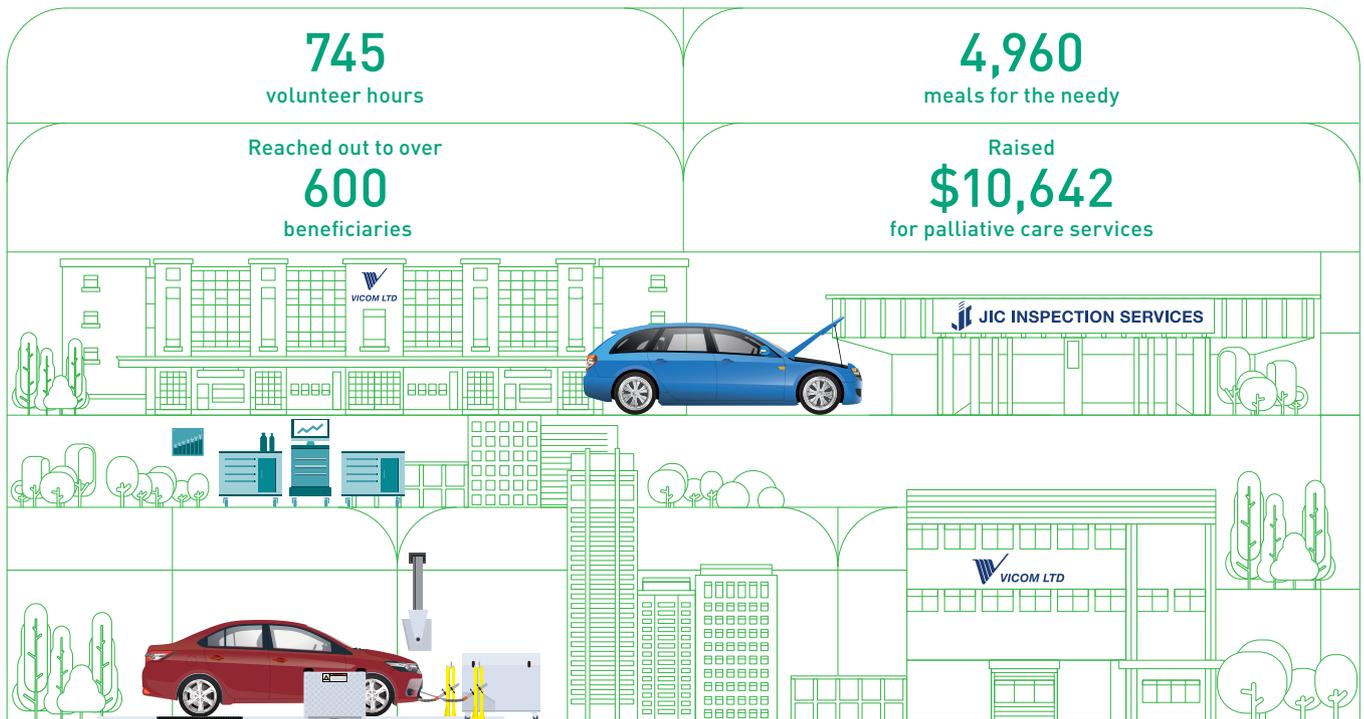


SUSTAINABILITY REPORT



In the last 12 months, we have focussed our attention on building on the foundations that we have laid in the area of sustainability. 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 a more sustainable future, for current and future generations.

Environmental

It is VICOM's mission to keep the environment clean and reduce pollution by ensuring that vehicles are road worthy and operate within emission limits. Internally, Standards Of Procedures are in place to ensure that VICOM's own usage of energy and natural resources are regulated.

We installed energy-saving electrical components, appliances such as energy-saving induction lamps, energy efficient air-conditioning units, motion detectors as well as water-saving devices in our premises. Our consumption of energy was also closely monitored and corrective action taken where needed.

High energy consumption equipment came under scrutiny during the year. For example, all the inspection centres' high bay lightings (metal halite and induction types) as well as perimeter and flood lighting, were replaced with energy-efficient LED options. This further cut the energy consumption by nearly half with almost double the usage life. In addition, all perimeter and flood lights were put on automatic timer. They are switched on at 7.30pm and switched

off at 6.30am. In addition, staff are also constantly reminded to practise energy-saving and water-saving habits.

In 2016, about 5.59 million kWh in electricity was consumed, representing an increase of 4.7% over the previous year, due mainly to an increase in the number of jobs completed by SETSCO.

The Group saw an increase of 3.5% in water consumption in 2016, rising to an estimated of 41,132 CuM, as compared to 39,743 CuM in 2015. The increase was mainly attributed to the construction of storage facilities at SETSCO's premises from May to September 2016, which utilised more water than usual.

VICOM holds regular talks for both local and international delegates, where we share the best practices used in keeping Singapore's roads safer and greener. In 2016, nine such talks were held with delegates from various countries including Japan, Philippines, Niger, Kazakhstan, Fiji and more. In total, over 30 hours worth of such sessions were conducted.

To encourage better use of natural resources, VICOM continued to support the Earth Hour initiative by turning off lights during lunch. The air-conditioning system was also turned off at the Sin Ming office.

Other 'Green' – activities include a coastal clean-up in September 2016, where about 500kg of waste materials was removed from the Tanah Merah Beach by a team of 22 SETSCO volunteers.

SUSTAINABILITY REPORT

In December 2016, VICOM volunteered to decorate two trees in conjunction with NParks' 'Give to the Gardens Programme', which promotes recycling and the re-use of daily materials.

Product Responsibility: Safety and Security

SETSCO regularly organises various safety orientation and refresher training for its staff to equip them with the latest skills in first-aid, forklift driving, risk management and work-at-heights safety.

To encourage and drive safety awareness amongst drivers of heavy goods vehicles (HGVs), VICOM sponsored the 'Use your Road Sense' seminar, an initiative pioneered by the Traffic Police and Singapore Road Safety Council. The initiative included giving out pledge cards on behalf of Traffic Police to HGV drivers at VICOM's inspection centres to educate and encourage them to be safer drivers.

Social: Human Rights and Labour Practices

The VICOM Group continues to leverage on ComfortDelGro's talent management programme to groom its talents to sustain its talent pipeline. We also aligned ourselves with ComfortDelGro's rigorous processes of recruitment, deployment, talent development, recognition and rewards to ensure our pipeline of Management staff remains consistent and of high quality.

Our next tier of talents completed their Axle Programme in 2016. This is a cross-business and off-line Mentoring Programme that started in mid-2012. As part of the self-directed learning and development, the identified staff reviewed and discussed various leadership articles and competencies on the e-learning platform Leadership LINK. Selected talents continued to be given exposure through special projects and engagement opportunities with our Senior Management.

Society

Community engagement forms an integral part of the Group's corporate social responsibility (CSR) activities. For more than a decade, VICOM's Care and Share Committee has given back to the community through a variety of activities. The monthly contributions from staff has reached out to the elderly, the underprivileged, the sick and the young. For every dollar that is donated by staff, the Company matches it, dollar-for-dollar.

During the Chinese New Year period, 220 elderly folks from the Thye Hwa Kwan @ Indus Moral centre were treated to a luncheon and given 'red packets'. Similarly, over 200 elderly beneficiaries from various charity organisations were treated to the "Fong Fei Fei" concert at the Esplanade during the Mid-Autumn Festival. In September, a day trip to the Tooth Relic Temple was organised for members of the Thong Kheng Seniors Activity Centre. They had a great time sharing many stories of yesteryears with the VICOM volunteers.

To end the year, a clay modelling and ice cream making workshop was organised for 25 participants of Star PALS (Paediatric Advance Life Support) – an organisation providing palliative home care services for the young with life-threatening or life limiting conditions. Additionally, VICOM continued to support Star PALS with taxi vouchers to ease the transportation needs of its members and raised \$8,242 via donation boxes located at our seven inspection centres.

SETSCO continued its partnership with the Willing Hearts Soup Kitchen with 34 volunteers preparing, cooking and distributing 4,960 hot meals for the needy. Two blood donation drives were also held together with the Singapore Red Cross Society.

For the first time, volunteers from SETSCO spent a day at the Animal Lovers League's shelter at Pasir Ris, cleaning pet cages and overall premises, which houses about 700 animals. A donation of \$450 was also presented to the Shelter. To round off the year, 20 volunteers teamed up with the Society for the Physically Disabled to raise funds through Christmas carols.

In total, our staff volunteered a total of 745 hours in various initiatives to reach out to the community.

More details of our Sustainability efforts, including the GRI Content Index G4 (Core), can be found in the Sustainability Report of our parent company, ComfortDelGro Corporation Limited.