



TASK FORCE ON  
CLIMATE-RELATED FINANCIAL  
DISCLOSURES (TCFD)  
INAUGURAL REPORT 2022

**ComfortDelGro Corporation Limited**

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July 2022

## Task Force on Climate-Related Financial Disclosures Reference Index

ComfortDelGro is one of the largest land transport companies in the world with a global workforce, a global shareholder base and a global outlook. ComfortDelGro's businesses include bus, taxi, rail, car rental and leasing, automotive engineering services, inspection and testing services, driving centres, non-emergency patient transport services, insurance broking services and outdoor advertising.

Apart from being the market leader in Singapore, ComfortDelGro has a significant overseas presence. The Group's operations include Australia, United Kingdom, New Zealand, China, Ireland and Malaysia.<sup>1</sup>

This report is compiled on information and data from the established baseline year of 2019 as it is a closer representation to the business-as-usual scenario before the disruption due to COVID-19.

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<sup>1</sup> This TCFD report excludes operations in New Zealand and Malaysia. New Zealand is excluded as operations only commenced in 2022. Malaysia is excluded as it was deemed immaterial for the preliminary assessment based on the scale of its operations. These geographies will be considered in future TCFD reports.

## Introduction

The Inter-governmental Panel on Climate Change (IPCC) Assessment Report 6 signalled a “Code Red” for humanity as man-made carbon emissions were singled out as the definitive cause of global warming since the Industrial Revolution. With the effects of climate change becoming increasingly evident, it is pertinent for businesses to adapt, through adopting mitigation and adaptation strategies. Lack of concern for climate risks may cause poor investment decisions, loss of assets and continuation of practices that will worsen climate change.

As one of the largest land transport companies in the world, ComfortDelGro recognises both the direct and indirect climate-related consequences resulting from our operations, as well as the climate-related risks and opportunities that we face.

In response, ComfortDelGro is working towards accelerating climate action, by committing to carbon reduction targets validated by the Science Based Targets Initiative (SBTi)<sup>2</sup> and investing in green transport. By actively transitioning our fleet to more efficient and cleaner transportation, we aim to significantly reduce our GHG emissions and contribute to mitigating the impacts of climate change. Our ultimate goal is to move people further, longer, and faster with less resources and cleaner options.

To further demonstrate our commitment to climate action, ComfortDelGro have committed to reporting according to the TCFD. The TCFD was established in 2015, to provide stakeholders with information about how companies mitigate climate-related risks. It also provides transparency about companies’ governance, thereby enabling stakeholders to make informed decisions in relation to climate change. This report aims to provide an update on ComfortDelGro’s TCFD journey and should be read in tandem with our FY2021 Sustainability Report.

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<sup>2</sup> ComfortDelGro’s SBTi targets were validated and approved in June 2022

## Governance

*Disclose the organisation's governance around climate-related risks and opportunities.*

### **a) Describe the Board's oversight of climate-related risks and opportunities.**

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ComfortDelGro has an established governance framework to efficiently manage our ESG risks and opportunities, with the Board of Directors ("Board") taking overall responsibility in climate-related decision making. A Board-level Sustainability Committee was established in April 2021, to provide the Board oversight on sustainability-related strategic and investment decisions. This Sustainability Committee have explicit responsibility for oversight of climate change policy and meet on a quarterly basis to discuss the progress towards climate-related goals. The Board is informed of climate-related issues through the Sustainability Committee, as well as during Board meetings.

The Sustainability Committee is supported by a Sustainability Steering Committee, which is chaired by the Managing Director/Group CEO and comprises ComfortDelGro's senior management and CEOs of key Business Units. The Sustainability Steering Committee reviews ComfortDelGro's sustainability performance against targets quarterly and subsequently reports to the Sustainability Committee and Board.

ComfortDelGro's Group Chief Sustainability Officer is responsible for reporting on the progress against goals and targets for addressing climate-related issues, providing the Board with updates about climate-related issues during Board meetings, providing regular reports to the Board and Sustainability Committee about climate-related trends and the recommendations to address these trends.

The Board and Sustainability Committee currently consider carbon emissions, decarbonisation and climate change as material topics of our sustainability focus areas, which were identified during the materiality assessment conducted in FY2021. These material topics were subsequently incorporated into our sustainability framework

As ComfortDelGro undertakes more detailed scenario analysis and establishes projected financial implications for our Business Units, an extended integration of climate-related issues for inclusion into ComfortDelGro's strategy, performance objectives and oversight of major capital expenditures, acquisitions, and divestitures, will be investigated.

### **b) Describe management's role in assessing and managing climate-related risks and opportunities.**

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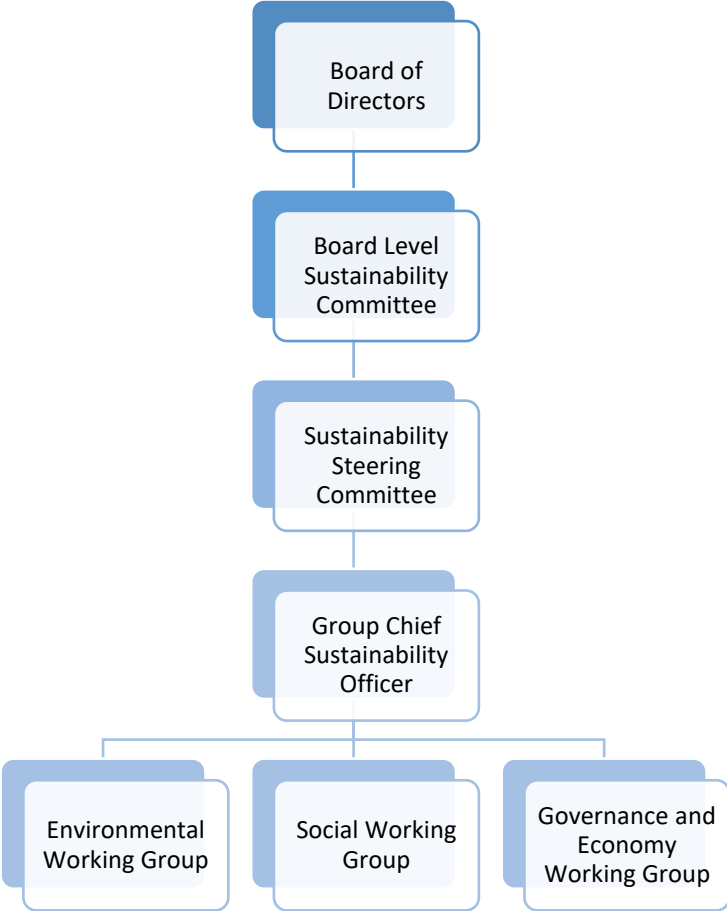
The management of climate-related risks and opportunities is led by the Group Chief Sustainability Officer and the broader Group Sustainability Office, and is distributed throughout the organisation in four channels:

- Sustainability Steering Committee
- Environmental Working Group
- Webinars
- EDMs

The Sustainability Steering Committee acts as the conduit between the organisation and the Board and assumes the overall responsibility for the assessment and management of the relevant climate-related risks and opportunities at ComfortDelGro. The implementation of the assessment and management of climate-related risks and opportunities is then directed throughout the organisation through the Environmental Working Group. This Environmental Working Group is co-chaired by the Group Chief Sustainability Officer and CEO of ComfortDelGro Engineering, and includes staff with environmental-related responsibilities, such as Property Services, Heads of Electrical departments, and EV-related businesses. To extend knowledge and capabilities on the management throughout the company, webinars are organised once per quarter and EDMs are sent as required throughout the year, in line with key updates or important climate related news, such as IPCC reports and carbon tax announcements.

The Business Units within the Group also hold internal management meetings, to discuss key topics that are impacting their operations and business development, including climate-related issues.

Figure 1. Sustainability Governance Structure



## Strategy

*Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.*

### **a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term**

In identifying how various climate risk and opportunity drivers may impact our operations, we applied TCFD's categorisation of transition and physical climate risks. Transition risks arise from interventions associated with a transition to a low-carbon economy, such as newly introduced climate policies and regulations, low-carbon technologies, carbon pricing, or changes in consumer preferences and market sentiments. Physical risks are those that arise from the physical impact of climate change, both chronic (impacts that happen over a period of time, such as temperature increase or sea level rise) or acute (impacts that happen as an event, such as flooding, storms or wildfires).

For the scenario analysis, ComfortDelGro has chosen to align with time horizons that are discussed in climate science, namely:

- Short term: up until 2030
- Medium term: 2030 – 2050
- Long term: 2050 – 2080

A preliminary climate-related risk and opportunity screening exercise has been completed, which looked at understanding the key climate-related risks and opportunities identified in chosen operational regions over the specific time horizons in two climate scenarios. The operational regions that were selected for the screening exercise were Singapore, Australia, United Kingdom, Ireland and China. These regions were selected due to the financial materiality and scale of operations. In the next phase of the exercise, we will refine our scenario analysis for deeper investigation into the key climate-related risks and opportunities identified, and formulate action plans and responses to guide our climate-related strategies.

The table below summarises the scope and parameters of our preliminary screening.





*Table 1. Scope and parameters of preliminary climate-related risk and opportunity screening*

<b>Parameters</b>	<b>Scope</b>
<b>Assets and countries/region</b>	Singapore Australia UK & Ireland China

<b>Baseline year</b>	2019 (latest 'business-as-usual' year)	
<b>Timeframe</b>	Short-term: 2020 - 2030 Medium: 2030 - 2050 Long-term: 2050 - 2080	
<b>Scenarios explored</b>	1.5°C warming (NGFS Net-Zero & RCP 2.6) > 3°C warming (NGFS Current Policies & RCP 8.5)	
<b>Risks</b>	<u>Transition risks</u> Carbon pricing Changing customer expectations Low carbon economy transition policies & regulations Reputational risks Technology shifts	<u>Physical risks</u> Floods Heatwaves Storms and cyclones Wildfires Rising sea levels Water scarcity





The results from the preliminary screening indicated the following climate-related risks to be further investigated:

Table 2. Preliminary climate-related risk and opportunity screening results

	Singapore	Australia	UK & Ireland	China
Physical	1.5°C warming 	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> </ul>	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> </ul>	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> <li>Storm / typhoon</li> </ul>
	>3°C warming 	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> </ul>	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> <li>Droughts / Water scarcity</li> </ul>	<ul style="list-style-type: none"> <li>Heatwaves / High temps.</li> <li>Floods</li> <li>Rising sea level</li> <li>Storm / typhoon</li> </ul>
Transition	1.5°C warming 	<ul style="list-style-type: none"> <li>Carbon pricing</li> <li>Policies and regulations</li> <li>Developments in tech</li> </ul>	<ul style="list-style-type: none"> <li>Carbon pricing</li> <li>Developments in tech</li> </ul>	<ul style="list-style-type: none"> <li>Policies and regulations</li> <li>Developments in tech</li> </ul>
	>3°C warming 	<ul style="list-style-type: none"> <li>Carbon pricing</li> <li>Policies and regulations</li> <li>Developments in tech</li> </ul>	<ul style="list-style-type: none"> <li>Carbon pricing</li> <li>Developments in tech</li> </ul>	<ul style="list-style-type: none"> <li>Developments in tech</li> </ul>

**Legend:**

Potential impact magnitude:

-  Mild risk
-  Moderate risk
-  Moderate to high risk
-  High risk





The preliminary screening process took into consideration the most pertinent climate risks in the various operational regions as per climate science. This was determined from the Climate Analytics, Climate Impact Explorer as well as climate science from the IPCC and the Network for Greening the Financial System (NGFS). Additionally, stakeholder engagement with each of the Business Units located in the



various operational regions was conducted, where inputs were garnered on what they deemed to be the most material climate related physical and transition impacts for their operations.

The results from the preliminary screening process were summarised to further identify key areas of impact and consideration as ComfortDelGro undertakes our detailed climate scenario analysis. It must be noted that these results were determined on the assumption that no action is taken by ComfortDelGro to mitigate and adapt to our pertinent climate risks, and was conducted at a Group level. This results summary covers overall findings for the entire Group and does not differentiate between countries or business units.

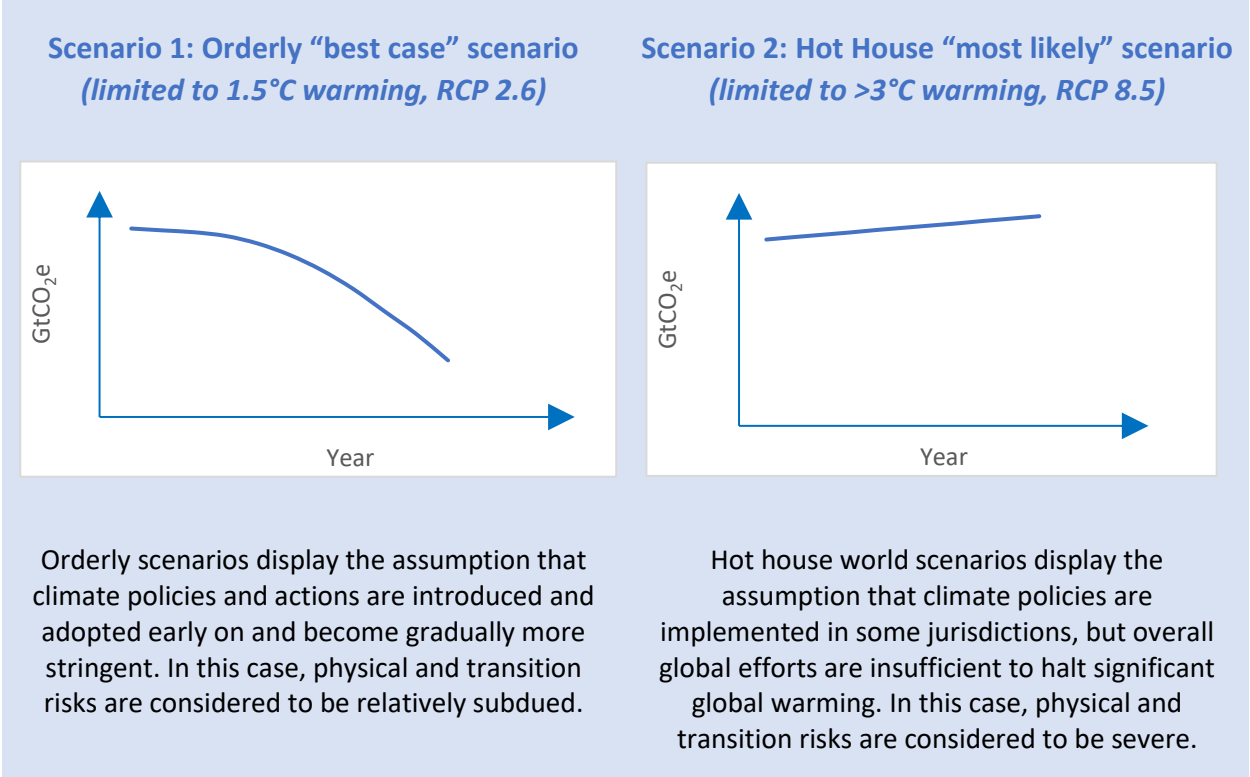
Table 3. Summary of impact results of preliminary climate assessment<sup>3</sup>

Impact	 <b>Higher mean temperatures and more frequent/intense heatwaves</b>	 <b>More frequent or intense floods (River and Flash floods) and Rising Sea Levels</b>	 <b>Policies and regulations moving towards a low carbon economy</b>	 <b>Developments and shifts in innovation and technology</b>
Risk Type	<b>Physical</b>		<b>Transition</b>	
Overall anticipated result	Material increase in spend on cost of cooling	Material loss of revenue and increased insurance costs	Material impact if no decarbonisation takes place	Increased demand of spares, increased cost of hydrogen vehicles
Short-term result	<ul style="list-style-type: none"> <li>Moderate cooling consumption increase expected in both scenarios</li> <li>Energy price expected to be higher in 1.5°C scenario</li> </ul>	<ul style="list-style-type: none"> <li>Explored flash flooding for all regions – mild risk to revenue</li> <li>River flooding focused on UK, China &amp; Aus. – moderate to high risk</li> </ul>	<ul style="list-style-type: none"> <li>More relevant for 1.5°C scenario</li> <li>Indirect costs of carbon can be passed on - Scope 1 and 2 related carbon costs may increase</li> </ul>	<ul style="list-style-type: none"> <li>Hydrogen is increasing in popularity in specific regions</li> <li>Slow but steady rate of adoption as infrastructure is enhanced</li> </ul>
Medium-term result	<ul style="list-style-type: none"> <li>Cost decreases over time in 1.5°C scenario (electricity prices increase, while risk is mild)</li> <li>Cooling cost increases in a &gt;3°C scenario, as risk is higher</li> </ul>	<ul style="list-style-type: none"> <li>Insurance costs for flooding likely to increase, adding to potential loss of revenue</li> </ul>	<ul style="list-style-type: none"> <li>Some capital expenses expected due to the transition activity</li> </ul>	<ul style="list-style-type: none"> <li>Demand of spare parts for ICE vehicles anticipated to increase</li> <li>EVs require lower maintenance regarding spares</li> </ul>
Long-term result	<ul style="list-style-type: none"> <li>Significant increase in cost of cooling in a &gt;3°C scenario, as heatwaves frequency and intensity is expected to keep rising</li> </ul>	<ul style="list-style-type: none"> <li>Anticipated potential revenue loss is low (<i>preliminary assessment</i>)</li> </ul>	<ul style="list-style-type: none"> <li>Scope 1 and 2 related carbon costs will significantly rise, especially in 1.5°C scenario where carbon price is high</li> </ul>	<ul style="list-style-type: none"> <li>Lower spend on EV maintenance</li> <li>Increased spend on hydrogen as R&amp;D &amp; infrastructure costs increase</li> </ul>

<sup>3</sup> These results are specific to the preliminary climate assessment and are subject to change based on the detailed climate assessment, the results of which are scheduled to be completed and disclosed in the next reporting cycle.

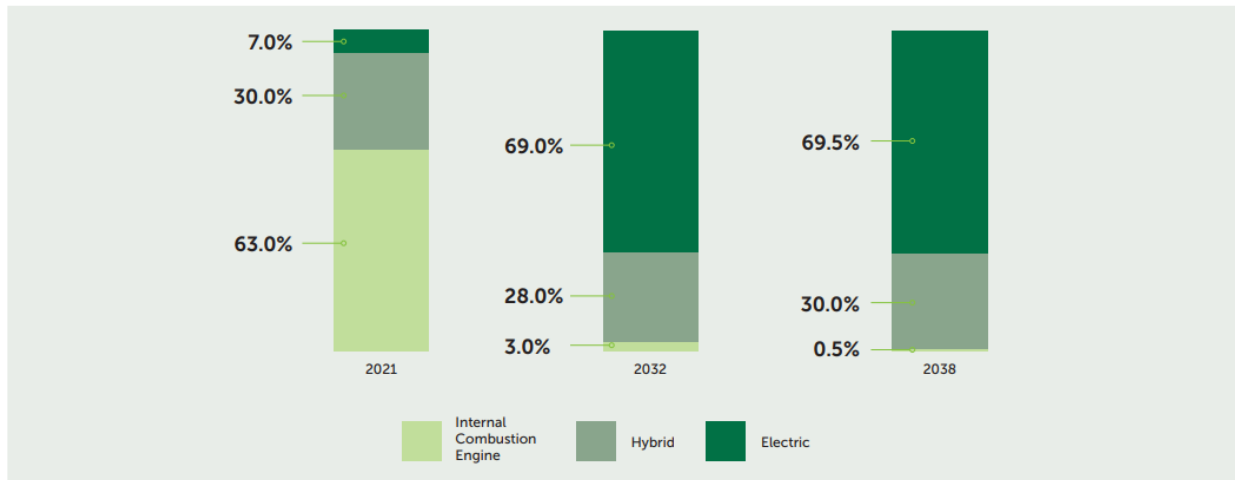
A detailed climate scenario analysis will be undertaken to further enhance the disclosures and efforts relating to climate risks and opportunities. This detailed climate scenario analysis will be based on two scenarios namely a 1.5°C warming scenario and a >3°C warming scenario, demonstrating a “best-case” scenario and a “most likely” scenario based on present trajectories, respectively.

Figure 2. Climate scenarios explored



As a key part of the detailed climate scenario analysis that will be undertaken, our established decarbonisation plan will play a key role in assessing the various risks and opportunities that may be faced in our organisation. In 2021, we undertook a revision of our transition plans and have set more ambitious targets. For our global operations, we are aiming to increase adoption of cleaner, less pollutive vehicles. We consider (1) our vehicles’ lifespans, (2) regulatory requirements on transport vehicles and (3) forecasted commercial trends in the industry. It is expected that the pace of conversion will accelerate over time due to the maturation of supporting infrastructure and regulations that discourage or ban new ICE vehicles.

Figure 3. Proportion of hybrid taxis/buses across geographies based on our decarbonisation plan



Our established decarbonisation plan is primarily based on a transition to low-carbon vehicles within our global fleet. This transition plan includes the shift from traditional Internal Combustion Engine (ICE) vehicles, to electric, hybrid-electric and hydrogen vehicles. The transition plan maps out an annual transition of vehicles from 2019 – 2038. The emissions reduction pathway of the transition plan has been modelled to align with the Science Based Target Initiative (SBTi) 1.5°C scenario, forming the basis of our carbon reduction targets. These targets were validated and approved by SBTi in June 2022.

ComfortDelGro’s carbon emission targets comprise a 54.6% reduction in absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions from its operations, and a 61.2% reduction in absolute Scope 3 GHG emissions from fuel and energy-related activities by 2032 from a baseline year of 2019<sup>4</sup>. These are consistent with reductions required to limit global warming to 1.5°C above preindustrial levels, the most ambitious goal of the Paris Agreement. In addition, the emissions from its value chain (Scope 3 GHG emissions) also meet the SBTi’s criteria for ambitious value chain goals, in that they are in line with current best practices.

**b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.**

Our preliminary climate scenario analysis has allowed ComfortDelGro to perform high-level screening of the key risks and opportunities for our consideration. These are then incorporated into inputs into our business, strategy and financial planning.

For example, in financial planning, the trends of climate-related risks and opportunities may guide the projection of climate impact on our Balance Sheets. Profit and loss projections may be affected by carbon taxes, CAPEX for purchase of cleaner energy vehicles and disposal of ICE vehicles.

<sup>4</sup> ComfortDelGro has established 2019 as the baseline year as it is a closer representation of our emission levels before the onset of COVID-19 pandemic.

**c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.**

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During the detailed climate scenario analysis, the resilience of the existing decarbonisation strategy will be assessed to aid in determining if there are any additional areas that require improvement.

Additionally, based on the results of the detailed climate scenario analysis, resilience measures are planned to be implemented according to the most pertinent risks faced according to the timeframes and magnitude of risk.

ComfortDelGro aims to establish resilience measures that not only mitigate climate risk, but unlock additional opportunities, for example the use of renewable energy to mitigate any rising energy costs as a result of increasing temperatures.

## Risk Management

*Disclose how the organisation identifies, assesses, and manages climate-related risks.*

### **a) Describe the organisation’s processes for identifying and assessing climate-related risks.**

The climate risk assessment was conducted by members of ComfortDelGro’s TCFD working group. It comprised the Group Sustainability Office, Group Risk Office, Group Finance Office and representatives from the key Business Units. The members were selected to ensure inputs required for the TCFD report were developed by the appropriate representatives with the required expertise and experience.

The screening exercise involved an assessment of the most pertinent physical (chronic and acute) climate risks and transition risks applicable to each geography of operation. This was done at a country-level for the screening exercise.

In our next phase, the climate risk assessment will be performed at the regional levels where applicable, and will detail how the relevant significance of climate-related risks and opportunities are determined in relation to other risks. Additionally, ComfortDelGro will disclose the processes for assessing the potential size and scope of identified climate-related risks including any definitions of risk terminology used, where appropriate.

### **b) Describe the organisation’s processes for managing climate-related risks**

During the preliminary screening exercise, the potential financial impacts due to transition and physical risk were identified. This will be further refined in the detailed scenario analysis and opportunities will also be further explored.

*Table 4. Preliminary climate-related risks identified and accompanying potential impacts*

Type	Climate-Related Risks	Potential Impacts
Transition Risks	Emission reduction regulations or policies <ul style="list-style-type: none"> <li>Achieve carbon-neutrality by a given date set by the local government</li> <li>Services that boost contribution to low-carbon economy can unleash investment demand</li> </ul>	<ul style="list-style-type: none"> <li>Penalties can be faced for not transitioning to low-carbon</li> <li>Increased costs of energy and fuel</li> <li>Regulatory and reputational pressures if not in line with the country trends</li> <li>Low carbon transition investment opportunities</li> </ul>
	Carbon Taxes & Emission Trading Schemes <ul style="list-style-type: none"> <li>If a facility’s emissions subsequently exceed its allowances, it must either pay a carbon tax or buy more allowances from an exchange</li> <li>Carbon prices are expected to increase over the years</li> </ul>	<ul style="list-style-type: none"> <li>Higher energy/fuel costs</li> <li>Increased expenses to purchase carbon allowances</li> <li>Higher maintenance costs</li> <li>Higher costs of services</li> </ul>

	<p>Change in Consumer Preferences</p> <ul style="list-style-type: none"> <li>• Shift in consumer preference to low-carbon vehicle options</li> <li>• Increasing pressure to enable affordability of low-carbon vehicle services</li> </ul>	<ul style="list-style-type: none"> <li>• Market capture can decrease if preferences are not addressed, similarly market capture can increase if affordable and efficient solutions to customer preferences are addressed</li> <li>• Competitive advantage can be established</li> </ul>
	<p>Technological Shifts and Innovation</p> <ul style="list-style-type: none"> <li>• Changing technologies to address climate related impacts</li> <li>• Transition to low-carbon transportation (EV's and hybrid vehicles) and alternative fuels (Hydrogen)</li> <li>• Infrastructure changes to accommodate the technological shifts in transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenses to adopt changing technologies including upskilling</li> <li>• Reputational advantages for timely uptake of technology</li> </ul>

Type	Climate-Related Risks	Potential Impacts
Physical Risks	<b>Acute</b>	<ul style="list-style-type: none"> <li>• Reduced asset values</li> <li>• Disruption to services (KPIs not met)</li> <li>• Liquidated damages if service level agreements with clients not met due to disruption</li> <li>• Increased need for business continuity planning</li> <li>• Manpower upskilling costs</li> <li>• Higher insurance costs</li> <li>• Highest repair and maintenance costs</li> <li>• Reputational risks</li> <li>• Additional operational costs</li> <li>• Higher energy costs</li> <li>• Higher capital costs for fleet renewal</li> <li>• Higher R&amp;D or partnership related costs</li> </ul>
	<ul style="list-style-type: none"> <li>• Rising mean temperatures (Heatwaves)</li> <li>• Floods (flash floods and general/river floods)</li> <li>• Tropical cyclones and convective storms (snowstorms, tornadoes)</li> <li>• Wildfires / bushfires</li> </ul>	
	<b>Chronic</b>	
	<ul style="list-style-type: none"> <li>• Rising sea levels</li> <li>• Water scarcity (Drought)</li> </ul>	

Upon the results of the detailed climate scenario analysis, ComfortDelGro will look to integrate climate-related risks and opportunities into our overarching strategy, as well as into our Business Unit's operational strategies for the effective management of relevant climate-related risks and opportunities.

**c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.**

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The process to assess ComfortDelGro's climate-related risks followed the company enterprise risk management methodology, where climate risks were identified and prioritised based on the climate scenarios selected, and the magnitude of the physical and transitional risks to the business. Depending on the severity of the climate risks identified, these are then incorporated into the business enterprise risk management frameworks and risk registers.

As part of the process, a TCFD working group was formed, comprising the Group Sustainability Office, Group Risk Office, Group Finance Office and representatives from the key Business Units. The members were selected to ensure inputs required for the TCFD report were developed by the appropriate representatives with the required expertise and experience.

A detailed scenario analysis will be undertaken as the next phase of TCFD to refine on these findings. The Group Sustainability Office and Group Risk Office will continue to work closely to further integrate climate risks into the enterprise risk management framework.

## Metrics and Targets

*Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.*

### **a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.**

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ComfortDelGro has been committed to providing performance against ESG-related metrics since the start of our sustainability reporting journey in 2015. Based on our material topics, we have established key metrics to measure and monitor our environmental performance, the details of which can be found in Appendix 1 as well as in our Sustainability Report 2021. These metrics include but are not limited to:

- The proportion of hybrid taxis/buses across geographies
- Air quality emissions
- GHG Emissions (Scope 1, 2 and 3)
- Emission intensity (tCO<sub>2</sub>e per S\$M revenue)
- Fuel Consumption (litres and %)
- Electricity consumption
- Energy intensity (kWh per S\$M revenue)
- Waste generated (hazardous, non-hazardous, e-waste)
- Waste directed to disposal (hazardous, non-hazardous)
- Waste diverted from disposal (hazardous, non-hazardous)
- Water Withdrawn (by Source and in Water Stressed Areas) by Source)
- Water intensity (megalitres per S\$M revenue)

ComfortDelGro reports on these metrics for the performance year, but also includes historical data to provide insights into the performance trends over time. Environmental data for our operations are prepared in accordance with the Global Reporting Initiative (GRI) disclosure standards. In 2021, we also prepared data for our Singapore operations to be disclosed according to the Sustainability Accounting Standards Board (SASB) Road Transportation and Car Rental and Leasing industry standards. ComfortDelGro plans to implement this to all our geographical operations in future years.

As ComfortDelGro undertakes our scenario analysis and integrates climate-related risks and opportunities into our operations, we will adopt relevant climate-related metrics that may not yet be included in our reporting.

### **b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks**

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ComfortDelGro has tracked and disclosed our emissions since 2015, following the GHG Protocol Corporate Standard. In 2021, we underwent a detailed review of our GHG Inventory and included a more robust assessment of our Scope 3 emissions. This was done following the GHG Protocol Corporate Standard.

2019 was established as the baseline year for absolute targets as it was the most recent year prior to the COVID-19 pandemic. This means that the GHG emissions would be a closer representation of our



emissions as global economy recovers and business activities pick up. This baseline year also falls in line with SBTi requirements.

ComfortDelGro's Scope 1 emissions are primarily from the fuel used in its fleet. Scope 2 emissions result from electricity consumption across operations and Scope 3 emissions are calculated for all relevant categories, which were determined through a screening process. These include:

- Purchased Goods & Services (Category 1)
- Capital Goods (Category 2)
- Fuel and Energy Use Not Captured in Scope 1 and Scope 2 (Category 3)
- Business Travel (Category 6)
- Employee Commute (Category 7)
- Downstream Leased Assets (Category 13)
- Investments (Category 15)

For details on our GHG emissions performance, kindly refer to our FY2021 Sustainability Report (page 35).

The risks related to GHG emissions include regulations that limit emissions, stiffer requirements to reduce usage of diesel and petrol vehicles, volatile fuel and energy costs associated with operations, discrepancy of information from joint-venture partners and sub-contractors, and difficulty in assessing complete Scope 3 emissions.

**c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.**

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ComfortDelGro has established targets for each of its key material topics. These targets can be found in our Sustainability Report 2021. The key targets relating to climate-related risks and opportunities are focused primarily on our emissions reduction targets, which have been validated by the SBTi. More detailed elaboration and specification on our established targets can be found in our FY2021 Sustainability Report (page 18).

ComfortDelGro aims to achieve growth in green mobility business, such as EV transport services and installation of EV chargers, development of new business segments associated with green mobility, such as inspection and maintenance of EVs, as well as training of staff to take up green jobs, which require sustainability and EV-related knowledge, such as EV technicians.

## Conclusion

ComfortDelGro remains committed to the assessment of climate risks and opportunities for our organisation, with the aim of identifying and managing the risks and opportunities posed by climate change and the technological, market and policy responses to it. As we continue to mature in our TCFD reporting journey, we recognise that additional efforts are required to adapt, mitigate and respond to the pertinent climate risks and opportunities.

The preliminary screening exercise that was undertaken aided in the refinement of the parameters with which to move forward for the detailed scenario analysis. This preliminary screening considered two climate scenarios and both physical and transition risks relevant to ComfortDelGro's operations. A shortlisting of pertinent risks faced was determined, which will undergo a deep-dive assessment in the subsequent detailed scenario analysis.

The detailed climate scenario analysis, as discussed earlier in the report, will aim to provide more specific and targeted results. These results will then be used to enhance our governance, strategy and risk management practices when considering climate risks and opportunities.

While ComfortDelGro has an established set of metrics to measure sustainability performance in the environmental pillar of ESG, these metrics will be further refined based on the results of the scenario analysis and the further integration of climate risk into the organisation.

As we move forward, we aim to continually strengthen our TCFD reporting and align with market practices, regulatory requirements, and peer reporting practices.

## Appendix 1

### *Metrics Currently Disclosed*

The metrics disclosed can be found in our FY2021 Sustainability Report.

<b>Metric</b>	<b>FY2021 Sustainability Report Page</b>
The proportion of hybrid taxis/buses across geographies	32
Air quality emissions	36
GHG Emissions (Scope 1, 2 and 3)	35
Emission intensity (tCO <sup>2</sup> e per S\$M revenue)	35
Fuel Consumption (litres and %)	38
Electricity consumption	38
Energy intensity (kWh per S\$M revenue)	38
Waste generated (hazardous, non-hazardous, e-waste)	40
Waste directed to disposal (hazardous, non-hazardous)	40
Waste diverted from disposal (hazardous, non-hazardous)	40
Water Withdrawn (by Source and in Water Stressed Areas) by Source)	42
Water intensity (megalitres per S\$M revenue)	42