

OUR APPROACH TO SUSTAINABILITY

WE MOVE AND CONNECT PEOPLE, CREATE JOBS, INVEST AND INNOVATE TO REMAIN RELEVANT AND TO IMPROVE QUALITY OF LIFE. OUR SUSTAINABILITY APPROACH IS FOCUSED ON ACCELERATING THE ADAPTATION AND MITIGATION OF CLIMATE CHANGE, ENSURING THE SAFETY AND WELLBEING OF OUR EMPLOYEES, CUSTOMERS AND COMMUNITIES, AND UPHOLDING OUR INTEGRITY IN GOVERNANCE.

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BOARD STATEMENT

As a global land mobility company, ComfortDelGro is committed to creating long-term shared value for all our stakeholders through sustainable growth. The Board, and the appointed Sustainability Committee, consider sustainability a key tenet of ComfortDelGro's business strategy, and the Board exercises strong oversight of all material sustainability issues.

As a reflection of the importance we place on sustainability, the Group has fully integrated Environment, Social and Governance (ESG) factors into its overall blueprint. The ComfortDelGro sustainability framework is aligned with the United Nations' Sustainable Development Goals (UN SDGs) and reflects the material topics that impact our business and society.

The three key pillars in our framework are: (1) Enabling a climate-friendly and sustainable transport system, (2) Safeguarding the well-being, health and safety of our people, patrons and communities and (3) Growing our business with strong governance, ethical integrity and innovation.

We understand that as an international mobility operator, we play a key role in delivering clean, low carbon transport solutions, with the aim of reaching net zero emissions. As part of our overall climate mitigation strategy, we have committed to the Science Based Targets initiative (SBTi) which aims to cut emissions to achieve a 1.5°C scenario and have made steady progress in electrifying our global fleet of vehicles.

We are also investing into emerging innovations shaping the future of mobility, entering new partnerships to develop climate-friendly mobility solutions and pivoting towards renewable energy sources. As a responsible steward, we are constantly optimising the efficiency of our operations and minimising our usage of energy, fuel, water and other precious resources.

Our 24,000-strong workforce is the lifeblood of our company. Beyond ensuring a safe and healthy workplace for our employees and commuters, we are committed to protecting the mental and physical well-being of our people. We are dedicated to equal opportunities, diversity and inclusion, training and upskilling of all our employees. As a responsible corporate citizen, we strive to achieve the highest service quality, provide accessible mobility solutions and generate positive local impact in the communities we operate in.

The Board also plays an active role in upholding strong corporate governance and ethical business practices across the entire company and its wide geographies. We are committed to addressing the needs of all our stakeholders through transparent and fair decision-making. The Board regularly reviews the terms of reference of all Board Committees as well as the Board competencies required to help the Group navigate the future. We are constantly building our Board capabilities through selected training programmes and workshops. We have established a clear and transparent whistleblowing process and our key governance priorities include cybersecurity and protection of personal data, as well as sustainable supply chain practices. This ensures that we work with ethical suppliers and partners that adhere to our sustainability principles, and enables us to use our sphere of influence to improve industry practices.

The Board regularly reviews its business strategy, sustainability framework and plans with the senior management, who is tasked with the management of ESG issues, its performance and disclosure. The Group has also integrated ESG factors into executive compensation, which will drive positive ESG outcomes that benefit both shareholders and stakeholders.

We firmly believe that our sustainability vision, integrated with our business strategy, will help us achieve the Group's mission of creating long-term value for society.

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MATERIALITY APPROACH AND PROCESS

Our materiality approach focused on identifying priority ESG topics that would impact our business in the long term. This included anticipating emerging sustainability issues and market needs that would inform our business decisions.

RESEARCH AND IDENTIFICATION OF MATERIAL TOPICS

We commenced our materiality assessment process through an analysis into a wide array of industry practices and standards to identify material topics within our industry.

1. Understanding macro ESG developments and trends impacting our company and stakeholders
2. Mapping to the UN SDGs across our geographical footprint

3. Referencing requirements from reporting standards and rating agencies
4. Undertaking peer analysis & industry benchmarking
5. Referencing leading global thought-leadership and academic research

STAKEHOLDER ENGAGEMENT THROUGH MATERIALITY INTERVIEWS

Subsequently, we proceeded to engage a range of key internal and external stakeholders to validate the identified ESG material topics. Our stakeholder engagement comprised of both surveys, virtual and in-person interviews. As our portfolio of operations span across numerous geographies and wide-ranging business functions, we sought to encompass all viewpoints through a holistic and grand-scale engagement.

	INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDERS
Interviews, Live Conferences and Video Workshops	Stakeholder Type: Key Management Nine stakeholders interviewed over five sessions including <ul style="list-style-type: none"> • Group Chief Financial Officer • Head, Group Investor Relations • Group Chief HR Officer • Group Chief Branding and Communications Officer • Group Chief Business Development Officer (Bus and Rail) • Group Chief Business Development Officer • Group Chief Strategy Officer • VP, Group Procurement • VP, Group Property Services 	Stakeholder Type: Investors One stakeholder interviewed over one session Stakeholder Type: Trade Unions & Associations Two stakeholders interviewed over two sessions Stakeholder Type: Regulators Two stakeholders interviewed over two sessions
	Online Surveys Research and Investigation	Stakeholder Type: Employees 165 employees surveyed

DATA ANALYSIS AND VALIDATION

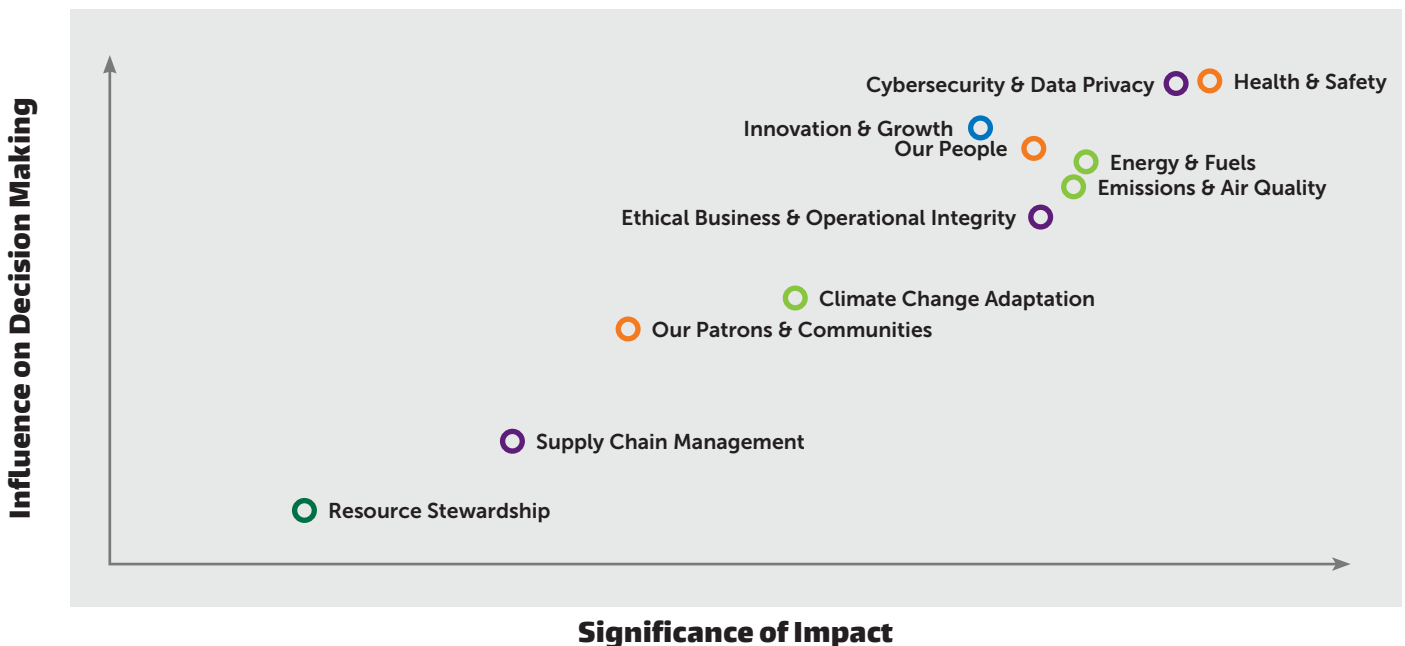
The materiality assessment interviews and surveys generated a wide array of quantitative and qualitative inputs, which were used to inform our sustainability strategy. Next, we organised a management validation workshop to finalise the material ESG topics critical for our business. An in-depth materiality exercise was also undertaken by two of our subsidiaries, namely SBS

Transit and VICOM Group, and their results were also taken into consideration.

The materiality assessment resulted in 11 key material topics, divided across the three pillars of ESG. Under the 11 overarching material topics, 26 sub-topics were identified to aid in targeted efforts towards ensuring sustainability.

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PILLAR	KEY MATERIAL TOPICS	MATERIAL SUB-TOPICS
Environmental Enabling a climate-friendly and sustainable transport system	Climate Change Adaptation	<ul style="list-style-type: none"> • Climate friendly mobility • Sustainable products and services
	Energy and Fuels	
	Emissions and Air Quality	
	Resource Stewardship	<ul style="list-style-type: none"> • Water • Waste
Social Safeguarding the wellbeing, health and safety of our people, patrons and communities	Health and Safety	<ul style="list-style-type: none"> • Occupational health and safety • Public health and safety
	Our People	<ul style="list-style-type: none"> • Training • Human and labour rights • Diversity and equal opportunity • Employee wellbeing
	Our Patrons and Communities	<ul style="list-style-type: none"> • Accessibility • Service quality • Local impact and CSR
Governance and Economy Growing our business with strong governance, ethical integrity and innovation	Ethical Business and Operational Integrity	<ul style="list-style-type: none"> • Anti-bribery • Anti-corruption • Competitive behaviour • Compliance, ethical conduct, transparency, and accountability • ESG governance • Systemic risk management • Asset protection and safety
	Cybersecurity and Data Privacy	
	Innovation and Growth	<ul style="list-style-type: none"> • Technology & innovation • Economic performance, growth & opportunities
	Supply Chain Management	<ul style="list-style-type: none"> • Environmental screening • Social screening



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OUR SUSTAINABILITY FRAMEWORK

With the rapidly evolving sustainability landscape, ComfortDelGro understands that it is crucial to enhance our sustainability framework and ensure that we continue to address our key environmental, social and governance (ESG) focus areas. In 2021, we refreshed our sustainability framework, topics and targets after our materiality exercise with key stakeholders. This framework is aligned to the United Nations Sustainable Development Goals (UN SDGs) at the target level (see Appendix 4 for details) and provides the guidance to establish targets that are contextualised to our business.

ComfortDelGro’s Sustainability Framework consists of three core pillars:

- E** nabling a climate-friendly and sustainable transport system
- S** afeguarding the wellbeing, health and safety of our people, patrons and communities
- G** rowing our business with strong governance, ethical integrity and innovation

ENABLING A CLIMATE-FRIENDLY AND SUSTAINABLE TRANSPORT SYSTEM

13 CLIMATE ACTION Climate Change Adaptation

Adapting and mitigating climate change and its influence on our business with climate-friendly and sustainable mobility products and services

13 CLIMATE ACTION Emissions & Air Quality

Decarbonising our operations and reducing harmful vehicular emissions in line with global standards for better environment outcomes and well-being

7 AFFORDABLE AND CLEAN ENERGY Energy & Fuels

Increasing efficiency of energy and fuel use in our operations

12 RESPONSIBLE CONSUMPTION AND PRODUCTION Resource Stewardship

Optimising our use of natural resources including water and to minimise waste and other harmful environmental impacts

SAFEGUARDING THE WELLBEING, HEALTH AND SAFETY OF OUR PEOPLE, PATRONS AND COMMUNITIES

3 GOOD HEALTH AND WELL-BEING Health & Safety

Ensuring a safe and healthy workplace for our employees and the public

4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH Our People

Protecting the human and labour rights, mental, physical and emotional wellbeing of our people through targeted initiatives, upskilling and inclusion for all

11 SUSTAINABLE CITIES AND COMMUNITIES Our Patrons & Communities

Ensuring the highest service quality and accessibility of transportation for all, making sure that we are kind and responsible to our communities and broader society

GROWING OUR BUSINESS WITH STRONG GOVERNANCE, ETHICAL INTEGRITY AND INNOVATION

10 PEACE, JUSTICE AND STRONG INSTITUTIONS Ethical Business & Operational Integrity

Maintaining ethical, transparent and compliant operations with zero tolerance for bribery, corruption and anti-competitive behaviour

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Cybersecurity & Data Privacy, Innovation




Upholding protective processes and compliance with local legislation to prevent data & cyber breaches, and adopting innovative technologies

12 RESPONSIBLE CONSUMPTION AND PRODUCTION Supply Chain Management

Integrating environmental and social screening criteria into our supply chain practices

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ComfortDelGro has undertaken a revision of our targets relating to each pillar, demonstrating our ambition and commitment to the advancement of our sustainability journey.

ENABLING A CLIMATE-FRIENDLY AND SUSTAINABLE TRANSPORT SYSTEM			
BY 2023	BY 2030	2021 ACHIEVEMENTS	PROGRESS
  			
<ul style="list-style-type: none"> ● Achieved/on track ● Requires improvement 			
CLIMATE CHANGE ADAPTATION AND MITIGATION			
<ul style="list-style-type: none"> Reduce GHG emissions intensity by 20% from 2015 level 	<ul style="list-style-type: none"> Reduce GHG emissions intensity by 50% from 2015 level 	<ul style="list-style-type: none"> Achieved 17% GHG emissions intensity reduce from 2015 level (319 in 2015 to 265 in 2021) 	●
<ul style="list-style-type: none"> 100% hybrid vehicles for taxi fleet 	<ul style="list-style-type: none"> Increase hybrids for all other vehicles 	<ul style="list-style-type: none"> Close to 70% hybrid, electric and CNG taxis across our Singapore (65%), Australia (73%) and China (71%) businesses 55% of Metroline bus fleets are hybrid, electric or hydrogen. SBS Transit currently operates 30 electric buses and 25 hybrid buses. 	●
BY 2032^{NEW}			
	<ul style="list-style-type: none"> Increase to 70% Electric vehicles for all vehicles 60% reduction for ICE vehicles from 2021 level 	<ul style="list-style-type: none"> Established baseline of 63% ICE, 30% Hybrid and 7% electric vehicles for this target 	●
	<ul style="list-style-type: none"> Scope 1 and 2 reduction of over 50% by 2032, from a 2019 baseline 	<ul style="list-style-type: none"> Established this target 	●
	<ul style="list-style-type: none"> Scope 3 reduction of over 60% by 2032, from a 2019 baseline 	<ul style="list-style-type: none"> Established this target 	●
ENERGY AND FUEL			
<ul style="list-style-type: none"> Increase solar photovoltaic (PV) output to 4 MWP 	<ul style="list-style-type: none"> Increase solar PV output to 8 MWP 	<ul style="list-style-type: none"> Achieved solar PV output of 4.15 MWP across our bus depots at Yio Chu Kang, Gali Batu and Ulu Pandan 	●
RESOURCE STEWARDSHIP			
<ul style="list-style-type: none"> 50% of all office buildings in Singapore to be green building/ Eco-office certified 	<ul style="list-style-type: none"> 100% of all office buildings in Singapore to be green building/ Eco-office certified 	<ul style="list-style-type: none"> 62% of our offices in Singapore are Eco-office certified 	●
	<ul style="list-style-type: none"> Promote Green Corporate culture across Business Units in all countries 	<ul style="list-style-type: none"> Participated in Singapore's national waste reduction campaign Organised two webinars and sent bimonthly e-newsletters to engage staff on sustainability 	●

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SAFEGUARDING THE WELLBEING, HEALTH AND SAFETY OF OUR PEOPLE, OUR PATRONS AND OUR COMMUNITIES



● Achieved/on track
● Requires improvement

TARGETS	2021 ACHIEVEMENTS	PROGRESS
HEALTH AND SAFETY		
<ul style="list-style-type: none"> Zero fatalities 	<ul style="list-style-type: none"> Five passenger fatalities across our global operations, of which two occurred from our SBS Transit bus operations, two from our Metroline operations and one from our Beijing taxi operation. Zero workplace fatalities 	●
<ul style="list-style-type: none"> Injury rates below national averages in our locations of operation 	<ul style="list-style-type: none"> Kept injury rates below national averages for the transportation industry* 	●
OUR PEOPLE		
<p>Human and Labour Rights</p> <ul style="list-style-type: none"> Commit to the key principles of fair employment practices Abide by labour laws 	<ul style="list-style-type: none"> Committed as a signatory to the UN Global Compact, abiding by the ten principles in human rights, labour, environment and anti-corruption Maintained a signatory to the Tripartite Alliance of Fair and Progressive Employment 	●
<p>Training</p> <ul style="list-style-type: none"> Invest in education and training opportunities to develop our people Promote digital training across all Business Units 	<ul style="list-style-type: none"> Achieved average of 20.2 training hours Pushed out digital training on cybersecurity and scams to increase awareness 	●
<p>Diversity and Equal Opportunity</p> <ul style="list-style-type: none"> Increase female representation in the workplace Ensure equitable remuneration structure based on work performance without gender bias 	<ul style="list-style-type: none"> 30% female representation in our Boards exceeded the target established by the Council for Board Diversity 	●
OUR PATRONS AND COMMUNITIES		
<p>Accessibility</p> <ul style="list-style-type: none"> Continuous improvements in mobility and accessibility for the communities 	<ul style="list-style-type: none"> Of our public buses, 100% are wheelchair accessible in Singapore, UK and Australia. Of all our buses, 98.2%, 67% and 64% are wheelchair accessible in Singapore, UK/Ireland and Australia respectively. In 2021, the Mean Kilometres Between Failure (MKBF) of our North East Line and Downtown Line were 2.1 million train-km and 4.2 million train-km respectively, exceeding the 1 Million Mean Kilometres Between Failure (MKBF) target. 	●

* Workplace Injury Rate (WIR) for Singapore falls below the 971 per 100,000 employed persons for the Transportation and Storage industry. The statistics is published by Ministry of Manpower in the Workplace Safety and Health Report 2020. According to the Labour Force Survey, the WIR in UK/Ireland falls below 1,770 per 100,000 employed persons for the industry. Australia has a "no-fault" system of workers' compensation for work-related injuries and benefit systems which indirectly led to relatively high workplace injury reports and long medical leaves.

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GROWING OUR BUSINESS WITH STRONG GOVERNANCE, ETHICAL INTEGRITY AND INNOVATION






- Achieved/on track
- Requires improvement

TARGETS	2021 ACHIEVEMENTS	PROGRESS
ETHICAL BUSINESS AND OPERATIONAL INTEGRITY		
<ul style="list-style-type: none"> • Zero cases of corruption and fraud 	<ul style="list-style-type: none"> • One case of fraud in Singapore, service staff charged under the "Criminal Breach of Trust" 	●
CYBERSECURITY, DATA PRIVACY AND INNOVATION		
<ul style="list-style-type: none"> • Zero major cybersecurity breaches 	<ul style="list-style-type: none"> • Zero major cybersecurity breaches 	●
<ul style="list-style-type: none"> • Invest in new technologies to benefit the industry and communities • Drive innovation and change initiatives • Embed principles and mindset of transformation among stakeholders 	<ul style="list-style-type: none"> • Set up innovative initiatives such as the ComfortDelGro-National University of Singapore (NUS) Smart and Sustainable Mobility Lab and Electric Bus trial 	●
SUPPLY CHAIN MANAGEMENT		
<ul style="list-style-type: none"> • Zero supplier incidents of social or environmental non-compliance occurring within ComfortDelGro's premises or operations 	<ul style="list-style-type: none"> • Zero supplier incidents of social or environmental non-compliance occurring within ComfortDelGro's premises or operations 	●

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CONNECTING WITH OUR STAKEHOLDERS

As an organisation that thrives on connecting people, engaging with our stakeholders to understand their needs is an essential part of our sustainability journey. We identify our key stakeholders based on the impact our business has on them, as well as their role in impacting our operations. ComfortDelGro utilises various channels to engage our key stakeholders regularly and actively.

STAKEHOLDER	FORMS OF ENGAGEMENT	PRIORITIES RAISED BY STAKEHOLDERS	OUR RESPONSE TO PRIORITIES
Customers 	Commuters <ul style="list-style-type: none"> Information counters at bus interchanges/ MRT stations, website, app and hotline. Social media channels to engage customers and to promote our services. Satisfaction survey such as the Public Transport Customer Satisfaction Survey, conducted by the Public Transport Council. Businesses <ul style="list-style-type: none"> Client engagement and presentations on our green mobility products and services. Outreach programmes where new and existing customers are invited to visit our operations (subject to COVID-19 restrictions). 	<ul style="list-style-type: none"> Public health and safety Accessibility Service quality 	<ul style="list-style-type: none"> Operate services according to planned schedules and adhere to robust safety standards and stringent checks. Work with Traffic Police to improve road safety and conduct up-to-date training for all Bus Captains and Customer Service Officers to ensure the highest standards of safety and security. Implement Safe Management Measures to keep our commuters safe.
Employees 	<ul style="list-style-type: none"> Virtual dialogue sessions with staff to better understand employee needs and concerns. Update on staff Code of Conduct, welfare and benefits on intranet. 	<ul style="list-style-type: none"> Training and development Health and safety at work Service quality Ethical and transparent business 	<ul style="list-style-type: none"> Team bonding, wellbeing and community giving events. Implement Safe Management and ART testing measures for staff at our work, and support flexible work arrangement for those who can work from home. Regular seminars and training courses ensure employees' skills remain future-ready. Support employee training such as conducting digital readiness and cybersecurity training sessions. Staff Code of Conduct to provide guidance on ethical business behaviour.
Unions & Associations 	<ul style="list-style-type: none"> Ensure regular engagement and productivity meeting with key union leaders. Establish strong labour management relations grounded on good tripartite collaboration. 	<ul style="list-style-type: none"> Safety and wellbeing of employees Training and development Fair compensation 	<ul style="list-style-type: none"> We uphold tripartism and commit to working closely with the union to achieve win-win outcomes. We work with the union to improve operational, safety and security performance so that we do well and reward our workers better.

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STAKEHOLDER	FORMS OF ENGAGEMENT	STAKEHOLDER PRIORITIES RAISED	OUR RESPONSE TO PRIORITIES
Investors 	<ul style="list-style-type: none"> Meeting with some 260 groups of investors, analysts and equity sales personnel. The team also addressed queries from investors through emails, telephone calls and the online enquiry form. Participation in 10 virtual investor conferences and non-deal road-shows. Organised face-to-face briefings for the media and sellside analysts, with some 80 research reports on the Company and the industry were published during the year. Shareholders have the opportunity to interact with the Board and Senior Management at our Annual General Meeting. Electronic voting also allows for transparent process. All material announcements posted in the IR section of our corporate website. 	<ul style="list-style-type: none"> Ethical and transparent business Climate change adaptation and mitigation Innovation and technology Employee safety and wellbeing 	<ul style="list-style-type: none"> The IR team has regular interactions with investors, shareholders and analysts to ensure a thorough understanding of our business models and strategies, operations and financial performance and growth opportunities. We are committed to disseminate accurate and pertinent information to the market in a timely manner as part of good corporate governance. We participate in ESG ratings, such as DJSI, Sustainalytics, MSCI and CDP, to disclose our ESG performance and efforts to our shareholders.
Partners & Suppliers 	<ul style="list-style-type: none"> Reviewed our Supplier Code of Conduct to reflect our sustainability ambition. Work closely and communicate with our Partners and Suppliers to ensure the smooth delivery of our services that complies with our ESG expectations. Supplier environmental and social screening assessment questionnaire. 	<ul style="list-style-type: none"> Innovation and technology Collaboration efforts 	<ul style="list-style-type: none"> Supplier management and communication ensure fair opportunity and responsible practices, as well as strict adherence to our Supplier Code of Conduct. Utilised ComPASS, our procurement software, to manage suppliers, improve processes and ensure compliance on ESG matters.
Regulators 	<ul style="list-style-type: none"> Regular dialogue sessions with the various regulators including the Land Transport Authority, Singapore Exchange, the National Environment Agency and the Ministry of Manpower. 	<ul style="list-style-type: none"> Climate change adaptation and mitigation Diversity and inclusion Sector development Ethical and transparent business 	<ul style="list-style-type: none"> Review operational, safety and security performances. Provide constructive feedback when regulator needs to review existing and implement new policies. Reliable partner to explore and trial new systems. Identify and implement initiatives to cut carbon emissions. Discuss manpower and infrastructural development and sustainability issues.

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GOVERNING OUR SUSTAINABILITY AND RISK

We have an established governance framework to effectively and efficiently manage our ESG risks and opportunities. This ensures the long-term and sustainable growth of our organisation.

SUSTAINABILITY GOVERNANCE STRUCTURE

ComfortDelGro established our Sustainability Committee in April 2021. Supporting the Board of Directors led by Chairman Mr Lim Jit Poh, the Sustainability Committee is chaired by Ms Jessica Cheam, and aims to champion and provide oversight on ComfortDelGro’s sustainability effort. ESG matters are deliberated by the Sustainability Committee every quarter. The Sustainability Steering Committee, chaired by our MD/Group CEO Mr Yang Ban Seng, and comprising key members of the Senior Management, reviews ComfortDelGro’s sustainability performance and reports performance against targets to the Board. In operationalising the Group’s sustainability ambitions, our Group Chief Sustainability Officer, Mr Jackson Chia, is assisted by the ESG Working Groups. Each working group convenes quarterly to review the progress and discuss how the Group and its Business Units can better implement sustainability initiatives.

CORPORATE GOVERNANCE AND RISK

As part of our wider governance framework, we aligned our governance policies and practices with the principles and guidelines set out in the Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018. We also have in place a robust Enterprise Risk Management Framework which enables our Group and Business Units to understand the nature and complexity of the risks involved in the operations. This provides a systematic process to identify, review and prioritise resources to manage the risks.

We continue to adopt the precautionary principle in our risk-based approach. We are a signatory of the UN Global Compact and are committed to the 10 principles on Human Rights, Labour, Environment and Anti-corruption. More information on our corporate governance and risk management can be found on pages 63 to 83 and 88 to 93 in the ComfortDelGro Annual Report 2021.

