



SUSTAINABILITY REPORT 2018

JARDINE CYCLE & CARRIAGE LIMITED



Jardine Cycle & Carriage

ABOUT THIS REPORT

(GRI 102-1, 102-5, 102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56)

This is Jardine Cycle & Carriage's second published sustainability report. This report covers Jardine Cycle & Carriage Limited as a holding company ("JC&C parent company") together with our majority-owned interests for the financial period from 1st January to 31st December 2018.

The majority-owned interests include our majority-owned Direct Motor Interests in Singapore and Malaysia – Cycle & Carriage Singapore¹ and Cycle & Carriage Bintang Berhad² respectively. Our majority-owned Direct Motor Interests in Myanmar is excluded from this year's report as it is a small-scale operation³. Astra International is also excluded from this report, as it publishes its own separate annual sustainability report.

The list of principal entities within the Jardine Cycle & Carriage Limited group of companies is set out in our consolidated [Financial Statements 2018](#).

This report adheres to Singapore Exchange ("SGX")'s Listing Rule 711A on preparing an annual sustainability report, which describes our sustainability practices with reference to the primary components set out in Listing Rule 711B.

This report is prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"): Core option. There are no restatements of information and we have not sought external assurance at this time. No hard copies of this report are printed as part of our efforts to promote resource conservation.

Please share any feedback on our sustainability report or sustainability practices by contacting: sustainability@jcclgroup.com

1. Denotes our principal subsidiaries in Singapore as listed in the Appendix to this report.
2. Denotes our principal subsidiary in Malaysia as listed in the Appendix to this report.
3. Not meaningful contribution to JC&C's FY2018 underlying profit attributable to shareholders.

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MESSAGE FROM THE GROUP MANAGING DIRECTOR

(GRI 102-14)



2019 marks our 120th anniversary – we have always focused on non-financial factors that contribute to the long-term viability of our businesses.

We are pleased to share our Sustainability Report 2018. Since publishing our first report last year, we have continued to deepen our commitment of ensuring the sustainability of our businesses.

However, business sustainability is not new to us. 2019 marks our 120th anniversary – we have always focused on non-financial factors that contribute to the long-term viability of our businesses.

2018 has once again been a strong year for Jardine Cycle & Carriage (“JC&C” or “the Group”) producing solid results. We were also ranked the third highest among the Straits Times Index constituent stocks with 18% annualised total returns, over a 10-year period. Underpinning our strong shareholder returns is our consideration of environmental, social and governance processes, practices and policies.

Our long history investing in Southeast Asia has enabled us to develop deep insights and a strong network in the region. It is our valued partnerships with customers and communities, business associates and suppliers, and employees that drive our performance.

In 2018, we continued and expanded our stakeholder engagement, working with a range of stakeholders from employees and shareholders, to regulatory bodies in Singapore and Malaysia on sustainability topics that are material to us. Our material sustainability topics are confirmed and overseen by the Board, with supervision extended through the JC&C Executive Committee where material topics are managed and monitored.

Sustainability for JC&C extends to our approach to investments: our Southeast-Asian focused investments are long-term and strategic in nature. Our investment decisions are rooted in the fundamentals of the industries. Our priorities are never based on short-term metrics alone – we have a track record of investing in companies with robust financial performance, strong leadership, sound governance and long-term potential.

We are proud of the role our diversified interests play in the development of Southeast Asia, by supporting the region's urbanisation as well as responding to aspirations of the emerging ASEAN consumer, a growth trajectory our consumer-focused interests continue to ride on.

One of our most significant interests in consumer products is our presence in the automotive sector. Our automotive activities in Singapore, Malaysia and Myanmar operate under the "Cycle & Carriage" banner. As part of the 120th anniversary celebrations, Cycle & Carriage launched a new brand promise and tagline "Exceptional Journeys". The new brand positioning encapsulates Cycle & Carriage's passion to create people-focused experiences. Recognising the disruptions and shifts in the automotive sector, "Exceptional Journeys" reflects the brand's evolution from focusing on delivering quality products and services, to enhancing the experience for customers, partners, employees and communities.

As we think about what makes our businesses sustainable, we must also consider what sustainability means to society. Over the past few years we have witnessed significant advancements in electric vehicles within Asia. In 2018, Cycle & Carriage Singapore expanded into the material-handling equipment sector when we were awarded the BYD electric forklifts distributorship. BYD is one of China's leading automotive companies and is paving the way in electric vehicle development. The BYD electric forklifts are powered by the revolutionary lithium iron phosphate battery that drives operational efficiency, generating higher cost savings with zero emissions. The partnership with BYD expands Cycle & Carriage Singapore's offerings and strengthens its technical expertise and readiness for further electric vehicle roll-out.

Our people are at the heart of the long-term success of our businesses. We are delighted to share that in 2018, Cycle & Carriage Singapore was named among HR Asia's "Best Companies to Work For", the fourth consecutive year that we have received this award.

Similarly, our efforts to strengthen stakeholder engagement have been acknowledged. JC&C was named a runner-up for the "Most Transparent Company" at the SIAS Investors' Choice Awards 2018.

18%
Annualised total
returns over a
10-year period

JC&C is also proud to support the incredible work of MINDSET, the Jardine Matheson Group ("Jardines") registered charity that focuses on making a difference to the lives of those affected by mental health issues. MINDSET was recognised for its contributions, receiving the Charity Governance and Transparency awards conferred by Singapore's Charity Council in 2018. Furthermore, Jardines was named a "Champion of Good" by the National Volunteer & Philanthropy Centre in Singapore.

We are heartened by these acknowledgements and achievements but recognise that there is still more to be done.

On behalf of JC&C's Board and Management, we would like to express our appreciation to our people and partners who have been alongside our 120-year journey and we look forward to building a more resilient future together.

ALEX NEWBIGGING

Group Managing Director
Representative for the Board of Directors

ABOUT JARDINE CYCLE & CARRIAGE

AT A GLANCE

(GRI 102-2, 102-4, 102-6, 102-7, 201-1)

2018 SNAPSHOT

Combined gross revenue*

US\$40bn

Revenue

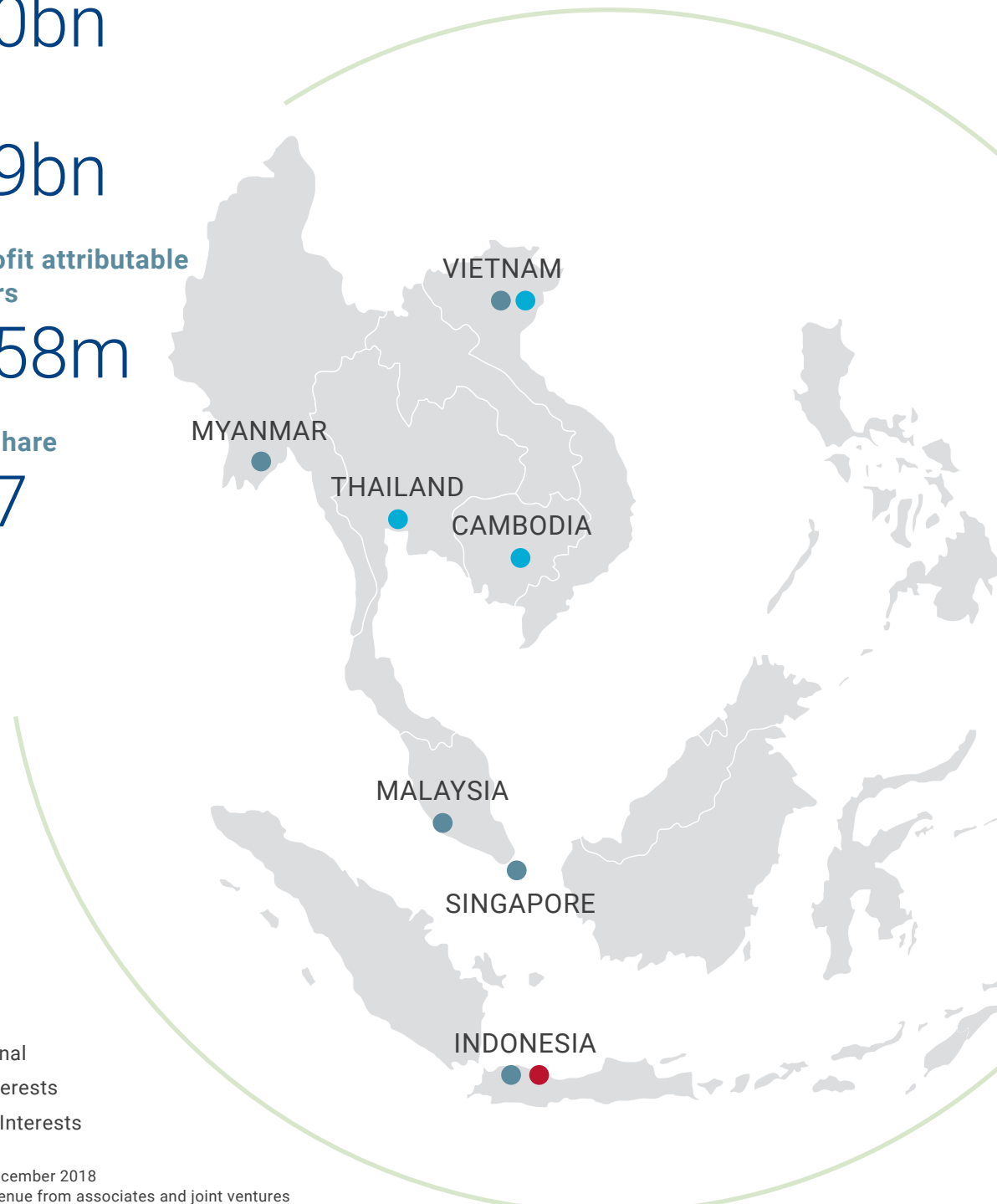
US\$19bn

Underlying profit attributable
to shareholders

US\$858m

Dividend per share

US¢87

- 
- Astra International
● Direct Motor Interests
● Other Strategic Interests

Information as at 31st December 2018

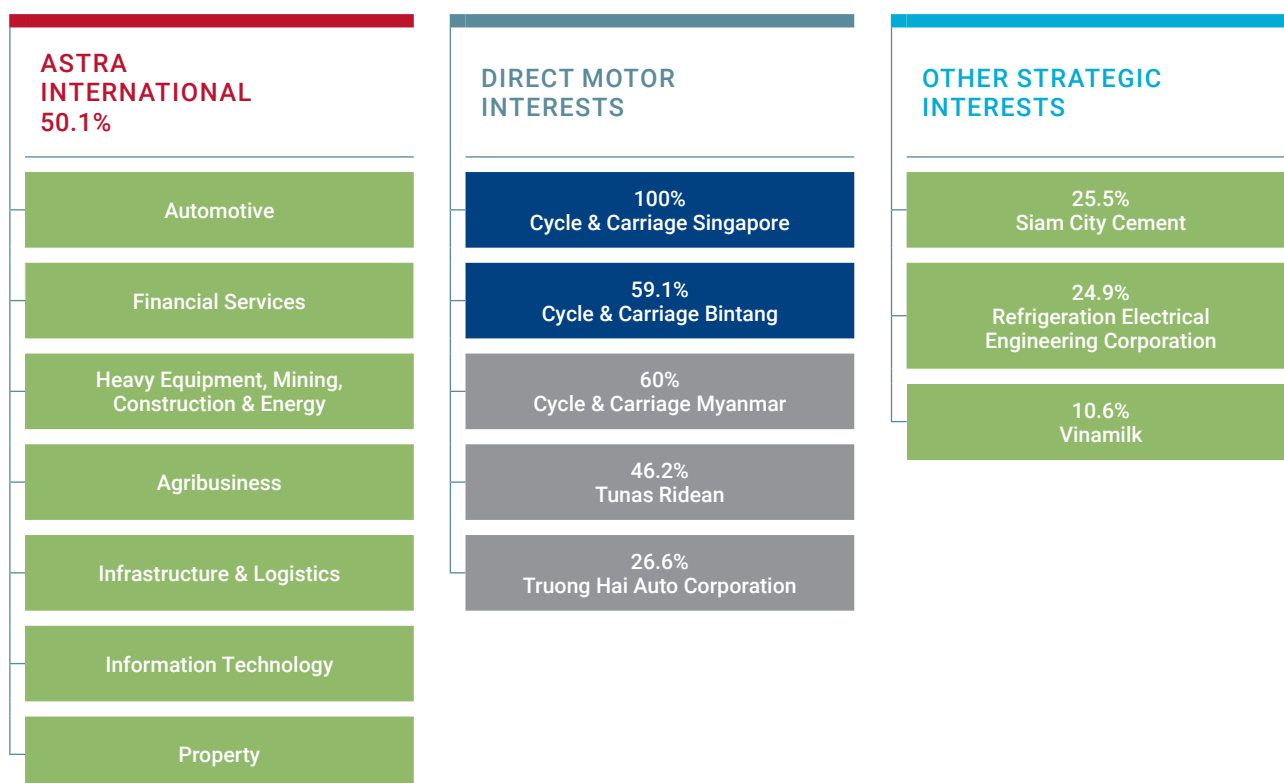
* Includes 100% of revenue from associates and joint ventures

THE GROUP

(GRI 102-1, 102-2, 102-3, 102-5, 102-6, 102-7,
102-45, 102-46)



Jardine Cycle & Carriage



● Covered in the report

● Publishes its own
sustainability report

Group structure as at 30th April 2019

ABOUT JARDINE CYCLE & CARRIAGE

ASTRA

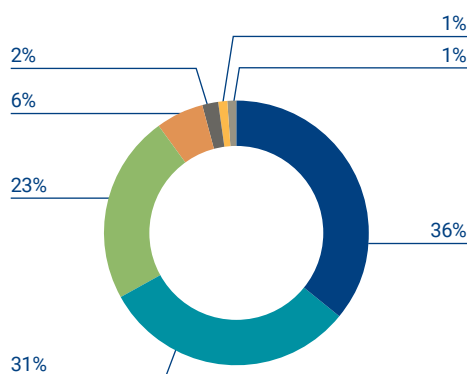
JC&C has 50.1% interest in Astra. Astra is a diversified business group with seven core businesses in Indonesia. It is listed on the Indonesia Stock Exchange.



CONTRIBUTION BY ASTRA

US\$718.7m*

+15% from US\$622.3m in 2017



- Automotive
- Heavy Equipment, Mining, Construction & Energy
- Financial Services
- Agribusiness
- Property
- Infrastructure & Logistics
- Information Technology

* After withholding tax on dividend



Automotive

Astra is the largest independent automotive group in Southeast Asia. Its automotive business comprises the production, distribution, retail and aftersales service of motor vehicles and motorcycles. It is the sole distributor of Toyota, Daihatsu, Isuzu and Peugeot motor vehicles, a dealer of BMW motor vehicles and UD Trucks and a distributor of Honda motorcycles. Astra also manufactures and distributes automotive components.



Financial Services

Astra's financial services are extensive, consisting of consumer financing for motor vehicles and motorcycles, heavy equipment financing and banking, as well as general and life insurance.



Heavy Equipment, Mining, Construction & Energy

Astra supplies construction and mining equipment, as well as provides aftersales service. It is the sole distributor of Komatsu heavy equipment and is the largest coal mining services contractor in Indonesia. It also participates in general construction and thermal power businesses.



Agribusiness

Astra's agribusiness includes the cultivation, harvesting and processing of palm oil. It is a major producer of crude palm oil in Indonesia.



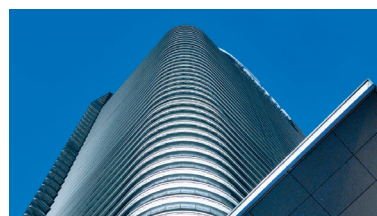
Infrastructure & Logistics

Astra's infrastructure and logistics businesses include toll road development and management, with a total interest in 353km of toll roads in Indonesia.



Information Technology

Astra's information technology business provides document information and communication technology solutions. It is the sole distributor of Fuji Xerox office equipment in Indonesia.



Property

Astra's property business includes the Grade A office building, Menara Astra, the 509-unit Anandamaya Residences and two residential development projects, namely Arumaya in South Jakarta and Asya in East Jakarta, as well as a 3-hectare residential and commercial development in Jakarta's Central Business District.

DIRECT MOTOR INTERESTS

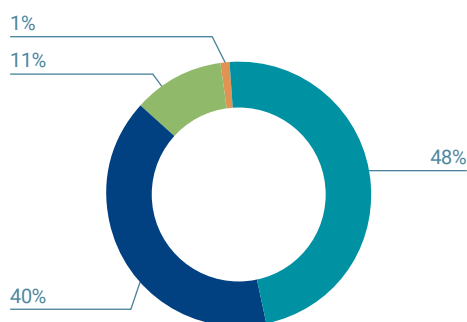
JC&C has an established regional automotive presence through Direct Motor Interests operating in Singapore, Malaysia and Myanmar under the Cycle & Carriage banner, as well as through Tunas Ridean in Indonesia and Truong Hai Auto Corporation in Vietnam.



CONTRIBUTION BY DIRECT MOTOR INTERESTS

US\$144.6m

+19% from US\$121.3m in 2017



- Vietnam (Truong Hai Auto Corporation)
- Singapore
- Indonesia (Tunas Ridean)
- Malaysia
- Myanmar (not meaningful)



Singapore

Cycle & Carriage Singapore (100%) is one of the leading automotive groups in Singapore. It is engaged in the distribution, retail and aftersales service of Mercedes-Benz, Mitsubishi, Kia, Citroën, DS Automobiles, Maxus motor vehicles and retails used cars under its Republic Auto brand. It is also the exclusive distributor of BYD electric forklifts.



Malaysia

Cycle & Carriage Bintang (59.1%) is listed on Bursa Malaysia. With an extensive network of 13 outlets across the country, Cycle & Carriage Bintang is a leading Mercedes-Benz dealer group in Malaysia, providing sales and aftersales services for Mercedes-Benz passenger cars and commercial vehicles, including FUSO trucks.



Myanmar

Cycle & Carriage Myanmar (60%) distributes, retails and provides aftersales services for Mercedes-Benz and Mazda passenger cars and commercial vehicles, as well as for FUSO commercial vehicles in Myanmar.



Indonesia

Tunas Ridean (46.2%) is listed on the Indonesia Stock Exchange and is a leading automotive dealer group in Indonesia. It represents Toyota, Daihatsu, BMW and Isuzu motor vehicles, as well as Honda motorcycles. Tunas Ridean also offers automotive rental and fleet management services. Additionally, it provides vehicle financing through its associate, Mandiri Tunas Finance.



Vietnam

Truong Hai Auto Corporation ("THACO") (26.6%) is the largest automotive company in Vietnam. It manufactures, assembles, distributes, retails and provides aftersales service of commercial and passenger vehicles, representing BMW, MINI, Kia, Mazda, Peugeot, Foton and FUSO. THACO also engages in logistics, property development and agriculture in Vietnam.

ABOUT JARDINE CYCLE & CARRIAGE

OTHER STRATEGIC INTERESTS

Further diversifying JC&C's businesses are Other Strategic Interests in Siam City Cement, Refrigeration Electrical Engineering Corporation and Vinamilk, market leaders through which JC&C gains exposure to key Southeast Asian economies by supporting the long-term growth of these companies.



Siam City Cement

Siam City Cement (25.5%) is listed on the Stock Exchange of Thailand and is the second largest cement manufacturer in Thailand. Operating across South and Southeast Asia, it also produces concrete and other building materials.



Refrigeration Electrical Engineering Corporation

Refrigeration Electrical Engineering Corporation (24.9%) is listed on the Ho Chi Minh Stock Exchange. It is a diversified business group in Vietnam with operations in mechanical and electrical engineering services, real estate and power and water utility infrastructure.



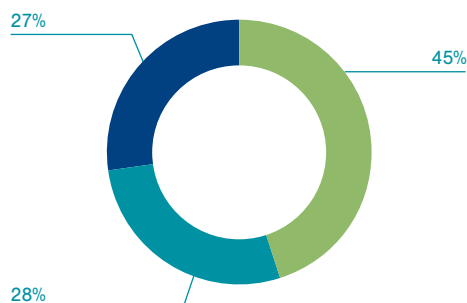
Vinamilk

JC&C holds a 10.6% interest in Vietnam Dairy Products Joint Stock Company, known as Vinamilk. Vinamilk is the leading dairy producer in Vietnam.

CONTRIBUTION BY OTHER STRATEGIC INTERESTS

US\$71.1m

+107% from US\$34.3m in 2017



- Vinamilk
- Siam City Cement
- Refrigeration Electrical Engineering Corporation

Headquartered in Singapore, Jardine Cycle & Carriage ("JC&C" or "the Group") is a leading Singapore-listed company and a constituent stock on the Straits Times Index. We hold strategic and long-term business interests that support the development of Southeast Asia. Together with our subsidiaries and associates, JC&C employs over 250,000 people across Indonesia, Singapore, Malaysia, Myanmar, Thailand and Vietnam. JC&C is a member of the Jardine Matheson Group.

JC&C is a majority shareholder of Astra International ("Astra"), a leading Indonesian diversified group. Astra is the largest independent automotive group in Southeast Asia and has further diversified interests in financial services, heavy equipment, mining, construction and energy, agribusiness, infrastructure and logistics, information technology, and property. Astra and several of its subsidiaries are listed on the Indonesia Stock Exchange. Astra has been publishing its own comprehensive sustainability report every year since 2002 through which it communicates its sustainability policies and implementation strategies in accordance with the GRI Standards. Therefore, Astra is not included within the scope of this report. To view Astra's sustainability policies and practices, please refer to its [sustainability reports](#).

JC&C also has an established automotive presence in Southeast Asia beyond Astra through our Direct Motor Interests operating in Singapore, Malaysia and Myanmar

under the Cycle & Carriage banner, as well as through Tunas Ridean in Indonesia and Truong Hai Auto Corporation in Vietnam. This report covers the sustainability performance of Cycle & Carriage Singapore¹ and Cycle & Carriage Bintang Berhad² ("Cycle & Carriage Bintang") as our majority-owned subsidiaries. Cycle & Carriage Myanmar is excluded from this year's report as it is a small-scale operation³.

Further diversifying our businesses are Other Strategic Interests in Siam City Cement in Thailand together with Refrigeration Electrical Engineering Corporation and Vinamilk in Vietnam. They are market leaders through which JC&C gains exposure to key Southeast Asian economies by supporting the long-term growth of the companies.

JC&C is 75% held by Jardine Matheson, a diversified business group focused principally on Asia. The Jardine Matheson Group of companies are leaders in the fields of engineering and construction, transport services, motor vehicles, property investment and development, retailing, restaurants and luxury hotels.

Please refer to the [JC&C website](#) for more information.

1. Denotes our principal subsidiaries in Singapore as listed in the Appendix to this report.
2. Denotes our principal subsidiary in Malaysia as listed in the Appendix to this report.
3. Not meaningful contribution to JC&C's FY2018 underlying profit attributable to shareholders.



Cycle & Carriage Singapore is a leading automotive group engaged in the distribution, retail and aftersales service of Mercedes-Benz, Mitsubishi, Kia, Citroën, DS Automobiles and Maxus motor vehicles. It is also Singapore's largest certified pre-owned car dealer (Republic Auto) and the exclusive distributor of BYD electric forklifts.

Cycle & Carriage Bintang is listed on Bursa Malaysia Securities Berhad ("Bursa Malaysia"). With an extensive network of 13 outlets across the country, Cycle & Carriage Bintang is a leading Mercedes-Benz dealer group in Malaysia, providing sales and aftersales services for Mercedes-Benz passenger cars and commercial vehicles, including FUSO trucks. It has published its first full Sustainability Statement this year applying the GRI Standards as part of its [Annual Report 2018](#).



ABOUT JARDINE CYCLE & CARRIAGE

INVESTMENTS AT JARDINE CYCLE & CARRIAGE

(GRI 102-16)

JC&C adheres to the Singapore Code of Corporate Governance, which provides that the Board of Directors is collectively responsible to lead the company and work with management for long-term success.

Under the Board's terms of reference, its role also includes:

- i. To take steps to reduce risks in planning mergers and acquisitions;
- ii. To consider sustainability issues such as environmental and social factors, as part of its strategic formulation; and
- iii. To establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets.

JC&C INVESTMENT PRACTICES

JC&C aims to hold meaningful shareholdings in market-leading businesses of scale, in industries relevant to the development of local or regional economies. JC&C strives to be a supportive shareholder, and where appropriate for material investments to be a strategic partner.

Our guiding principles of investment include consideration of investments in Southeast Asia with sustainable long-term growth fundamentals, as well as good management, governance and reputation.

As a holding company and a long-term shareholder, JC&C seeks to influence our material investee companies by appropriate involvement in decision making processes. This influence is commensurately greater when we have larger representation in the management or on the Board.

CODE OF CONDUCT

(GRI 102-16, 103-1, 103-2, 103-3, CG-1)

As a member of the Jardine Matheson Group, JC&C adopts the Jardine Matheson Group Code of Conduct ("the CoC"). The CoC requires compliance with all relevant laws, all rules and regulations applicable to each business and with proper standards of business conduct. The CoC sets out the standards and values that we uphold in operating our businesses. JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang adhere to the CoC. All new employees are given a copy of the CoC and all employees, existing and new, are required to undergo regular training on the CoC.

RISK MANAGEMENT

(GRI 102-11)

JC&C has a formal risk management process to identify, evaluate and manage significant risks impacting the Group. The process is supported by a policy as well as procedures, methodologies, evaluation criteria and documentation requirements with the aim of ensuring clarity and consistency of application across the Group. These procedures and methodologies are regularly reviewed to include new elements that aim at enhancing the reporting process to make it more comprehensive, of greater value to the Audit Committee and in line with current best practice.

Management is required to comprehensively identify and assess significant risks in terms of the likelihood of occurrence, magnitude and speed of impact. Management is also required to identify and evaluate the adequacy and implementation of mechanisms to manage, mitigate, avoid or eliminate these risks. The process encompasses assessments and evaluations of the business unit level before being examined at the Group level. More information on JC&C's risk management approach and the major residual risk exposures for 2018 can be found in the [Annual Report 2018](#).

SUPPLY CHAIN

(GRI 102-9, 102-10)

The supply chain for JC&C parent company is based around its office operations. The office is located within a Cycle & Carriage Singapore building complex, with most of its shared services sourced and managed jointly through Cycle & Carriage Singapore.

Cycle & Carriage Singapore and Cycle & Carriage Bintang distribute and/or retail motor vehicles, as well as provide aftersales services. They serve both retail and corporate customers in their respective countries. Their primary suppliers are the motor vehicle principals, with other vendors supporting these operations.

The business activities are performed by employees, except for cleaning, security, car wash and grooming, which are contracted to vendors. Some activities relating to new car logistics, such as vehicle transportation and supply of upholstery and electronic accessories, are also outsourced. The supply chains of Cycle & Carriage Singapore and Cycle & Carriage Bintang cover a variety of activities, engaging over 2,200 vendors.

In November 2018, Cycle & Carriage Singapore made its foray into the material handling equipment sector as the exclusive distributor of BYD electric forklifts. The forklifts are designed to drive operational efficiency that will generate higher cost savings and zero emissions.

VENDORS

MOTOR VEHICLE PRINCIPALS



MATERIAL-HANDLING EQUIPMENT PRINCIPAL



SALES & AFTERSALES RELATED

- Parts and accessories
- Logistics and warehousing
- Licence plates
- Signage
- Marketing and advertising
- Cleaning and grooming
- Paint supply
- Engine oil supply
- Diagnostic equipment and maintenance

ADMINISTRATIVE & PROPERTY MANAGEMENT

- Facilities management services
- Water and electricity
- Cleaning and maintenance of properties
- Printing and stationery
- Courier
- Events
- Insurance
- Waste disposal contractor

ABOUT JARDINE CYCLE & CARRIAGE

SIGNIFICANT EVENTS IN 2018

(GRI 102-7, 102-10)

MARCH	- JC&C increased its shareholding in Tunas Ridean from 44.37% to 45.12%. - JC&C increased its shareholding in Refrigeration Electrical Engineering Corporation ("REE Corp") from 23.91% to 24.46%. - Cycle & Carriage Bintang appointed a new Independent and Non-Executive Director to the Board of Directors.
APRIL	- JC&C announced the retirement of a Non-Executive Independent Director, who was also a Member of the Audit Committee and Chairman of the Remuneration Committee. These positions were filled by existing members of the Board of Directors. - Cycle & Carriage Bintang announced the appointment of a new Independent and Non-Executive Director. It also announced the retirement of an Independent and Non-Executive Director who was also a member of the Audit and Nomination Committees, and the resignation of a Non-Independent and Non-Executive Director and member of the Audit Committee. These positions were filled by existing members of the Board of Directors, as well as the new Independent and Non-Executive Director. - JC&C increased its shareholding in REE Corp from 24.46% to 24.65%.
MAY	Cycle & Carriage Singapore opened a new service centre at Sin Ming Avenue comprising 30 workbays and 30 parking lots. The service centre provided Cycle & Carriage Singapore the ability to meet higher throughput anticipated from Mitsubishi, Kia, Mercedes-Benz and Republic Auto customers. The strategic location of the service centre will service car owners from new areas in Singapore.
JUNE	- JC&C increased its shareholding in Tunas Ridean from 45.12% to 46.24%. - JC&C increased its shareholding in Truong Hai Auto Corporation ("THACO") from 25.10% to 25.16%.

JULY	- JC&C increased its shareholding in THACO from 25.16% to 25.30%. - JC&C increased its shareholding in Vinamilk from 10.0% to 10.6% from May to July. - Cycle & Carriage Bintang announced the appointment of an Interim CFO for the period August 2018 to February 2019.
AUGUST	JC&C increased its shareholding in THACO from 25.30% to 25.33%.
OCTOBER	Cycle & Carriage Bintang announced the resignation of an Independent and Non-Executive Director who was taking up the appointment as the Chairman of Securities Commission Malaysia. The Director was also a member of the Audit, Remuneration and Nomination Committees. These positions were filled by the appointment of a new Independent and Non-Executive Director to the Board of Directors.
NOVEMBER	- JC&C increased its shareholding in REE Corp from 24.65% to 24.88%. - Cycle & Carriage Singapore secured exclusive distribution rights for BYD electric forklifts in Singapore.
DECEMBER	Cycle & Carriage Bintang announced that pursuant to a 2002 agreement with Daimler AG, Daimler AG was exercising their call option over 66,003,000 shares of Mercedes-Benz Malaysia Sdn Bhd currently held by Cycle & Carriage Bintang. Completion of the disposal would take place 12 months from the exercise date.

SUSTAINABILITY AT JARDINE CYCLE & CARRIAGE

To ensure the long-term success of our businesses spanning different industries and geographies, we need to balance commercial focus against key considerations including Environmental, Social and Governance (“ESG”) factors.

To this end, it is essential to engage stakeholders and identify and manage the material sustainability topics that are of importance to both our stakeholders and the business. Our focus remains on cultivating relationships that are mutually beneficial and enduring as our partnerships with customers and communities, business associates and suppliers, and employees are important factors that drive our performance.

We believe that each of our businesses should take ownership of its long-term sustainability. To effectively manage its operations, each business must determine what is relevant and important to them.

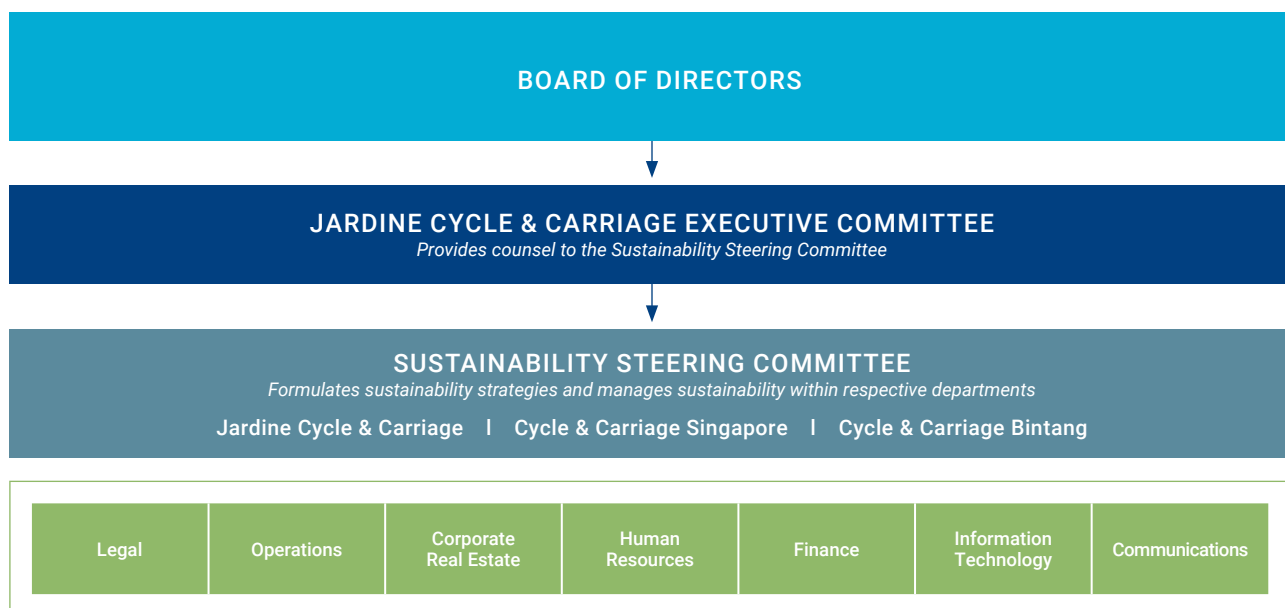
SUSTAINABILITY MANAGEMENT (GRI 102-18)

According to Singapore’s Code of Corporate Governance, the Board of Directors is collectively responsible for the long-term success of a company. One of the Board’s roles is to provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability.

At JC&C, the Board is supported by the JC&C Executive Committee on managing and overseeing sustainability practices, with the JC&C Legal & Corporate Affairs department responsible for facilitation and reporting. For a full description of Corporate Governance at JC&C, please refer to the [Annual Report 2018](#).

JC&C has established a Sustainability Steering Committee (“the Committee”) comprising senior management from finance, corporate real estate, human resources, information technology, legal and operations representing JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang. Convened in 2017, the Committee is tasked with evaluating performance and setting sustainability goals, reviewing processes and procedures, and supporting the Group in integrating sustainability into its culture. The Committee is chaired by JC&C’s Group General Counsel who is also the Director of Legal & Corporate Affairs, the Company Secretary and a member of the JC&C Executive Committee.

We remain committed to the process of building internal understanding of sustainability and the role each of us takes in contributing to performance. This year, our focus has been on internal processes and environmental management. Building on this, we will further develop our targets and report on performance going forward.



STAKEHOLDER ENGAGEMENT

(GRI 102-40, 102-42, 102-43)

We aim to continually engage our stakeholders. We are committed to cultivating relationships with our stakeholders to build beneficial and enduring partnerships by listening and responding to them. We engage our stakeholders through a variety of means, such as meetings, reviews, discussions, calls, surveys and focus groups.

Having engaged internal and external stakeholders for two consecutive years as part of our sustainability reporting cycle, our engagement in 2018 reached out to external subject-matter experts and was focused on understanding the energy and water management practices both in Singapore and Malaysia to support better environmental practices.

In 2019, we will continue to find the most effective channels for interacting with our stakeholders and will expand our stakeholder engagement to re-visit our material topics and ensure that our ESG focus remains relevant.

OUR STAKEHOLDERS



SUSTAINABILITY AT JARDINE CYCLE & CARRIAGE

MATERIAL TOPICS

(GRI 102-42, 102-43, 102-44, 102-47, 103-1)

Our sustainability efforts are focused on those topics that matter the most to our businesses and stakeholders.

Material topics across JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang were established in 2016 following a comprehensive materiality process involving context review, internal stakeholder engagement, assessment of materiality and review by the Executive Committee. A shortlist of 22 topics most relevant to our businesses was identified by the context review. Through internal

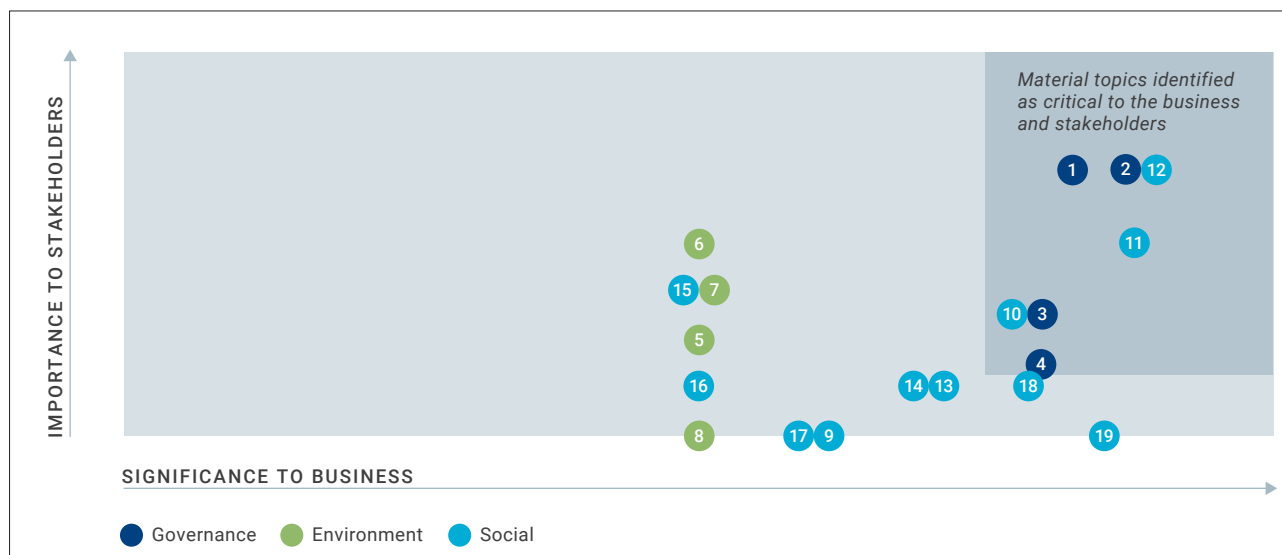
engagement with JC&C, Cycle & Carriage Singapore and Cycle & Carriage Bintang employees as well as further assessment with senior management, the list was narrowed down to seven material topics for JC&C parent company, and 12 material topics for Cycle & Carriage Singapore and Cycle & Carriage Bintang.

The material topics were then reviewed again in 2017 through a process of both internal and external stakeholder engagement.

Our material topics remain unchanged in 2018, allowing us to further focus on our ESG management and performance. Material topics for 2018 are confirmed by the JC&C Board of Directors.

MATERIALITY MATRIX

JARDINE CYCLE & CARRIAGE PARENT COMPANY *Revised version



GOVERNANCE

- 1 Corporate Governance
- 2 Compliance
- 3 Economic Performance
- 4 Transparency and Anti-Corruption

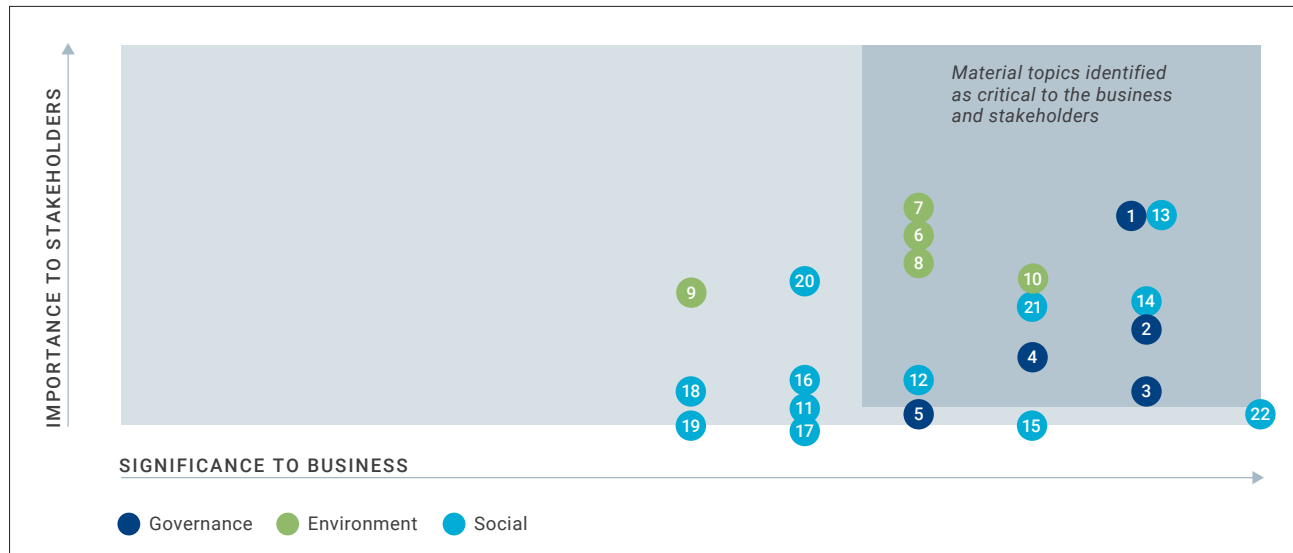
ENVIRONMENT

- 5 Energy Conservation
- 6 Waste Management
- 7 Water Management
- 8 Climate Change

SOCIAL

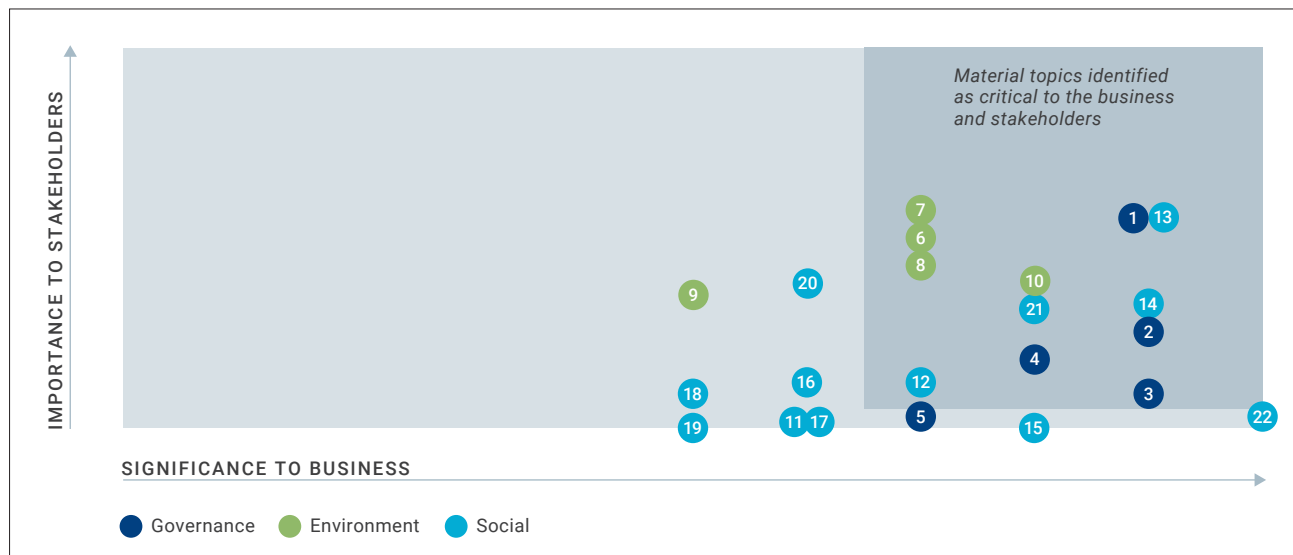
- 9 Social Development and Community Investment
- 10 Community Engagement
- 11 Health and Safety
- 12 Employee Welfare
- 13 Employee Sustainability Awareness
- 14 Industry Education
- 15 Sustainable Products
- 16 Sustainable Sourcing
- 17 Gender and Diversity
- 18 Data Fraud or Theft
- 19 Product Responsibility

CYCLE & CARRIAGE SINGAPORE



GOVERNANCE	ENVIRONMENT	SOCIAL
1 Corporate Governance	6 Energy Conservation	11 Social Development and Community Investment
2 Compliance	7 Waste Management	12 Community Engagement
3 Economic Performance	8 Water Management	13 Health and Safety
4 Transparency and Anti-Corruption	9 Climate Change	14 Employee Welfare
5 Emergency Preparedness and Response	10 Hazardous Material Management	15 Human Trafficking and Foreign Worker Rights
		16 Employee Sustainability Awareness
		17 Industry Education
		18 Sustainable Products
		19 Sustainable Sourcing
		20 Gender and Diversity
		21 Data Fraud or Theft
		22 Product Responsibility

CYCLE & CARRIAGE BINTANG



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SUSTAINABILITY AT JARDINE CYCLE & CARRIAGE

APPROACH TO SUSTAINABILITY

(GRI 102-46, 102-47, 103-1)

Our sustainability framework consists of the three key pillars: Governance, Environmental and Social. This enables us to prioritise our efforts and respond with specific actions addressing each pillar and its corresponding material topics. The sustainability report is structured to reflect this approach.

SUSTAINABILITY AT JC&C		
GOVERNANCE	ENVIRONMENT	SOCIAL
STRONG CORPORATE GOVERNANCE G I P E C CM	MANAGING ENERGY G I E	PROVIDING A HEALTHY AND SAFE WORKPLACE G I P E
COMPLIANCE WITH LAWS AND REGULATIONS G I P E C CM	MANAGING WATER G I E CM	ENSURING THE WELFARE OF OUR EMPLOYEES G I E
TRANSPARENCY AND ANTI-CORRUPTION MEASURES G I P E C CM	MANAGING WASTE G I E CM	PROTECTING STAFF AND CUSTOMERS FROM DATA FRAUD AND THEFT G P E C
ECONOMIC PERFORMANCE G I P E	MANAGING HAZARDOUS MATERIALS G I E CM	ENGAGING COMMUNITIES G E CM

● Material to JC&C parent company as well as Cycle & Carriage Singapore and Cycle & Carriage Bintang

● Material to Cycle & Carriage Singapore and Cycle & Carriage Bintang

Where impacts occur:

G Government/Regulators

E Within the Company/Employees

I Investors & Shareholders

C Customers

P Business Partners & Principals

CM Communities

GOVERNANCE

To safeguard the interests of our stakeholders, we are committed to high standards of accountability. Strong governance, compliance and fair business conduct and behaviour are essential standards and values that we uphold in operating our businesses. Observing the relevant policies and guidelines is important to achieve the necessary controls that are conducive to successful operations, reputable business practices and proper risk management.

CORPORATE GOVERNANCE

(GRI 103-1, 103-2, 103-3, CG-1)

At JC&C, the Board of Directors is the highest governance body. Board Committees comprise the Audit Committee, Remuneration Committee and Nominating Committee. The Board of Directors is responsible for corporate governance, together with the management team.

The terms of reference for the Board and Board Committees adhere to the principles prescribed in the Singapore Code of Corporate Governance ("CCG") and the SGX Listing Rules.

JC&C has a Corporate Governance Policies Manual ("the Manual") to assist it to comply with the requisite corporate governance principles. The Manual sets out the terms of reference of the Board and its various committees. In addition to the Manual, the CCG and the SGX Listing Rules, corporate governance at JC&C is also influenced by:

1. the Companies Act and other relevant statutes;
2. the Constitution of the Company;
3. internal limits of financial authority; and
4. various internal guidelines on Board membership, renewal, remuneration, performance appraisal, independence and other corporate governance-related matters.

Corporate governance policies and procedures are actively monitored and constantly under review and assessment, with changes made as appropriate to comply with the latest developments in the laws, regulations and practices of corporate governance in Singapore. Periodic audits are also conducted by internal and external auditors on certain aspects of corporate governance e.g. financial reporting, risk management and internal controls, and reported to the JC&C Audit Committee with any issues followed up by management.

The JC&C Nominating Committee oversees the appraisal of Board performance against a set of quantitative and qualitative performance criteria. This appraisal is prepared annually by independent external consultants, focusing on the criteria of share price performance, return on capital employed and earnings per share. Company information is compiled for review for a five-year period. Share price performance is compared against the Straits Times Index, the Jakarta Composite Index and a benchmark index of industry peers selected by JC&C, with the comparison looking at varying periods within the last 15 years. The components of the peer benchmark index and their weightages are reviewed annually to ensure that they remain relevant. The results of the comparison are set out in a performance benchmark report for the Nominating Committee and Board's review, with any issues followed up by management.

The latest Corporate Governance Report is available on the [JC&C website](#). This statement contains further details on the responsibilities of the Board and Board Committees, and details on regulations, standards and evaluations applied.

In 2018, JC&C received an overall rank of #57 in the Singapore Governance and Transparency Index published by the National University of Singapore Business School which provides corporate governance performance rating for Singapore-listed companies. This is up from #88 in 2017 and #187 in 2016.

At Cycle & Carriage Singapore, the corporate governance approach meets the same regulatory requirements for companies in Singapore as JC&C parent company. It is also supported by the Constitutions of the respective companies that make up Cycle & Carriage Singapore and guided by the internal limits of financial authority. Periodic audits are conducted by internal and external auditors and reported to the JC&C Audit Committee, with any issues followed up by management.

GOVERNANCE

Cycle & Carriage Bintang operates in Malaysia and is listed on Bursa Malaysia. Its Board Charter sets out, among other things, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with the company's management and shareholders. Its Board of Directors, together with its senior management team, are responsible for corporate governance, with policies and procedures actively monitored and constantly under review and assessment. Changes to approaches are made as appropriate to comply with the latest developments in the laws, regulations and practices of corporate governance in Malaysia. This includes Bursa Malaysia's Main Market Listing Requirements, the Malaysian Code of Corporate Governance 2017 ("MCCG 2017"), and the Companies Act 2016, in addition to the following measures:

1. Semi-annual return on matters of serious concern reporting;
2. Semi-annual control and compliance assurance return; and
3. Quarterly legal report submitted to JC&C parent company.

Cycle & Carriage Bintang's Board fully supports the recommendations of the MCCG 2017 and is committed to applying the recommendations of the code (as applicable) to ensure that good corporate governance is practised to effectively discharge its responsibilities. The effectiveness of this management approach is evaluated through engaging professional advisors, liaising with the JC&C parent company legal team, and certain aspects where applicable (e.g. financial reporting, risk management and internal controls) are reviewed by internal and external auditors.

Cycle & Carriage Bintang's Corporate Governance Statement is presented in its Annual Report 2018. Its latest Board Charter, updated in 2018, is available on the company's [website](#).

COMPLIANCE

(GRI 103-1, 103-2, 103-3, C-1)

Under the JC&C Board's terms of reference, its role includes reviewing, at least annually, the adequacy and effectiveness of the risk management and internal control systems, including amongst others compliance controls. No cases of non-compliance with laws or regulations were identified for JC&C parent company

or Cycle & Carriage Singapore during 2018. Cycle & Carriage Bintang received a nominal fine due to an error in waste labelling and a delay in filing which has since been rectified.

The Jardine Matheson Code of Conduct requires that all its companies and businesses comply with the general law, with all rules and regulations applicable to each business and with proper standards of business conduct. This ensures that relevant laws, such as the Competition Act, Companies Act, Income Tax Act, Personal Data Protection Act, Prevention of Corruption Act, Corruption, Drug Trafficking and other Serious Crimes (confiscation of benefits) Act and other relevant legislation are addressed. Specifically, with regards to compliance topics:

- **Anti-Competitive Practices.** Restricting competition, such as price-fixing, non-competition agreements, etc., are illegal in certain countries. Senior management must be consulted in such cases to ensure it is legal.
- **Tax Compliance.** Ensuring compliance with all tax laws and regulations.
- **Business Licences.** Ensuring proper licensing to carry on business and not exceeding the scope of the licences held.
- **Exchange Controls.** Care must be exercised to ensure employees do not do anything which is in breach of any exchange control laws and regulations in countries in which or with which they do business.
- **Information Security.** Compliance with all information laws and regulations, including data privacy, data retention and computer security laws. Ensuring the safeguard of availability, integrity and confidentiality of information by following the information security policies and procedures applicable to business.
- **Illicit Payments.** Employees must not give or receive any bribe, other illicit payment or inducement. If employees receive, are asked to receive, or become aware of any proposal or suggestion to give or receive any bribe, other illicit payment or inducement, they must report immediately to a member of senior management. If they are in doubt whether a payment is illicit, they should seek advice.
- **Gifts, Favours and Entertainment.** Employees may give or receive gifts or favours so long as they fall within generally accepted standards of business conduct, and are in the ordinary course of their duties. No cash payments are permitted.

Overall, JC&C's Board of Directors is responsible for compliance with the applicable laws and regulations, together with the senior management team. Each department head is responsible for compliance under their area of responsibility, with senior managers expected to interpret and adapt the policy to their operating environment. Additionally, the finance department is responsible for compliance with financial reporting requirements and tax compliance, with the legal department supporting the overall compliance requirements of the company.

Periodic audits are conducted by internal and external auditors regarding compliance, with results reported to the JC&C Audit Committee and followed up by management. Twice a year, management also completes a control and compliance checklist prepared by internal auditors which covers anti-competitive practices, tax compliance, business licenses, exchange control and information security, as well as a return on matters of serious concern. Quarterly legal and compliance reports are also prepared and submitted to the legal department for review, highlighting legal and compliance cases, disputes and litigation matters. The returns are signed off by the business heads and ultimately the JC&C Group Managing Director and reported to the JC&C Audit Committee for review.

We believe in and encourage the early reporting of matters of serious concern that may affect the professional and compliant operation of our businesses and reputation. In addition to the CoC, we also have in place a whistleblowing policy that comes under the purview of the JC&C Audit Committee. This ensures independent investigation and appropriate follow-up action on any concerns raised, including those raised anonymously. Any cases reported are monitored centrally by appointed management representatives.

Cycle & Carriage Singapore also applies the CoC and follows the same auditing schedule that is reviewed by the JC&C Audit Committee. For Cycle & Carriage Singapore, the respective department heads as well as the legal, finance, tax & treasury and IT departments are responsible for overseeing compliance matters.

Cycle & Carriage Bintang also applies its policies on dealing in listed securities by Board Directors and Principal Officers, Division Standard Operating Procedures, Whistle Blowing Policy, Good Compliance Practices, and Occupational Safety and Health Manual in managing compliance matters. Applicable key laws and regulations include the Bursa Malaysia Main Market Listing Requirements, the MCGG 2017, Companies Act 2016, Income Tax Act 1965, Personal Data Protection

Act 2010, and Environmental Quality Act 1974. The CEO and management team are obliged to ensure full compliance with the law and applicable regulations. Measures to assess compliance include semi-annual return on matters of serious concern reporting and control and compliance assurance return, quarterly legal reports submitted to JC&C parent company, and an annual fraud questionnaire completed for external auditors. Both external and internal audits are reviewed by Cycle & Carriage Bintang's Audit Committee and elevated to its Board of Directors if there is any non-compliance with the law and regulations or Group policies recorded.

TRANSPARENCY AND ANTI-CORRUPTION

(GRI 103-1, 103-2, 103-3, 205-2)

We are committed to high standards of accountability and responsible business. We are of the view that it is vital to continue managing our businesses well and attract the right people who will uphold our commercial standing and reputation. Being transparent and combating corruption are necessary to ensure that our operations are conducted in a fair and lawful manner.

The JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang adopt the Jardine Matheson Group CoC, which sets out policies on illicit payments, as well as gifts, favours and entertainment. The CoC is aimed at upholding high standards of honesty, integrity and fair dealing. The CoC is also available on the internal communications platform (*Workplace by Facebook*) and accessible to all employees. Updates to the CoC are communicated from time to time.

In addition, Cycle & Carriage Singapore has implemented an anti-corruption clause in its suppliers' contracts to further ethical business practices within its supply chain.

To enable us to better evaluate our anti-corruption effectiveness, JC&C parent company and Cycle & Carriage Singapore conduct twice yearly control and compliance checklists on areas that include illicit payments and favours, as well as a return on matters of serious concern. Returns are signed off by the business heads and management team, and then reported to the JC&C Audit Committee for review. At Cycle & Carriage Bintang, effectiveness of anti-corruption measures is assessed in liaison with the JC&C Legal and Risk Management teams, with external advisors engaged where applicable.

GOVERNANCE

Effective from October 2015, all new employees are provided with a copy of the CoC during onboarding at JC&C parent company and Cycle & Carriage Singapore, and all non-bargainable and sales employees are required to undergo a CoC e-learning course. Recertification for the CoC e-learning course is required every two years. As part of the onboarding process at Cycle & Carriage Singapore, new joiners are also briefed on gifts and entertainment declarations, and referred to the General Conduct, Ethics and Discipline Policy.

All new hires at Cycle & Carriage Bintang are provided with a copy of the CoC and a 'Good Compliance Practices' brochure during their on-boarding. In 2018, all new non-bargainable hires also completed the CoC e-learning course that reinforces the Group's principles within one month of joining. A refresher is required to be completed every two years. Cycle & Carriage Bintang also plans to conduct a refresher training for all its employees on the Group's Good Compliance Practices in 2019. The latest version of the CoC is updated on Cycle & Carriage Bintang's internal communications platform (*Workplace by Facebook*) and [website](#) and made accessible to all staff.

A full break-down of the numbers for the 2018 anti-corruption training are given in the Appendix: ESG Data.

A significant component of our economic performance is also derived from profitability. This is measured regularly against budgets, forecasts, and projections assessed on a periodic basis. Each business entity under the Group is responsible for its economic performance.

In addition, as a responsible and long-term business, we need to be aware of changing market conditions and operating landscapes to ensure that we remain relevant and competitive, to continue delivering economic value.

We also receive various government financial assistance in Singapore in the form of tax relief and tax credits as well as certain grants. In 2018, over S\$1.1 million was received in governmental assistance for our Singaporean operations. Of the amounts received in 2018, 74% of JC&C parent company's and 100% of Cycle & Carriage Singapore's tax relief and tax credits were the result of statutory rebates and deductions that are provided to all Singapore companies. No governmental financial assistance was received in Malaysia in 2018.

As listed companies, the financial performance of JC&C parent company and Cycle & Carriage Bintang are audited annually and financial results reported quarterly on SGX and Bursa Malaysia respectively. The share prices of JC&C parent company and Cycle & Carriage Bintang are in turn determined by the respective stock markets.

ECONOMIC PERFORMANCE

(GRI 102-7, 103-1, 103-2, 103-3, 201-1, 201-4)

The Group generates significant economic value for its shareholders from businesses across Southeast Asia.

As a group, JC&C has policies and procedures in place to ensure goods and services obtained or paid for represent good value and are obtained on fair and competitive terms. Employees are treated fairly and impartially, and we comply with necessary tax laws and regulations. Similarly, we respect the needs of the communities that we operate in. In Singapore, where we are headquartered, our community initiatives and investments are primarily focused on mental health, an area that is under-served by the private sector; see *Engaging our Communities* section for further details.

To monitor our financial performance, we actively and regularly review and manage our capital structure to ensure optimal shareholder returns, considering future capital requirements and capital efficiency, prevailing and projected profitability, and projected operating cash flows, capital expenditure and strategic investment opportunities, before the distribution of economic value to shareholders.

COMBINED GROSS REVENUE***+7%**

2018  **US\$40.2bn**
 2017†  **US\$37.5bn**

REVENUE**+10%**

2018  **US\$18,992m**
 2017†  **US\$17,337m**

UNDERLYING PROFIT**+12%**

2018  **US\$858m**
 2017†  **US\$770m**

**PROFIT ATTRIBUTABLE TO
SHAREHOLDERS****(55%)**

2018  **US\$420m**
 2017†  **US\$939m**

SHAREHOLDERS' FUNDS**(4%)**

2018  **US\$6,148m**
 2017†  **US\$6,408m**

DIVIDEND PER SHARE**+1%**

2018  **US¢87**
 2017†  **US¢86**

† Restated 2017 figures

* Includes 100% of revenue from associates and joint ventures

GROUP RESULTSYear ended 31st December

	2018 US\$m	Restated* 2017 US\$m	Change %	2018 S\$m
Revenue	18,992	17,337	10	25,637
Profit after tax	1,580	1,909	(17)	2,132
Underlying profit attributable to shareholders*	858	770	12	1,158
Profit attributable to shareholders	420	939	(55)	566
	US¢	US¢		S¢
Underlying earnings per share*	217	195	12	293
Earnings per share	106	238	(55)	143
Dividend per share	87	86	1	117
	At 31.12.2018 US\$m	At 31.12.2017 US\$m		At 31.12.2018 S\$m
Shareholders' funds	6,148	6,408	(4)	8,397
	US\$	US\$		S\$
Net asset value per share	15.56	16.22	(4)	21.25

The exchange rate of US\$1=S\$1.37 (31st December 2017: US\$1=S\$1.34) was used for translating assets and liabilities at the balance sheet date and US\$1=S\$1.35 (2017: US\$1=S\$1.38) was used for translating the results for the period.

† The accounts have been restated due to changes in accounting policies upon adoption of IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers'.

* The Group uses underlying profit in its internal financial reporting to distinguish between ongoing business performance and non-trading items. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties, agricultural produce and equity investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets and other investments; provisions for closure of businesses; acquisition-related costs in business combinations and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into the Group's underlying business performance.

GOVERNANCE

FUTURE PLANS AND TARGETS

CORPORATE GOVERNANCE & COMPLIANCE

We will continue to adhere to the principles and guidelines of the Singapore Code of Corporate Governance as updated in 2018, and the Malaysian Code on Corporate Governance 2017, focusing on strong corporate governance and maintaining high standards of accountability and conduct.

TRANSPARENCY AND ANTI-CORRUPTION

We will continue to ensure that all employees of JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang are trained and abide by the CoC. Our target is to maintain 100% achievement year-on-year for training of new hires and re-certification of existing non-bargainable and sales employees.

ECONOMIC PERFORMANCE

The Group aims to produce sustained growth in shareholder value. We actively and regularly review and manage capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities.

ENVIRONMENT

Environmental topics have been identified as material for both Cycle & Carriage Singapore and Cycle & Carriage Bintang. The primary activities of Cycle & Carriage Singapore and Cycle & Carriage Bintang involve distributing, retailing and servicing of motor vehicles. Through the course of these activities, we manage our energy and water consumption together with our waste generation. Such environmental factors also serve as indicators of operational efficiency apart from the impact on the environment.

At Cycle & Carriage Singapore and Cycle & Carriage Bintang, electricity consumption and water usage are managed by the Corporate Real Estate service managers in both countries with the support of externally engaged facilities management team from JLL in Singapore. The same team also manages waste for Cycle & Carriage Singapore, while the aftersales service managers are responsible for waste management at Cycle & Carriage Bintang and apply specific procedures as specified in its Scheduled Waste Management Safe Working Procedure (SWP).

MANAGING ENERGY

(GRI 103-1, 103-2, 103-3, 302-1)

We do not generate our own electricity at Cycle & Carriage Singapore and Cycle & Carriage Bintang. Electricity is sourced from the national grids and electricity consumption is based on the utilities bills issued by the respective power suppliers in Singapore (SP Services) and Malaysia (Tenaga Nasional Berhad).

In 2018, Cycle & Carriage Singapore and Cycle & Carriage Bintang had a total energy consumption of approximately 56,662.9GJ. A full breakdown of 2018 data is given in the Appendix: ESG Data.

To reduce electricity consumption, Cycle & Carriage Singapore is planning to retrofit LED lighting into all workshop spaces moving forward.

At Cycle & Carriage Bintang, energy saving projects were implemented in 2018 including the use of energy-saving LED lighting in all new development projects. Cycle & Carriage Bintang also began the replacement of older high bay light fittings with LED technology. In addition, it launched a back-office awareness campaign using the internal communications platform (*Workplace by Facebook*) and posters that were put up across all operations to increase awareness on energy conservation.

BUILDING TECHNICAL EXPERTISE AND READINESS FOR ELECTRIC VEHICLES

In 2018, Cycle & Carriage Singapore entered the material-handling equipment sector. It now represents BYD's lithium iron phosphate electric forklifts as the exclusive distributor in Singapore. BYD is a world-leader in new energy and battery technologies.

The BYD electric forklifts are powered by the revolutionary lithium iron phosphate battery, a cutting-edge technology that is set to be the next wave in the material-handling equipment space. The forklifts are designed to drive operational efficiency that will generate higher cost savings while offering zero emission and pollution.

"With stricter carbon emission standards and the growing importance of corporate sustainability, we believe that lithium battery technology will be a game changer for the material-handling industry, replacing diesel and conventional lead-acid electric forklifts. In addition, this exclusive distributorship expands Cycle & Carriage's automotive offerings and will strengthen our electric vehicle knowledge and expertise which we envision will be the future of the industry."

ERIC CHAN

*Managing Director
Cycle & Carriage Singapore*

ENVIRONMENT

MANAGING WATER

(GRI 103-1, 103-2, 103-3, 303-1)

Managing water consumption at our operations is important in Singapore and Malaysia, where water is a precious resource. It also reduces costs and supports the long-term viability of our business operations.

Water used for the operations is supplied by the national water agencies, with supplemental supply provided through rainwater collection for Malaysian operations. In 2018, Cycle & Carriage Singapore and Cycle & Carriage Bintang had a total water consumption of approximately 176,949m³, as derived from the utilities bills issued by the water suppliers in Singapore and Malaysia. Malaysia also used an additional 1,233m³ of rainwater that it collected at one of its sites in 2018.

An underground water leakage reported at a Cycle & Carriage Singapore facility in 2017 was also rectified in 2018. A full breakdown of 2018 data is given in the Appendix: ESG Data.

MANAGING WASTE AND HAZARDOUS MATERIALS

(GRI 103-1, 103-2, 103-3, 306-2, 306-4)

Both Cycle & Carriage Singapore and Cycle & Carriage Bintang ensure continued compliance with the respective national legislation on waste disposal by engaging licensed waste disposal contractors to collect and dispose both hazardous and non-hazardous waste.

No environmental non-compliance issues were identified in 2018, except for a nominal fine received by Cycle & Carriage Bintang relating to an error in waste labelling and a delayed entry to Malaysia's eSWIS portal (Electronic Scheduled Waste Information system). The issue was rectified. In addition, the appointed waste vendor provided a briefing to the relevant ground team to reinforce correct practices to avoid recurrence.

An estimated 1,482kg general waste was generated in 2018 by Cycle & Carriage Bintang, based on approximate extrapolated rates across the larger outlets. All general waste collected was disposed to landfill.

Figures for general waste are not currently available for Cycle & Carriage Singapore. Waste management programmes during 2018 include newly-fitted recycling bins at Cycle & Carriage Singapore, aimed at increasing recycling rates as well as enhancing employee awareness of better waste management practices.

The service centres of Cycle & Carriage Singapore and Cycle & Carriage Bintang generate certain hazardous materials such as oily water, used engine oil, used batteries, scrap metal and waste sludge.

In Singapore, the handling, transport and disposal method for hazardous materials is agreed upon with the engaged contractors licensed by the National Environment Agency of Singapore to ensure that the hazardous materials are properly managed. Disposed waste oil is routed through a recovery process with the derivatives routed to further treatment systems and disposal externally.

In Malaysia, the disposal method of hazardous materials is governed by the Department of Environment, Ministry of Energy, Science, Technology and Climate Change. Procedures in the handling and transporting of hazardous materials to the contractors' premises are established and agreed with the engaged licensed waste disposal contractors. Cycle & Carriage Bintang's Scheduled Waste Management SWP further dictates additional requirements and procedures for waste disposal, including safe storage, labelling, and procedure in the event of a spillage. In 2018, Cycle & Carriage Bintang added waste water treatment facilities at its branches. It also contracted licensed scheduled waste contractors to dispose 192,400L of used engine oil, with the waste routed through a recovery process and the derivatives routed to further treatment systems and disposal externally.

Going forward, JC&C plans to establish a reporting system for hazardous materials to be standardised across both Singapore and Malaysian operations.

FUTURE PLANS AND TARGETS

MANAGING ENERGY & WATER

We will continue to track both our energy and water consumption at Cycle & Carriage Singapore and Cycle & Carriage Bintang to understand our usage. We will evaluate setting reduction targets, specific initiatives or cost saving measures over the next reporting cycle.

MANAGING WASTE & HAZARDOUS MATERIALS

We will seek to standardise the recording of general waste generated at our premises in Singapore and Malaysia. We will also consider starting a register of waste consignment notes for our hazardous/scheduled waste collections.

SOCIAL

Looking to the long-term success of our businesses, we value partnerships with our stakeholders and community, respect their views and seek to support them in a relevant way.

HEALTH & SAFETY

(GRI 103-1, 103-2, 103-3, 403-2, 403-4)

Our people are integral to our businesses and operations. The health and safety of our employees are paramount in safeguarding the welfare of our people and ensuring that our businesses operate with minimal disruption.

Health and safety obligations are set out in the collective agreements with the respective trade unions in Singapore and Malaysia. They include personal protective equipment, training or educating employees on health and safety topics such as work injury compensation, feedback and grievance mechanisms for employees and compliance with national health and safety legislation.

In Singapore, operations for both JC&C parent company and Cycle & Carriage Singapore comply with the safety and health management arrangements set out in the Workplace Safety & Health Act. Each complex has designated safety officers who review workplace safety guidelines and oversee implementation of measures within the work premises. Incidents are recorded and investigated as needed, with feedback from accident reports applied in addressing and rectifying any potential areas for improvement and the prevention of accidents. We have attained the BizSAFE 3 standard for operations in Singapore.

JC&C parent company and Cycle & Carriage Singapore also have in place a Workplace Health Programme to encourage and engage employees to maintain good health. All employees receive complimentary company-wide health screening every three years and senior management undergoes an annual comprehensive health screening provided by the company.

Health and safety matters are further managed by the Workplace Health and Safety Committee and the Company Emergency Response Team for each building complex at Cycle & Carriage Singapore. The committee comprises the complex managers of its six facilities in Singapore. The committee is advised by an external

Group Safety Advisor. Each member of the Emergency Response Team is required to undergo training to attain certification. Incident report forms are reviewed by worker representatives and rectifications are recommended and implemented. A whistleblowing platform is also available for workers to report unsafe work conditions confidentially.

Cycle & Carriage Bintang's operations ensure compliance with Malaysia's Occupational Safety & Health Act 1994, with implementation of measures together with employee briefings and training on health and safety matters provided by the Corporate Real Estate service managers at each location of operations. In addition, its Occupational Safety and Health Manual includes a health & safety policy that guides the way it manages operations and sets out procedures for a safe working environment. Cycle & Carriage Bintang's collective agreement further requires it to establish a Health & Safety Committee to oversee occupational health and safety matters.

A full breakdown of our health and safety figures for 2018 are provided in the Appendix: ESG Data.

EMPLOYEE WELFARE

(GRI 103-1, 103-2, 103-3)

We have always recognised the importance of our people to the sustainability and long-term success of our businesses.

A human resources policy is in place covering hiring and employment including compensation and benefits, as well as training and development aspects for both JC&C parent company and Cycle & Carriage Singapore, while Cycle & Carriage Bintang has an employee handbook. These are reviewed regularly by the respective HR divisions, taking into consideration feedback from new hire/exit interviews, performance reviews, and employee engagement results. The respective HR divisions are also responsible for aligning our welfare practices across our businesses with legislative requirements while evaluating our benefits schemes through insights from participation in market surveys.

In Singapore, both JC&C parent company and Cycle & Carriage Singapore ensure the implementation of the provisions as stated in the Employment Act, while considerations for bargainable employees, such as working hours, break times and meal allowances, are set out in the collective agreement with the trade union in Singapore.

In Malaysia, Cycle & Carriage Bintang's HR division aligns practices with the Employees Social Security Act 1969 and the Employment Insurance System Act 2017, with all HR staff attending training on the latest legislative requirements. Provisions for the welfare of bargainable employees are also set out in the collective agreement with the trade union in Malaysia.

The effectiveness of our approach to employee welfare is assessed through our employee engagement surveys undertaken every two to three years, as well as through employee feedback during exit interviews and performance reviews, combined with the measurement of indicators through data analysis and scheduled reporting. Additionally, sampling of employee records is reviewed from time to time to ensure legal compliance. A grievance procedure for any labour concerns is also available to employees.

To better engage with our people, we listen to their views and offer an environment that is collaborative and productive. Since launching *Workplace by Facebook* for our Singapore operations in December 2017 and for Cycle & Carriage Bintang in March 2018, 95% of our nearly 2,000-strong Singapore-based and Malaysia-based employees are connected on this internal communications platform. This has enabled us to better reach out to our colleagues across Singapore and Malaysia, and for management to strengthen staff cohesion within the organisation.

Our efforts to look after the welfare of our employees have not gone unnoticed. In 2018, Cycle & Carriage Singapore was named among HR Asia's "Best Companies to Work For" and is the only company to have received this accolade for four consecutive years.

OUR WORKFORCE

(GRI 102-7, 102-8, 103-1, 103-2, 103-3)

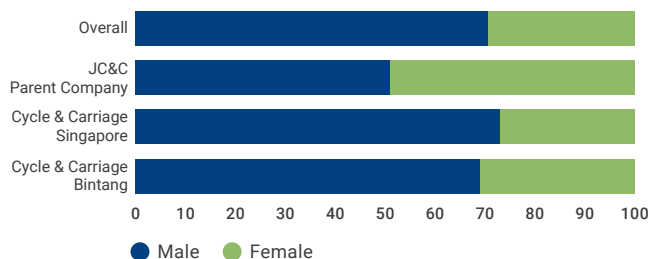
In 2018, JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang employed a total of 1,955 staff, nearly all of them based across Singapore and Malaysia. JC&C parent company also has representative staff members based in Malaysia (2), Myanmar (2) and Vietnam (1).

There is good gender diversity within Cycle & Carriage Singapore and Cycle & Carriage Bintang, especially considering the nature of the automotive business that they are engaged in.

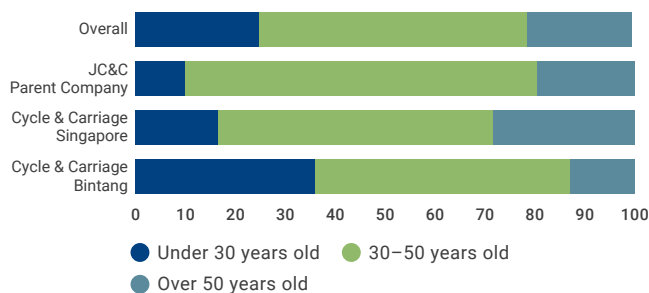
While the workforce is not influenced by seasonal variations and hiring is based on long-term planning and demand, Cycle & Carriage Singapore and Cycle & Carriage Bintang also use the flexibility of in-house contractors to supplement and support some of their business needs, such as new car logistics and aftersales. However, most activities are performed by their own employees.

A full breakdown of our parental leave figures for 2018 are provided in the Appendix: ESG Data.

EMPLOYEE BREAKDOWN BY GENDER (%)



EMPLOYEE BREAKDOWN BY AGE (%)



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EMPLOYEE BENEFITS

(GRI 103-1, 103-2, 103-3, 401-2, 401-3)

Apart from complying with the relevant statutory requirements related to employment in Singapore and Malaysia, including retirement provision (CPF and EPF respectively), SOCSO (social security protection) and Employment Insurance System (EIS), we also provide benefits such as life and medical insurance for all permanent full-time employees in Malaysia effective 1st January 2018.

We believe in actively supporting working mothers and fathers. All employees are eligible for parental leave, with childcare leave of an additional six to eight days annually for employees in Singapore. We ensure that employees receive the statutory maternity leave allowance of eight or 16 weeks in Singapore, up to four weeks of shared parental leave in Singapore, and 60 consecutive days for maternity in Malaysia. Since 1st January 2017, all working fathers are also entitled to two weeks of paternity leave in Singapore. In Malaysia, working fathers receive four consecutive days of paternity leave.

In 2018, two employees took parental leave (e.g. maternity or paternity leave) at JC&C parent company with a return-to-work rate of 100%. As no employees took parental leave at JC&C parent company in 2017, 12-month retention rates for returning employees are not applicable.

At Cycle & Carriage Singapore and Cycle & Carriage Bintang, 57 employees took parental leave in 2018 with a return-to-work rate of 100%. The retention rates for employees in 2018 after 12 months from their return from parental leave in 2017 are 100% and 79.2% respectively for Cycle & Carriage Singapore and Cycle & Carriage Bintang.

A full breakdown of our parental leave figures for 2018 are provided in the Appendix: ESG Data.

TRAINING, PERFORMANCE AND CAREER DEVELOPMENT

(GRI 103-1, 103-2, 103-3, 404-1, 404-2, 404-3)

All employees receive an annual performance and career development review¹. Apart from reviewing performance, the review also serves to align the training needs of employees with overall business objectives.

1. Applicable to all confirmed employees and excluding employees seconded overseas. Employees undergoing probation will receive a career review upon the completion of their probation period.

We believe that developing employees' capabilities for their current and future roles, as well as giving our people a voice, are essential to employee engagement and retention as well as key to the long-term sustainability of the business.

To encourage further learning, we have an Education Assistance Programme in Singapore that sponsors our employees for further education, providing them opportunities for professional and personal development.

At Cycle & Carriage Singapore, its Service & Development Division together with its motor vehicle principals conduct annual technical training for its people to enhance their skill sets and expertise.

In Malaysia, training is provided in line with the provisions of the country's Human Resources Development Act. Relevant personnel at Cycle & Carriage Bintang are nominated by the individual business units and the HR department to attend specific training programmes such as Mercedes-Benz certification programmes as well as JC&C and Jardine Matheson training programmes. Representatives from various business units, product training department, and the Goal Alignment & Continuous Excellence department also work with the HR division to organise internal, external and local training programmes as needed.

A full breakdown of training, performance and career development reviews in 2018 is given in the Appendix: ESG Data.

EMPLOYEE RETENTION

(GRI 103-1, 103-2, 103-3, 401-1)

We believe in treating our people well and aim for them to grow and build lasting careers with us. In Singapore, the average length of stay of our employees is 11.8 years and in Malaysia, it is eight years.

If an employee decides to leave us, an exit interview will be conducted to gather feedback. Information gathered is reviewed and analysed on a quarterly basis by our HR division. A full breakdown of new hire and turnover figures for 2018 is provided in the Appendix: ESG Data.

EMPLOYEE ENGAGEMENT

We are invested in our employees, and want to foster a culture of engagement, value and respect. We believe

this is fundamental in driving the quality and retention of our people.

At JC&C parent company and Cycle & Carriage Singapore, this includes the annual dinner and dance, the annual MINDSET Challenge & Carnival as well as regular workplace health activities such as the quarterly healthy breakfast for employees. We also support family focused initiatives such as “Eat with Your Family Day”, where employees finish their workday earlier to spend time with their families.

Cycle & Carriage Singapore’s Family Day is an annual event where employees and their families go on an overseas vacation together at subsidised rates. In 2018, 150 employees and their families went on a three-day trip to Chiang Mai, Thailand. Cycle & Carriage Singapore also provides Sports & Social Club activities throughout the year, such as Go Karting and bowling. Annual townhall meetings are also held where the Managing Director provides updates on the company’s achievements and plans, and exemplary employees are recognised.

Apart from annual townhall meetings to engage its employees, Cycle & Carriage Bintang also holds annual three-day team building sessions that aim to foster team spirit at the department level. Cycle & Carriage Bintang also holds a company dinner every two years to provide the opportunity for its employees from different branches to bond and mingle.

PREVENTING DATA FRAUD AND THEFT

(GRI 103-1, 103-2, 103-3, DF-1, DF-2, 418-1)

Given the customer-based operations at Cycle & Carriage Singapore and Cycle & Carriage Bintang, preventing data fraud and theft is important to us to safeguard customer data and prevent unauthorised use of information. As we continue to revamp and develop our websites and mobile apps to better engage our customers, we have undertaken additional IT security measures to prevent security breaches and ensure our digital properties are not compromised.

The JC&C Group adopts the Jardine Matheson Group CoC where employees must comply with all information laws and regulations, including data privacy, data retention and computer security laws.

Availability, integrity and confidentiality of information must be safeguarded by following information security policies and procedures applicable to their business. Cycle & Carriage Singapore follows the guiding

principles as set out by the JC&C parent company necessary to establish sound information security management, as overseen by the JC&C parent company’s Information Technology department. Internal and external audits are further conducted and reviewed to evaluate the effectiveness of approach and processes. The evaluation also enables the update of the Information Security Policy to keep up with new information security threats.

Relevant information security awareness materials are regularly posted on the *Workplace by Facebook* internal communications platform to heighten user awareness and educate employees in identifying and responding to potential phishing emails. To strengthen internal understanding of potential cyber risks, a simulated phishing email campaign was conducted in Singapore in 2018 to evaluate user responses and further promote awareness.

In Malaysia, Cycle & Carriage Bintang applies their Information Security Policy together with the Personal Data Protection Policy. In addition, only authorised users in the respective departments can perform data extraction or changes to customer, employee or financial records. Cycle & Carriage Bintang also conducts regular network and infrastructure security review and technology updates, with only authorised users in the department able to perform any network configuration changes.

There was no digital attack incident or digital security breach incident recorded in 2018.

ENGAGING OUR COMMUNITIES

(GRI 103-1, 103-2, 103-3, 201-1, 413-1, CE-1)

We believe in being a business beyond profitability. JC&C is committed to growing alongside the communities we engage in and developing under-served sectors in our community as a part of our overall business strategy.

According to research conducted by the Lien Centre for Social Innovation, a thought leader for positive social change in Singapore, those with mental illness were identified as a vulnerable community in Singapore. Headquartered in Singapore, JC&C parent company’s community initiatives in Singapore are primarily focused on mental health, an area that is under-served and lacks meaningful support from the private sector.

Since 2011, JC&C together with Cycle & Carriage Singapore have adopted the Jardine Matheson Group’s philanthropic initiative, MINDSET, to make a difference

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in mental health. **MINDSET Care Limited** ("MINDSET") is a registered charity in Singapore that aims to raise awareness of mental health issues to reduce stigma associated with mental illness, as well as provide direct assistance to individuals, families, caregivers and voluntary welfare organisations in need.

The JC&C Legal & Corporate Affairs department in Singapore plans, manages and executes the MINDSET initiatives of JC&C and Cycle & Carriage Singapore. In Singapore, the department also receives and reviews all sponsorship requests from local community groups, and provides support to initiatives that are aligned with our community efforts and our business. Apart from contributions towards MINDSET, JC&C's and Cycle & Carriage Singapore's community engagement efforts are managed by the Group General Counsel of JC&C and the Managing Director of Cycle & Carriage Singapore respectively.

It is important for MINDSET to uphold high standards of governance and transparency. This allows the charity to gain donors' confidence and trust in donating to our cause. In 2018, MINDSET was conferred as the winner of the "Charity Governance Award" by the Charity Council of Singapore, for its exemplary standards of governance

and transparency as a charity. MINDSET also clinched the "Charity Transparency Award" for the third consecutive year.

In Malaysia, Cycle & Carriage Bintang is committed to making a positive contribution by supporting various community programmes, with initiatives managed by its Human Resources and Marketing departments. Each year, one to two local community-based organisations are selected and supported through meaningful contributions to create greater positive social impact to the community.

A RECOGNISED CORPORATE PARTNER IN MENTAL HEALTH IN SINGAPORE

MINDSET is focused on combating social stigma surrounding mental health issues by raising awareness and building understanding. It seeks to support the social reintegration of people with mental health issues through employment opportunities and social enterprise initiatives, as well as fund raising and allocating resources to related projects and programmes. Its efforts are focused on four areas:

JC&C is committed to providing manpower support, resources, expertise and funding to contribute positively

AWARENESS & OUTREACH	BACK TO THE WORKFORCE	SOCIAL ENTERPRISE	FUNDRAISING AND ALLOCATION
To raise awareness of MINDSET's objectives among employees and the public as well as reduce social stigma associated with mental health issues through talks, campaigns, and Mini-MINDSET Days.	To promote social and community acceptance through reintegration and to source for job openings and work training opportunities within as well as outside of the Jardine Matheson Group of companies.	To help mental health clients gain a source of income through profit-generating business activities.	To raise funds through community and corporate engagements or partnerships, for mental health projects and charitable organisations.

and effectively to the mental health community through MINDSET. JC&C Group Managing Director, Alex Newbigging, serves as the Chairman of the Board and Steering Committee of MINDSET. The Steering Committee is made up of the business heads of Jardine Matheson companies in Singapore. JC&C also provides and funds communications, corporate secretariat, finance and legal support to MINDSET.

MINDSET has in place a Policies and Procedures Manual that assists the charity in its risk management and sets out clear responsibilities for the various levels of authority. It also has a Reserves Policy that is regularly reviewed by its Board. An [annual report](#) with audited accounts is published each year.

Apart from financial pledges, JC&C parent company and Cycle & Carriage Singapore also support the mental

health cause with volunteer employees, known as Jardine Ambassadors. Since 2012, there have been 30 Jardine Ambassadors from JC&C parent company and Cycle & Carriage Singapore who commit to a two-year stint to organise and execute MINDSET activities. At JC&C and Cycle & Carriage Singapore, four Jardine Ambassadors clocked 1,044 volunteering hours in 2018 to supporting mental health.

The Jardine Matheson Group believes in the social reintegration of people with mental illness and providing job placement opportunities is one of the means to achieve this. In 2018, 40 clients were provided job placements, five of them were placed with JC&C parent company and Cycle & Carriage Singapore. MINDSET has successfully placed 162 mental health clients into jobs across the Jardine Matheson Group since 2011.

MINDSET 2018 HIGHLIGHTS:

- Received the "Charity Governance Award" (small charities category)
- Received the "Charity Transparency Award" for the third consecutive year
- Pledged and donated S\$5.7 million⁸ to mental health programmes since 2011
- Raised over S\$397,000 in 2018
- Provided job placements for 162 clients within the Jardine Matheson Group since 2011 (2018: 40 clients)
- Five-year commitment of S\$2 million to the flagship MINDSET Learning Hub, which trained 306 clients and provided 170 job placements since opening in October 2016

Jointly with other Jardine Matheson companies in Singapore, contributions to mental health include:

	JC&C parent company and Cycle & Carriage Singapore		Jardine Matheson Group Singapore [#]	
	2018	From 2011 to 2018	2018	From 2011 to 2018
Total donations*	S\$93,000	S\$1.4 million	S\$678,000	S\$5.7 million
No. of Jardine Ambassadors (employee volunteers)	4	30	41	169
No. of employee volunteer hours	c. 1,000 hrs	c. 7,300 hrs	c. 6,000 hrs	c. 36,700 hrs

* Including contributions to MINDSET

Including business associates and employees

8. Including contributions to MINDSET.

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OTHER COMMUNITY EFFORTS

In 2018, JC&C parent company, Cycle & Carriage Singapore and Cycle & Carriage Bintang also supported several other community efforts, including in the areas of mental health, education and road safety.

JC&C champions the mental health cause in Singapore. In 2018, in addition to its contributions towards MINDSET, JC&C and Cycle & Carriage Singapore supported *Mental Muscle* from the National University of Singapore in their fundraising efforts and took part in the *Social Innovation Festival* to educate the public and raise awareness of mental health. As part of The Business Times' Charity Auction, JC&C also sponsored two paintings created by mental health persons-in-recovery from the Singapore Association for Mental Health. The auction provided an opportunity to raise awareness of the mental health cause among fellow corporates and media partners in Singapore as well as contributed to "The BT Budding Artist Fund".

Education and governance remain focus areas for us. JC&C and Cycle & Carriage Singapore continued our support of Singapore's Institute of Policy Studies for their contribution towards better policy making and responsive governance. In Malaysia, Cycle & Carriage Bintang donated to The Otomotif College, a leading Approved Higher Education Institution that aims to push the boundaries and shape the future of students and alumni in the automotive industry in Malaysia.

As a leading automotive dealer group, Cycle & Carriage Singapore also gave its support to positively influence drivers and pedestrians to practise road safety. As the main sponsor for Singapore Road Safety Month 2018, Cycle & Carriage Singapore supported the Land Transport Authority of Singapore's promotional campaign to encourage road safety on print and social media channels.

FUTURE PLANS AND TARGETS

HEALTH & SAFETY

The health and safety of our people are of upmost importance, and it is our responsibility as an employer to ensure the health and safety of our employees. In 2019, we will continue to standardise our record keeping of health and safety issues at Cycle & Carriage Singapore and Cycle & Carriage Bintang. We target a zero-fatality rate year-on-year.

EMPLOYEE WELFARE

Continuous learning and development will remain as a key priority to ensure our workforce capabilities remain relevant. We aim to achieve an average of 16 hours annual training per employee. In addition, in Singapore, we will continue to retain our workforce by keeping turnover lower than the general industry.

PREVENTING DATA FRAUD AND THEFT

Despite having zero digital attack incidents or digital security breach incidents in 2018, we actively continue to take steps to prevent data fraud and theft. We will formalise our security review process in 2019 and target zero data theft year-on-year.

ENGAGING COMMUNITIES

In Singapore, we will continue to support the mental health cause and keep a record of our contributions through MINDSET, whether it is in terms of funding or employee volunteering hours or the provision of communications, corporate secretariat, finance and legal support. In Malaysia, Cycle & Carriage Bintang will continue to support community projects that are focused on creating positive social impact.

OTHER INFORMATION

SUSTAINABILITY SCORECARDS

JARDINE CYCLE & CARRIAGE PARENT COMPANY		
	FY2018	FY2017
Governance		
New hires e-learning on anti-corruption	100%	100%
Social		
Permanent employees	70	56
New hires	25	14
Turnover rate	11%	7%
Female employees (% permanent employees)	48.6%	55.4%
Number of reported work injuries	0	0
Fatal accidents	0	0
CYCLE & CARRIAGE SINGAPORE		
	FY2018	FY2017
Governance		
New hires e-learning on anti-corruption	98%	100%
Environmental		
Electricity used (million kWh)	8.6	8.9
Water used (m³)	84,657	86,721
Social		
Permanent employees	1,033	957
New hires	159	118
Turnover rate	8%	6%
Female employees (% permanent employees)	27.3%	26.9%
Number of reported work injuries	9	9
Fatal accidents	0	0
CYCLE & CARRIAGE BINTANG		
	FY2018	FY2017
Governance		
New hires and first-time trainees e-learning on anti-corruption	100%	100%
Environmental		
Electricity used (million kWh)	6.3	6.0
Water used (m³)	89,091	84,985
Social		
Permanent employees	835	790
New hires	191	143
Turnover rate	17%	12%
Female employees (% permanent employees)	30.5%	30.4%
Number of reported work injuries	3	2
Fatal accidents	0	0

OTHER INFORMATION

APPENDIX: 2018 ESG DATA

GOVERNANCE

(GRI 205-2)

New Hires E-learning and Existing Employees Recertification on Anti-corruption 2018	Staff Trained	Total Number of Staff Required to Complete E-learning*	Percentage
JC&C PARENT COMPANY*			
Senior Management Employees	12	12	100%
Middle Management Employees	4	4	100%
Function Group (Administration, Technical, Production, etc.)	18	18	100%
Total	34	34	100%
CYCLE & CARRIAGE SINGAPORE*			
Senior Management Employees	7	7	100%
Middle Management Employees	22	22	100%
Function Group (Administration, Technical, Production, etc.)	311	317	98%
Total	340	346	98%

* The data shows all new hires required to complete e-learning in 2018 and the number of non-bargainable and sales employees required to complete e-learning recertification in 2018.

New Hires and First-Time Trainees E-learning on Anti-Corruption 2018	Staff Trained	Total Number of Staff Required to Complete Training	Percentage
CYCLE & CARRIAGE BINTANG			
Senior Management Employees	2	2	100%
Middle Management Employees	20	20	100%
Function Group (Administration, Technical, Production, etc.)	107	111	96.4%
Total	129	133	97%

Refresher E-learning on Anti-Corruption for Applicable Staff 2018	Staff Trained	Total Number of Staff Required to Complete e-Learning	Percentage
CYCLE & CARRIAGE BINTANG			
Senior Management Employees	11	11	100%
Middle Management Employees	43	43	100%
Function Group (Administration, Technical, Production, etc.)	185	194	95.4%
Total	239	248	96.4%

ENVIRONMENT

(GRI 302-1, 303-1, 306-2)

Energy Source 2018	Electricity Consumption (kJ)	Fuel Consumption from Non-renewable Sources** Diesel (kJ)	Total Energy Consumption (kJ)
Cycle & Carriage Singapore	30,948,498,000	2,979,676,398	33,928,174,398
Cycle & Carriage Bintang	22,600,690,200	134,069,755 [#]	22,734,759,955
Total energy consumption (GJ)			56,662.93

** Energy conversion factors are applied based on 'Greenhouse gas reporting – Conversion factors 2018 (UK Department for Business, Energy & Industrial Strategy)'

[#] Diesel use for Cycle & Carriage Bintang was estimated based on a monthly average at two service locations.

Water Consumption 2018	From National Water Agency (m ³)	From Rainwater (m ³)	Total Consumption (m ³)
Cycle & Carriage Singapore	84,657	n/a	84,657
Cycle & Carriage Bintang	87,858	1,233	89,091
Total water consumption	172,515	1,233	173,748

Waste Generation 2018	Type of Waste*	Weight/Volume of Waste
Cycle & Carriage Singapore	Waste Sludge	28,950kg
	Oily Water	145,930kg
Cycle & Carriage Bintang	Used Engine Oil	192,400LI
	Used Battery	50,912kg
	Scrap Metal	22,513kg
	General Waste [#]	1,482kg

* Cycle & Carriage Singapore and Cycle & Carriage Bintang currently have different waste recording systems. Waste streams are not standardised across operations, and therefore Total Waste Generation figures cannot be provided at this point.

[#] Estimates from approximate number of boxes disposed of at a larger outlet and scaled across operations. Waste from Glenmarie 2 (body and paint) facility is only included from 3Q 2018 onward.

OTHER INFORMATION

APPENDIX: 2018 ESG DATA

SOCIAL

(GRI 102-7, 102-8, 102-41, 401-1, 401-3, 403-2, 404-1, 404-2, 404-3)

Employee Figures 2018	JC&C Parent Company*	Cycle & Carriage Singapore	Cycle & Carriage Bintang
NUMBERS BY EMPLOYMENT CONTRACT			
Permanent (Male)	36	751	580
Permanent (Female)	34	282	255
Temporary (Male)	0	1	10
Temporary (Female)	1	3	2
Total	71	1,037	847
NUMBERS BY EMPLOYMENT TYPE (PERMANENT ONLY)			
Full-time (Male)	36	748	580
Full-time (Female)	34	282	255
Part-time (Male)	0	3	0
Part-time (Female)	0	0	0
Total	70	1,033	835
PROPORTION OF TOTAL EMPLOYEES			
Covered By Collective Bargaining Agreements	14%	73%	28%

* JC&C employees are mostly based in Singapore, with 2 located in Malaysia, 2 in Myanmar, and 1 in Vietnam.

New Employee Hires in 2018		Age Group			Gender		Total
		Under 30	30-50	Over 50	Male	Female	
JC&C Parent Company	Total Employees*	7	49	14	36	34	70
	Number of Joiners	6	18	1	14	11	25
	Hire Rate	86%	37%	7%	39%	32%	36%
Cycle & Carriage Singapore	Total Employees*	169	570	294	751	282	1,033
	Number of Joiners	75	73	11	109	50	159
	Hire Rate	44%	13%	4%	15%	18%	15%
Cycle & Carriage Bintang	Total Employees*	303	425	107	580	255	835
	Number of Joiners	127	58	6	128	63	191
	Hire Rate	42%	14%	6%	22%	25%	23%

* Permanent staff as at 31st December 2018

Employee Turnover in 2018		Age Group			Gender		Total
		Under 30	30-50	Over 50	Male	Female	
JC&C Parent Company	Total Employees*	7	49	14	36	34	70
	Number of Leavers	1	6	1	3	5	8
	Hire Rate	14%	12%	7%	8%	15%	11%
Cycle & Carriage Singapore	Total Employees*	169	570	294	751	282	1,033
	Number of Leavers	24	42	19	61	24	85
	Hire Rate	14%	7%	6%	8%	9%	8%
Cycle & Carriage Bintang	Total Employees*	303	425	107	580	255	835
	Number of Leavers	70	60	13	93	50	144
	Turnover Rate	23%	14%	12%	16%	20%	17%

* Permanent staff as at 31st December 2018

Permanent Employees Receiving Performance and Development Reviews In 2018*		Employee Category			Gender		Total
		Senior Management	Middle Management	Function Employees	Male	Female	
JC&C Parent Company		83%	79%	70%	64%	88%	76%
Cycle & Carriage Singapore		95%	97%	92%	92%	92%	92%
Cycle & Carriage Bintang		82%	93%	89%	90%	89%	89%

* Reviews are applicable to confirmed employees only and exclude employees seconded overseas. Data presented shows rates calculated against full permanent employee count, and therefore the difference represents non-confirmed employees and employees seconded overseas. Employees undergoing probation will receive a career review upon the completion of their probation period.

OTHER INFORMATION

APPENDIX: 2018 ESG DATA

Training for Permanent Employees in 2018	JC&C Parent Company		Cycle & Carriage Singapore		Cycle & Carriage Bintang	
	Average Hours of Training	Percentage Employees Trained	Average hours of training	Percentage employees trained	Average hours of training	Percentage employees trained
Senior Management Employees	21.9	72%	18.6	53%	18.4	61%
Middle Management Employees	23.5	16%	15.8	61%	9.9	47%
Function Employees	7.0	21%	15.5	46%	18.7	74%
Male Employees	16.6	25%	15.0	46%	21.1	78%
Female Employees	14.0	42%	17.2	48%	11.6	57%
Overall (All Employees)	15.3	33%	15.6	47%	18.2	72%

Parental Leave Figures for Permanent Employees 2018	JC&C Parent Company			Cycle & Carriage Singapore			Cycle & Carriage Bintang		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Parental Leave Taken 2018	2	0	2	19	8	27	21	9	30
Return After Parental Leave in 2018	2	0	2	19	8	27	21	9	30
Return After Parental Leave in 2017	0	0	0	14	6	20	16	8	24
Still Employed 12 Months After Return in 2017 (Retention Rate)	0	0	0	14	6	20	12	7	19
Return Rate After Parental Leave	100%	100%	100%	100%	100%	100%	100%	100%	100%
Retention Rate After Parental Leave	–	–	–	100%	100%	100%	75%	87.5%	79.2%

Health & Safety Figures 2018*	JC&C Parent Company			Cycle & Carriage Singapore			Cycle & Carriage Bintang		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Fatalities	0	0	0	0	0	0	0	0	0
Fatality Rate*	–	–	0	–	–	0	–	–	0
Minor Injuries	0	0	0	4	2	6	**	**	**
Minor Injury Rate*	–	–	0	–	–	2.56	**	**	**
Major Injuries	0	0	0	3	0	3	3	0	3
Major Injury Rate*	–	–	0	–	–	1.28	–	–	1.7
Lost Days	0	0	0	42	8	50	142.5	0	142.5
Lost Day Rate*	–	–	0	–	–	21	–	–	81
Absentee Days	27.5	69.5	97	4,352	1,279	5,631	2,963	1,350	4,313
Absentee Rate*	–	–	609	–	–	2,399	–	–	2,446
Occupational Disease	0	0	0	0	0	0	0	0	0
Occupational Disease Rate*	–	–	0	–	–	0	–	–	0

* Rates are calculated based on per million working hours adopted from the International Labour Organisation (ILO).

Figures are based on number of permanent staff working 8-hour days.

** In 2018, Cycle & Carriage Bintang combined the tracking of major and minor injuries. Only major injuries were recorded.

Incidents in Singapore are recorded via the Incident Report form and includes description of incident, causes and rectification actions. In Malaysia, an Accident Report Form for work place accidents is submitted to HR.

Health & Safety Definitions

Major Injuries	Injuries that require beyond first aid treatment
Minor Injuries	Injuries that can be treated with first aid
Lost Days	Days that could not be counted as work because of workers being unable to perform their usual duties due to an occupational accident or disease
Occupational Disease	Disease arising from a work situation or activity, or from a work-related injury
Absentee Days	Lost days and absence leave excluding permitted leave absence such as parental leave and study leave

APPENDIX: LIST OF PRINCIPAL SUBSIDIARIES

(GRI 102-45)

The details of principal subsidiaries are as follows. For a full list of entities included in the company's consolidated financial statements, please refer to the Annual Report 2018.

Name of Company	Principal Activities	Country of Incorporation/ Place of Business	JC&C's Effective Interest in Equity	
			2017 %	2018 %
SINGAPORE				
Cycle & Carriage Industries Pte Ltd	Retail of vehicles and provision of after-sales services	Singapore	100.0	100.0
Cycle & Carriage Automotive Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	100.0	100.0
Cycle & Carriage Kia Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	100.0	100.0
Cycle & Carriage France Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	100.0	100.0
Diplomat Parts Pte Ltd	Investment holding and sale of vehicle parts	Singapore	100.0	100.0
Republic Auto Pte Ltd	Retail and leasing of vehicles	Singapore	70.0	70.0
MALAYSIA				
Cycle & Carriage Bintang (listed on Bursa Malaysia)	Retail of vehicles and provision of after-sales services	Malaysia	59.1	59.1
MYANMAR				
Cycle & Carriage Automobile Myanmar Company Limited	Provision of after-sales services	Myanmar	60.0	60.0
Cycle & Carriage Alliance Myanmar Company Limited	Retail of vehicles and provision of after-sales services	Myanmar	60.0	60.0

OTHER INFORMATION

GRI STANDARDS INDEX: CORE OPTION

(GRI 102-54, 102-55)

GENERAL DISCLOSURES

GRI STANDARD 102: GENERAL DISCLOSURES 2016		
DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
ORGANISATIONAL PROFILE		
102-1	Name of the organisation	01, 05-09
102-2	Activities, brands, products, and services	04, 05-09
102-3	Location of headquarters	05-09 JC&C is headquartered and listed in Singapore
102-4	Location of operations	04 Annual Report 2018, page 10-13
102-5	Ownership and legal form	01, 05
102-6	Markets served	04, 05-09
102-7	Scale of the organisation	04, 05-09, 12-13, 22-23, 29, 38
102-8	Information on employees and other workers	29, 35, 38-40
102-9	Supply chain	11
102-10	Significant changes to the organisation and its supply chain	11, 12-13
102-11	Precautionary principle and approach	10
102-12	External initiatives	48
102-13	Membership of associations	48
STRATEGY		
102-14	Statement from the most senior decision-maker	02-03
ETHICS AND INTEGRITY		
102-16	Values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	10
GOVERNANCE		
102-18	Governance structure	14 Refer to the Corporate Governance Statement in Annual Report 2018
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	15
102-41	Collective bargaining agreements	38
102-42	Identifying and selecting stakeholders	15, 16-17
102-43	Approach to stakeholder engagement	15, 16-17
102-44	Key topics and concerns raised	16-17

GRI STANDARD 102: GENERAL DISCLOSURES 2016		
DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	01, 05-09, 41 For a full list, please refer to the Annual Report 2018
102-46	Defining report content and topic boundaries	01, 05-09, 18
102-47	List of material topics	16-17, 18
102-48	Restatements of information	01
102-49	Changes in reporting	01
102-50	Reporting period	01 1 st Jan – 31 st Dec 2018
102-51	Date of most recent report	01
102-52	Reporting cycle	01 Reports are published on annual basis
102-53	Contact point for questions regarding the report	01 Please share any feedback on our sustainability report or our sustainability practices by contacting: sustainability@jccgroup.com
102-54	Claims of reporting in accordance with the GRI Standards	01, 42 This report is prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	42-47
102-56	External assurance	01 No external assurance has been sought for this report

OTHER INFORMATION

GRI STANDARDS INDEX: CORE OPTION

(GRI 102-54, 102-55)

TOPIC-SPECIFIC DISCLOSURES

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
TOPIC: CORPORATE GOVERNANCE			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	10, 16-17, 18, 19-20
	103-2	The management approach and its components	10, 19-20
	103-3	Evaluation of the management approach	10, 19-20
Non-GRI	CG-1	Standards and regulation applied, and external performance rankings	10, 19-20
TOPIC: TRANSPARENCY AND ANTI-CORRUPTION			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 21-22
	103-2	The management approach and its components	21-22
	103-3	Evaluation of the management approach	21-22
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	21-22, 36 Information is not available for communication of policies to business partners or training of governance body members
TOPIC: COMPLIANCE			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 20-21
	103-2	The management approach and its components	20-21
	103-3	Evaluation of the management approach	20-21
Non-GRI	C-1	Management of compliance as a business practice and cases of non-compliance identified	20-21

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
TOPIC: ECONOMIC PERFORMANCE			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 22-23
	103-2	The management approach and its components	22-23
	103-3	Evaluation of the management approach	22-23
GRI 201: Economic Approach 2016	201-1	Direct economic value generated and distributed	04, 22-23, 33 Full financial results including Consolidated Profit & Loss Account (page 61) are given in JC&C's audited financial statements 2018
	201-4	Financial assistance received from government	22 No governments are present in the JC&C group shareholding structure.
TOPIC: ENERGY CONSERVATION			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 25
	103-2	The management approach and its components	25
	103-3	Evaluation of the management approach	25
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	25, 35, 37
TOPIC: WASTE MANAGEMENT			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 26
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	26
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	26, 37
TOPIC: WATER MANAGEMENT			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 26
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	26
GRI 303: Water 2016	303-1	Water withdrawal by source	26, 35, 37

OTHER INFORMATION

GRI STANDARDS INDEX: CORE OPTION

(GRI 102-54, 102-55)

TOPIC-SPECIFIC DISCLOSURES

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
TOPIC: MANAGEMENT OF HAZARDOUS MATERIALS			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 26
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	26
GRI 306: Effluents and Waste 2016	306-4	Transport of hazardous waste	26, 37
TOPIC: EMPLOYEE WELFARE			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 28-31
	103-2	The management approach and its components	28-31
	103-3	Evaluation of the management approach	28-31
GRI 401: Employment 2016	401-1	New employee hires and turnover	30, 35, 38-39
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	30
	401-3	Parental leave	30, 40
GRI 404: Training & Education 2016	404-1	Average hours of training per employee	30, 40
	404-2	Programs for updating employee skills and transition assistance programs	30, 39-40 A transition assistance program is not in place
	404-3	Percentage of employees receiving regular performance and career development reviews	30, 39

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE REFERENCE OR ADDITIONAL COMMENT
TOPIC: HEALTH AND SAFETY			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 28
	103-2	The management approach and its components	28
	103-3	Evaluation of the management approach	28
GRI 403: Occupational Health & Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	28, 35, 40
	403-4	Health and safety topics covered in formal agreements with trade unions	28
TOPIC: DATA FRAUD OR THEFT			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 31
	103-2	The management approach and its components	31
	103-3	Evaluation of the management approach	31
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	31
Non-GRI	DF-1	Total number of identified digital attacks or digital security breach incidents	31
	DF-2	Digital security measures and preparedness/ response procedures	31
TOPIC: COMMUNITY ENGAGEMENT			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	16-17, 18, 31-34
	103-2	The management approach and its components	31-34
	103-3	Evaluation of the management approach	31-34
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	31-34 Community impact assessments or other development programs have not been undertaken.
Non-GRI	CE-1	Community engagement focus areas	31-34

OTHER INFORMATION

MEMBERSHIPS AND INITIATIVES

(GRI 102-12, 102-13)

JARDINE CYCLE & CARRIAGE	CYCLE & CARRIAGE SINGAPORE	CYCLE & CARRIAGE BINTANG
MEMBERSHIPS		
Singapore Institute of Directors Singapore International Chamber of Commerce Investor Relations Professionals Association British Chamber of Commerce Singapore Business Federation Singapore National Employer's Federation	The French Chamber of Commerce in Singapore Singapore National Employers Federation Motor Traders Association in Singapore Singapore Business Federation Singapore Chinese Chamber of Commerce & Industry The Singapore Cycle & Motor Traders' Association Vehicle Rental Association	Malaysian Automotive Association British Malaysian Chamber of Commerce Malaysian Employer Federation
INITIATIVES		
Sustainability reporting under SGX Listing Rules Singapore Code of Corporate Governance Institute of Internal Audit Standards CSR Asia Strategic Partner	Institute of Internal Audit Standards	Sustainability Statement under Bursa Malaysia Berhad listing requirements Malaysian Code of Corporate Governance 2017

