfortDelGro Taxis and CabbyCare participated in Hair for Hope for the second year, where 51 cabbies volunteered to have their heads shaven. In all, S\$40,000 was raised and donated to CCF. CabbyCare donated another S\$2,000 to Promisedland Community Services, which is dedicated to providing help and social services to cancer patients, needy families, children and youths.

VICOM continues to reach out to Star PALS, a palliative home care service for children and youth with life-threatening or life-limiting conditions, by donating taxi vouchers for their travel needs.

As a land transport Group, we have also found innovative ways to use the vehicles which have reached the end of their statutory lifespan. Instead of sending all of them to the scrapyards, we have donated decommissioned taxis to hospitals and schools for patient rehabilitation and training purposes. In 2015, we donated two

decommissioned Hyundai Sonata taxis to St Luke's Hospital and the National University Hospital.

In Western Australia, Swan Taxis raised about S\$12,390 from its first-ever car wash charity event that it organised with Metro WA Cabs and Austbrokers Canberra. Proceeds went to Camp Quality, a non-profit organisation that designs programmes and services for children living with cancer. It collected another S\$16,795 through donation boxes for Camp Quality; Cure Brain Cancer Foundation; Breast Cancer Care; and the Princess Margaret Hospital Foundation that supports children undergoing life-threatening treatments. Over S\$2,400 was also donated to the Royal Flying Doctor Services, a not-for-profit organisation that provides emergency transport services for patients in need of urgent treatment from the rural areas to the City.

In Vietnam, Vinataxi sponsored about S\$12,500 to buy an electric vehicle that helps convey patients to the Children's Hospital, while ComfortDelGro Cabcharge in Sydney made a donation to the ACT Eden Monaro Cancer Support Group, and provided bus services to CanTeen, a non-profit organisation that helps young people deal with the challenges that cancer brings.

In Ireland, ComfortDelGro Irish Citylink donated over S\$3,400 to various charities including the Jack & Jill Children's Foundation, which provides direct funding to families of children who suffer from severe intellectual and physical developmental delay; as well as Cancer Care West, a cancer treatment centre.

OUR APPROACH TO SUSTAINABILITY

Robust Risk Management Framework

ComfortDelGro is committed to safeguarding the interests of our Stakeholders for sustainable growth. To this end, we hold ourselves to high standards of corporate governance and business and ethical conduct. Our governance policies and practices are in line with the principles and guidelines set out in the Code of Corporate Governance issued by the Monetary Authority of Singapore on 2 May 2012.

We also have in place a robust Risk Management Framework which enables our Group and Business Units to understand the nature and complexity of the risks involved in the operations and provides a systematic process to identify and review the risks and prioritise resources to manage them.

Environmental and social issues rank high on our priority list which is why we have incorporated such considerations into our decision-making processes. For example, we are sensitive to the levels of emissions of our vehicles and weigh this against costs when renewing our fleets. Safety considerations are also included in the performance assessments of our operations while our Group-wide Green Committee leads on improvements in environmental issues. We are a proud signatory of the United Nations (UN) Global Compact.

We are equally committed to respecting the privacy of every individual and adhering to the Personal Data Protection Act 2012, Singapore ("PDPA"). We have put in place adequate and robust

Embrace shareholder value

Establish internal control systems

Safeguard assets

IT security systems and operating processes to ensure data security by adopting the ComfortDelGro IT Risk Management Framework. The security measures are constantly updated to meet the ever-changing threat levels. Staff are also reminded of the need to adhere to the Act and to be mindful of our customers' privacy.

Risk Management

The Group's approach to risk management is underpinned by several key principles:

- The risk management process is a continuous, iterative and developing one, as the Group's businesses and their operating environments are dynamic. Risk identification and assessment and risk management practices are reviewed and updated regularly to manage risks proactively.
- We promote and inculcate risk awareness among all our employees by embedding risk management processes into day-to-day business operations and setting an appropriate tone at the top. Regular exercises, continuous education and training, as well as communications through various forums on risk management are carried out to sustain a risk-informed and risk-aware culture in the Group.
- Ownership of and accountability for the risk management process is clearly defined and assigned to the Business Units, Departments and individuals. Managers at each level

have intimate knowledge of their businesses and assume ownership of risk management, with stewardship retained at Senior Management.

Risk tolerance guidelines for inherent risks are established and monitored. The Group is committed to enhance shareholder value through growth that is sustainable and profitable and taking measured and well-considered risks to achieve it. We identify and manage risks to reduce the uncertainties that are associated with the execution of the Group's business plans and allow the Group to take advantage of opportunities that may arise.

The Management Risk Committee (MRC) works closely with the Business Units to ensure that risk management is taken actively and seriously and the Risk Management Framework is properly rolled out across the whole Group. Members of the MRC are drawn from Senior Management staff from the major Business Units and key business functions. Key risks for the Group are identified and presented to the Audit and Risk Committee (ARC) and the Board annually.

The Group's risk management structure is built on three lines of defence with oversight by the MRC. The business managers are responsible for establishing effective controls and risk management at the Business Units. The overview corporate functions ensure that adequate risk management systems and processes are in place throughout

OUR APPROACH TO SUSTAINABILITY

the Group and that these are properly implemented and reviewed regularly. The independent audit function provides assurance and comfort that internal controls and risk management measures are effective and complied with.

Our different Business Units have different risk profiles and they have different programmes to manage the risks. The risk management programmes are tested and stressed periodically to ensure that they remain relevant and meet changing business requirements and new developments.

Some of the key risks faced by the Group, the relevant mitigating factors and how they are managed are set out below.



Financial Risks

The Group has established internal control systems to safeguard its assets and regularly reviews the effectiveness of these controls to improve and fortify financial discipline. All policies and procedures on financial matters, including approval limits and authority, are clearly defined in the Group's Financial Procedures Manual.

Financial Authority Limits

Comprehensive and specific financial authority limits are put in place for capital expenditure, operating expenses, treasury matters, direct investments, revenue tender participation and disposal and write-off of assets. These authority limits are delegated based on the organisational hierarchy from the Board down to the Managing Director/ Group Chief Executive Officer (MD/ Group CEO) and the Heads of Business Units/Departments, with the Board retaining the ultimate authority. Any expenditure exceeding the highest authority limit is referred to the

Board for approval. To ensure that the Group's assets continue to be managed prudently, the Board periodically reviews the mandate that it delegates to Management.

Budgetary Control

A robust and challenging Annual Budget is prepared and approved by the Board prior to the commencement of each new financial year. Material variations between actual and budgeted performance are reviewed on a monthly basis and explanations provided. Specific approvals are required for unbudgeted expenditures exceeding a relevant threshold. The capital expenditure budget is approved in principle by the Board as part of the Annual Budget. Each capital expenditure is subjected to rigorous justification and review before it is incurred in accordance with the Group's financial authority limits. Tight control on manpower is exercised through headcount budgets.

Financial Risk Management

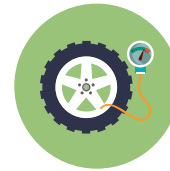
The Group recognises that prudent management of financial risks is an important aspect in the creation of shareholder value. The main areas of financial risks faced by the Group are foreign exchange/currency risk, interest rate risk, credit/counter-party risk, liquidity risk and fuel and electricity price risk. It is the Group's policy not to participate in financial derivative instruments, except for use as hedging instruments, where appropriate. Sensitivity analysis and reviews of the Group's exposure to financial risks under changing market conditions are carried out regularly.

A detailed description of the financial risks and how the Group manages them are set out in the Notes to the Financial Statements on pages 91 to 157 in the ComfortDelGro Annual Report 2015.

Economic Cycle

Changes in economic conditions in the countries that the Group operates in may impact the businesses in

terms of customer demand and the cost of providing the services. We manage these risks by continuously scanning and monitoring political and economic issues. We monitor demand trends and operating margins closely. Expenses are managed in the light of revenue patterns and changing market conditions and to drive improvements in cost structures. Where possible, revenue risks are mitigated by diversifying revenue streams to non-fare sources.



Operational Risks

Operational risks may arise from failures in internal controls, operational processes or the supporting systems. The Group has put in place operating manuals, standard operating procedures, authority guidelines and a regular reporting framework to manage these risks.

Safety

Managing the safety and security of our customers, our staff and the public is the cornerstone of the Group's safety and security plan. We run safety awareness and training programmes to instil a safety and security conscious culture in employees at all levels. Safety audits are conducted regularly as part of the management and review process to ensure that safety standards are maintained. The Group works closely with the relevant Authorities to ensure that the security of our bus and train services and facilities are not compromised. We regularly carry out drills and exercises internally, as well as with external agencies. Fence intrusion detection systems and other security features are installed at operating facilities and security guards deployed to patrol the facilities. Members of the public are encouraged to look out for

suspicious objects or persons. More information on Health & Safety can be found on pages 13 to 17 of this Report.

Environmental

The Group is committed to being a responsible organisation through minimising the impact our business activities have on the environment. Our operations, accidents and natural events can cause pollution or other environmental risks. To limit these risks, we engage in active environmental risk management, ensuring that we target the problems that could arise and implement preventive measures. We comply with all relevant regulations in the countries that we operate in. Ways in which the Group works to protect the environment can be found on pages 9 to 12 of this Report.

Human Resource

The Group's ability to develop and grow the business internationally depends on the quality of its employees and it continues to invest in building up a resource pool to support this growth. We have in place various programmes and processes that focus on several key areas, including building management bench strength, talent management, succession planning, performance management, compensation and benefits, training and development, employee conduct and supervision, as well as occupational health and safety. We ensure that employees are selected based on merit, they understand their responsibilities and are given access to necessary training. At all times, a positive, constructive and productive working climate based on strong tripartite relations is fostered. All terms and conditions of employment, along with policies and procedures, comply with the relevant regulations.

Property and Liability

The Group's exposure to property damage, business interruption and other liability risks is constantly monitored and reviewed with the Group's in-house insurance broking associate. Together

with external risk management consultants, we ensure sufficiency of insurance coverage and maintain an optimal balance between risks that are retained internally and risks that are placed out with underwriters.

Business Continuity

We have put in place Business Continuity Plans (BCPs) to mitigate the risks of disruption and catastrophic loss to our operations, people, information database and other assets. The BCPs include the identification and planning of alternate recovery centres, operational procedures to maintain communication, measures to ensure continuity of critical business functions and recovery of information database. We update and test the BCPs regularly. Drills and emergency response exercises are conducted to familiarise employees with the various incident management plans. The BCPs enhance the Group's operational readiness and resilience to potential business disruptions.



Information Technology Risks

Information technology system failures are key risks for the Group since almost all our businesses rely heavily on information technology. This can take the form of a major system failure which can result in the disruption of the business, loss of data or a security breach in our information technology systems. Information security means protecting information and information systems from unauthorised access, use, disclosure, disruption, modification or destruction. The Group's information technology security management framework complies with current industry standards. We have put in place various controls and data recovery measures to mitigate the risks, including the use of intrusion prevention systems,

multi-level firewalls, server protection, software code hardening and data loss prevention controls to manage Internet security and cyber threats. Penetration tests are carried out regularly to test the systems and identify potential security vulnerabilities and allow us to improve the security hardening of our websites. Information security policies and procedures, including security education for all staff, are reviewed and enhanced regularly.



Compliance Risks

The Group keeps abreast and complies with all laws and regulations governing the conduct of business in the countries that it operates in. The businesses within the Group operate in regulated environment in different countries. These regulations include pricing, service standards, licences to operate and transport policies, which are stipulated by the relevant regulatory Authorities. We work closely with the regulatory Authorities in the respective countries as part of our risk management process to keep abreast of developments and policies that may affect our businesses and the competitive landscape. We manage our operations well and effectively to ensure that standards are met, thereby reducing significantly the risk of licences being withdrawn.



Strategic Risks

We evaluate each new investment proposal to ensure that it is in line with the Group's strategy and investment objective and it can meet the relevant

OUR APPROACH TO SUSTAINABILITY

hurdle rates of return. This assessment includes macro and project specific risks analysis covering feasibility study, due diligence, financial modelling and sensitivity analysis of key investment assumptions and variables. To ensure that the rate of return on any new investment or business opportunity commensurate with the risk exposure taken, the new investment opportunity is evaluated in terms of (a) profitability; (b) return on investment; (c) payback period; (d) cash flow generation; (e) potential for internal and external growth; and (f) investment climate and political stability of the country. The investment proposal has to be approved according to the financial authority limits approved by the Board.

Audit Process

The Internal and External Auditors conduct reviews in accordance with their audit plans to assess the adequacy of the internal controls that are in place. Non-compliance and recommendations for improvements are reported to the ARC, which reviews the effectiveness of the actions taken to mitigate the risks. In the course of their audits, the Internal and External Auditors highlight to the ARC and Management areas where there are material deficiencies and weaknesses or the occurrence or potential occurrence of significant risk events and propose mitigating measures and treatment plans. The recommendations are followed up as part of the Group's

continuous review of the system of internal controls.

Code of Business Conduct, Anti-Corruption and Whistle Blowing Policy

The Group has adopted a Code of Business Conduct which sets out the principles and policies upon which our businesses are conducted, as well as implemented a Whistle Blowing Policy to provide a mechanism for employees to raise concerns through well-defined and accessible confidential disclosure channels about possible improprieties in financial reporting or other improper business conduct in various aspects including potential fraud, bribery, discrimination or human right infringements. All employees are given a Company handbook detailing how they can go about raising their concerns. Incidents can also be reported through a direct link to the MD/Group CEO, the Group Human Resource Officer or the Group Internal Audit Officer on the Group's Intranet.

All cases are investigated and dealt with promptly and thoroughly. An officer appointed by the MD/Group CEO will oversee all investigations.

In 2015, no incident has been confirmed.

In cases where the laws have been infringed, the relevant regulatory Authorities will be informed. The

ARC will also be informed. Where appropriate, internal control measures are improved or additional measures put in place to prevent recurrence of the incidents.

ComfortDelGro has no political affiliations nor did it make any political contributions in 2015.

Opinion of the Board

Risk management is an important and integral part of ComfortDelGro's strategic planning and decision-making process. Key risks are identified and presented to the Board annually. Ownership of the risk management process is clearly defined and cascaded to the executive and functional level, with stewardship retained at Senior Management. Action plans that are necessary to manage the risks are in place and closely monitored. The adequacy of the internal controls in place is also assessed as part of the process. Based on these reviews, the Board is of the view, with the concurrence of the ARC, that there are adequate and effective internal controls in place within the Group to address its financial, operational, compliance and information technology risks.

GRI CONTENT INDEX G4 (CORE)

LEGEND ● – Fully covered n.a. – Not applicable

GENERAL STANDARD DISCLOSURES		CHAPTER/COMMENTS	PAGE REFERENCE	
STRATEGY AND ANALYSIS				
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Message from the Group CEO	2-3	●
ORGANISATIONAL PROFILE				
G4-3	Name of the organisation	About this Report	1	●
G4-4	Primary brands, products, and services	Annual Report, Operations Review	AR 30-44	●
G4-5	Location of the organisation's headquarters	Back cover	Back cover	●
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report	Annual Report, Global Footprint	AR 2-3	●
G4-7	Nature of ownership and legal form	ComfortDelGro Corporation Limited as well as its subsidiaries SBS Transit Ltd and VICOM Ltd are listed at the Singapore Stock Exchange		●
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	Annual Report, Operations Review	AR 30-44	●
G4-9	Scale of the organisation	Annual Report, Global Footprint Annual Report, Group Financial Highlights	AR 2-3 AR 11-13	●
G4-10	<p>a. Total number of employees by employment contract and gender</p> <p>b. Total number of permanent employees by employment type and gender</p> <p>c. Total workforce by employees and supervised workers and by gender</p> <p>d. Total workforce by region and gender</p> <p>e. Report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors</p> <p>f. Any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)</p>	Our People No significant number of different employment contracts, of non-permanent employees or of supervised workers. No significant variations in employment numbers.	22-27	●

GRI CONTENT INDEX G4 (CORE)

GENERAL STANDARD DISCLOSURES		CHAPTER/COMMENTS	PAGE REFERENCE	
G4-11	Employees covered by collective bargaining agreements	Our People	26	●
G4-12	The organisation's supply chain	Our Stakeholders and Partners	19	●
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	n.a. – First Sustainability Report	n.a.	
G4-14	Whether and how the precautionary approach or principle is addressed by the organisation	Our Approach to Sustainability	32-34	●
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Our Approach to Sustainability Our People	22, 31	●
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	Our Approach to Sustainability Our People	22, 31	●
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	All entities included or not included in organisation's financial statements	Annual Report, Directories About this Report	AR 68-71 1	●
G4-18	Process for defining Report Content	Materiality	6	●
G4-19	The material Aspects identified in the process for defining report content	Materiality	6	●
G4-20	For each material Aspect, Aspect Boundary within the organisation	Materiality	6	●
G4-21	Aspect Boundary outside the organisation	Materiality	6	●
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	n.a. – First Sustainability Report	n.a.	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	n.a. – First Sustainability Report	n.a.	
STAKEHOLDER ENGAGEMENT				
G4-24	Stakeholder groups engaged by the organisation	Our Stakeholders and Partners	18	●
G4-25	Basis for identification and selection of Stakeholders with whom to engage	Our Stakeholders and Partners	18	●
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by Stakeholder group	Our Stakeholders and Partners	18-19	●
G4-27	Key topics and concerns raised through stakeholder engagement, and how the organisation has responded	Our Stakeholders and Partners	18-19	●
REPORT PROFILE				
G4-28	Reporting period for information provided	About this Report	1	●

GENERAL STANDARD DISCLOSURES		CHAPTER/COMMENTS	PAGE REFERENCE	
G4-29	Date of most recent previous report	About this Report	1	●
G4-30	Reporting cycle	About this Report	1	●
G4-31	Contact point for questions regarding the report or its contents	About this Report	1	●
G4-32	Report on 'In accordance' option, GRI Content Index, reference to External Assurance	About this Report	1	●
G4-33	Policy and current practice with regard to seeking external assurance for the report	About this Report	1	●
GOVERNANCE				
G4-34	Governance structure of the organisation	Annual Report, Corporate Governance Our Approach to Sustainability	AR 46-56 31-34	●
G4-58	Internal and external mechanisms for reporting concerns about ethical and lawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistle blowing mechanisms or hotlines	Annual Report, Corporate Governance Our Approach to Sustainability	AR 46-56 31-34	●
SPECIFIC STANDARD DISCLOSURES				
CATEGORY: ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Generic Disclosures on Management Approach	Annual Report, Operations Review	AR 30-44	●
G4-EC1	Direct economic value generated and distributed	Annual Report, Group Financial Highlights Reaching Out	AR 11-13 28-30	●
CATEGORY: ENVIRONMENTAL				
ASPECT: ENERGY				
G4-DMA	Generic Disclosures on Management Approach	The Green Statement Environment	8 9-12	●
G4-EN3	Energy consumption within the organisation	Environment	9-12	●
ASPECT: WATER				
G4-DMA	Generic Disclosures on Management Approach	Environment	9-12	●
G4-EN8	Total water withdrawal by source	Environment Data includes washing of taxi on ComfortDelGro's premises	12	●
ASPECT: EMISSIONS				
G4-DMA	Generic Disclosures on Management Approach	The Green Statement Environment	8 9-12	●

GRI CONTENT INDEX G4 (CORE)

SPECIFIC STANDARD DISCLOSURES		CHAPTER/COMMENTS	PAGE REFERENCE	
G4-EN15	Direct Greenhouse Gas (GHG) emissions (Scope 1)	Environment	9-12	●
ASPECT: EFFLUENTS AND WASTE				
G4-DMA	Generic Disclosures on Management Approach	The Green Statement Environment	8 9-12	●
G4-EN23	Total weight of waste by type and disposal method	Environment	11	●
CATEGORY: SOCIAL				
SUB-CATEGORY: LABOUR PRACTICES AND DECENT WORK				
ASPECT: LABOUR/MANAGEMENT RELATIONS				
G4-DMA	Generic Disclosures on Management Approach	Our People	20-27	●
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in Collective Agreements	Our People	26	●
ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA	Generic Disclosures on Management Approach	Health & Safety	13-17	●
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Health & Safety	13-14	●
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Health & Safety	13-14	●
ASPECT: TRAINING AND EDUCATION				
G4-DMA	Generic Disclosures on Management Approach	Our People	26-27	●
G4-LA9	Training per year per employee by gender, and by employee category	Our People	26-27	●
G4-LA11	Employees receiving regular performance and career development reviews, by gender and by employee category	Our People	26	●
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA	Generic Disclosures on Management Approach	Our People	22-25	●
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Our People All Board members are of Chinese ethnicity. 88% are above 50 years old, with one member (12.5%) belonging to the age group 30 to 50 years old.	22-25	●

SPECIFIC STANDARD DISCLOSURES		CHAPTER/COMMENTS	PAGE REFERENCE	
SUB-CATEGORY: HUMAN RIGHTS				
ASPECT: NON-DISCRIMINATION				
G4-DMA	Generic Disclosures on Management Approach	Our People Our Approach to Sustainability	22-27 34	●
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Our Approach to Sustainability	34	●
SUB-CATEGORY: SOCIETY				
ASPECT: LOCAL COMMUNITIES				
G4-DMA	Generic Disclosures on Management Approach	Reaching Out	28-30	●
G4-SO1	Operations with implemented local community engagement, impact assessments, and development programmes	Reaching Out	28-30	●
G4-SO2	Operations with significant actual and potential negative impacts on local communities	Reaching Out	28-30	●
ASPECT: ANTI-CORRUPTION				
G4-DMA	Generic Disclosures on Management Approach	Materiality Our Stakeholders and Partners Our Approach to Sustainability	6 19 31-34	●
G4-SO3	Operations assessed for risks related to corruption and the significant risks identified	Materiality Our Stakeholders and Partners Our Approach to Sustainability	6 19 31-34	●
G4-SO5	Confirmed incidents of corruption and actions taken	Our Approach to Sustainability	34	●
ASPECT: PUBLIC POLICY				
G4-DMA	Generic Disclosures on Management Approach	Materiality Our Stakeholders and Partners Our Approach to Sustainability	6 19 31-34	●
G4-SO6	Total value of political contributions by country and recipient/beneficiary	Our Approach to Sustainability	34	●
SUB-CATEGORY: PRODUCT RESPONSIBILITY				
ASPECT: CUSTOMER HEALTH AND SAFETY				
G4-DMA	Generic Disclosures on Management Approach	Materiality Environment Health & Safety	7 11 13-17	●
G4-PR1	Significant product and service categories for which health and safety impacts are assessed for improvement	All of our operations are regularly assessed for health and safety improvements. Also see chapter Health and Safety	13-17	●
G4-PR2	Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle	Health & Safety	13-17	●

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