



載通國際  
Transport International

2023

Sustainability Report



Transport International Holdings Limited

# SUSTAINABILITY REPORT

## About the Report

In 2023, Transport International Holdings Limited ("TIH") continued to make progress in its journey to create sustainable values for its stakeholders and the community at large. TIH is committed to building sustainable legacies through safe operations, innovative service, community care and environmental protection.



**Carbon Footprints of Bus**  
(tCO<sub>2</sub>e per million km)

**FY 2023 target: -10%**

**Result by FY 2023:**

**-10.21%**

**(Target Met)**



**Diesel Oil**

(GJ per million km)

**FY 2023 target: -10%**

**Result by FY 2023:**

**-10.11%**

**(Target Met)**

## Reporting Focus

The Sustainability Report (the "Report") of TIH provides descriptions and highlights of the environmental and corporate social responsibility performance and sustainability achievements of The Kowloon Motor Bus Company (1933) Limited ("KMB") and Long Win Bus Company Limited ("LWB"), TIH's wholly-owned subsidiaries. These two Hong Kong franchised public bus companies comprise significant business operations of TIH. The Report covers the reporting period from 1 January to 31 December 2023.

There were no significant changes with regard to TIH's size, structure, ownership or supply chain during the reporting period. In the Report, data and statistics are presented as absolute figures and are normalised into comparable terms

as far as possible. Unless otherwise stated, data and statistics in the Report cover the performance of KMB and LWB during the entire reporting period. There is no specific limitation on the scope and boundary of the Report in respect of KMB's and LWB's operations.

## Reporting Principles

The Report was prepared in accordance with the latest Global Reporting Initiative ("GRI") Standards 2021 and the Appendix C2: Environmental, Social and Governance Reporting Guide ("the ESG Reporting Guide") issued by the Hong Kong Exchanges and Clearing Limited ("HKEX"). The GRI Content Index correlates GRI disclosures with associated sections in this report. The Group strictly adheres to the reporting principles of materiality, quantitative, balance and consistency which are set out in the ESG Reporting Guide.

## SUSTAINABLE DEVELOPMENT GOALS



**Responsible  
Consumption and  
Production**



**Peace, Justice  
and Strong  
Institutions**

## Six Environmental Targets for Key Performance Indicators from FY 2021-2023 (Baseline: FY 2019)



**Electricity**  
(kWh per m<sup>2</sup>)

FY 2023 target: -20%

**Result by FY 2023:**  
**-43.06%\***  
**(Beyond Target)**

**Water**  
(m<sup>3</sup> per bus)

FY 2023 target: -25%

**Result by FY 2023:**  
**-22.54%\***  
**(Near Attainment of Target)**

**Solid Chemical Waste**  
(kg per million km)

FY 2023 target: -8%

**Result by FY 2023:**  
**-16.75%\***  
**(Beyond Target)**

**Metal**  
(kg per million km)

FY 2023 target: -4%

**Result by FY 2023:**  
**-4.51%**  
**(Target Met)**

\* In 2022, given the local impact of the COVID-19 epidemic since 2020, we adjusted our investments in environmental initiatives for electricity and water reduction, rescheduled the deployment of electric buses, and revised our electricity and water consumption targets accordingly. In 2023, KMB and LWB introduced a series of initiatives to reduce electricity consumption, including the forming of "Green and Clean Teams" among staff members to ensure the adoption of best practices for electricity saving. While society has returned to normalcy, KMB and LWB continued to enhance the cleansing and hygiene standards of their bus fleets in 2023, resulting in an increase in water consumption. Also, the reduction of solid chemical waste was beyond expectation mainly based on the successful measures by using a new tyre model which has extended its lifecycle and implementing the advanced engine oil replacement cycle.

Reporting Principles	Application
<b>Materiality</b>	To identify the material ESG-related issues, a stakeholder engagement exercise was conducted to collect opinions and feedback from stakeholders. The material ESG issues are incorporated into the Group's core business strategy. For details, please refer to the section "Stakeholder Engagement and Materiality Assessment".
<b>Quantitative</b>	The Group discloses its ESG performances in a quantitative manner. Data and statistics are presented as absolute figures and are normalised into comparable terms as far as possible. For details, please refer to the section "Performance Statistics".
<b>Balance</b>	The Group prepares this report and discloses its ESG performance and achievements in a transparent, unbiased and fair manner.
<b>Consistency</b>	The Report has been prepared in accordance with the latest Global Reporting Initiative ("GRI") Standards 2021 and the Appendix C2: Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") issued by the Hong Kong Exchanges and Clearing Limited ("HKEX").

To align our strategies with international sustainability principles, the Report also makes reference to the United Nations Sustainable Development Goals ("UNSDGs") and the recommendations on the Task Force on Climate-related Financial Disclosures ("TCFD") established by the Financial Stability Board ("FSB"). In addition, through engagement exercises such as annual passenger liaison group meetings and interviews with representatives of different interest

groups, we have identified stakeholder concerns and incorporated them into our sustainability strategies. The latest Annual Report of TIH contains more information about the Group, including corporate governance and the financial performance of KMB and LWB.

If you have any comments on the Report, please contact us via [ccd@kmb.hk](mailto:ccd@kmb.hk).

## SUSTAINABILITY REPORT



服務業 Services Sector  
銀獎 SILVER AWARD  
中銀香港 BOCHK  
企業低碳環保領先大獎2022  
Corporate Low-Carbon Environmental Leadership Awards

### Major Recognition and Awards

We aim to deliver excellent public transport services in a sustainable manner, we are pleased to announce that we received a number of prestigious awards in 2023.

### Corporate Social Responsibility

- Ⓐ 2021 Hong Kong Awards for Environmental Excellence (Transport and Logistics) - Gold Award from the Environmental Campaign Committee;
- Ⓐ Best Corporate Governance and ESG Awards 2023 - Special Mention Corporate Governance, Non-Hang Seng Index Category (Small Market Capitalisation) from The Hong Kong Institute of Certified Public Accountants;
- Ⓐ 20 Years Plus Caring Company Logo from The Hong Kong Council of Social Service;
- Ⓐ BOCHK Corporate Environmental Leadership Awards 2022 - Services Sector Silver Award, Low-Carbon Commitment and Eco Challenger from the Federation of Hong Kong Industries;
- Ⓐ People Development Award - Bronze and Environmental, Social and Governance Award - Merit in the Customer Service Excellence Award from the Hong Kong Association for Customer Service Excellence;
- Ⓐ Manpower Developer Award Scheme - Super MD 2023-28 from the Employees Retraining Board;
- Ⓐ The Good MPF Employer Award 2022-23 from the Mandatory Provident Fund Schemes Authority;
- Ⓐ Industry Cares Recognition Scheme (Enterprise Group) - Outstanding Caring Award and The Most Innovative Award from the Federation of Hong Kong Industries;
- Ⓐ Hong Kong Green Organisation Certification - Energywise Certificate (Excellent Level) from the Environmental Campaign Committee;
- Ⓐ Hong Kong Green Organisation Certification - Wastewise Certificate (Excellent Level) from the Environmental Campaign Committee;
- Ⓐ 2022/2023 Annual Presentation of Awards Ceremony - Award of Excellence from The Community Chest of Hong Kong;
- Ⓐ TVB ESG Awards 2023 - ESG Special Recognition Award from the Television Broadcasts Limited;



- Ⓐ Charter on Employment Friendly from The Hong Kong Council of Social Service;
- Ⓐ The 21<sup>st</sup> Hong Kong Occupational Safety & Health Award - Best OSH Video Performance Award (Gold Award), OSH Strategic Partnership and OSH Enhancement Program Award from Occupational Safety & Health Council;
- Ⓐ ESG Pledge Scheme from The Chinese Manufacturers' Association of Hong Kong;
- Ⓐ Charter on BEC Net-zero Carbon from Business Environment Council;
- Ⓐ Recognition of the Jockey Club Age-friendly City Partnership Scheme 2022 from The Hong Kong Jockey Club Charities Trust;
- Ⓐ The Racial Diversity & Inclusion Charter for Employers from the Equal Opportunities Commission; and
- Ⓐ Sport-Friendly Action Decal from Chinese YMCA of Hong Kong.

### Brand

- Ⓐ IFAPC Outstanding Listed Companies Award 2023 from The Hong Kong Institute of Financial Analysts and Professional Commentators Limited (IFAPC);
- Ⓐ Gold Award for Interior Design, Bronze Award for Infographics and Honours for Photography in the Transportation and Leasing category of the 2023 International ARC Awards from MerComm, Inc;
- Ⓐ Silver Award for Hong Kong ICT Awards 2023 - Smart Mobility (Smart Transport) from the GS1 Hong Kong;
- Ⓐ Reader's Digest Trusted Brands 2023 Gold Award - Public Transport category from the Reader's Digest;
- Ⓐ Smart Living Partnership Awards 2022 - Outstanding All Man Kind Inclusive Bus App from ET Net;
- Ⓐ Eco-Brand Awards 2022 from East Week magazine; and
- Ⓐ Excellence in Living Smart Award 2023 - Chill Out from Ming Pao.



## Sustainability Governance

We adhere to the recommended best corporate governance practices to achieve sustainable business development. We ensure compliance with applicable legal and regulatory requirements while considering the interests of our stakeholders. The Group has adopted an integrated management approach to guide the sustainable development of TIH based on the principles of integrity, equity and transparency. This integrated management approach is strengthened by ongoing staff training and communication with stakeholders. The Board of Directors of TIH (the "Board"), as its highest governance body, is responsible for stewarding the long-term development of the Group and growing shareholder value. The Board currently comprises nine Non-executive Directors, five Independent Non-executive Directors and one Executive Director. The biographies of our current Directors can be found on pages 158 to 166 of our 2023 Annual Report.

The overall strategic planning and accountability for the Group's sustainable development rest with our Board, which determines the sustainability strategy and oversees its progress. Our ESG Task Force, under the oversight of the Board, implements the Board's ESG strategy and policies to drive sustainable initiatives throughout our operations, including safety, environmental protection, staff welfare,

community engagement and volunteering. The ESG Task Force is also responsible for optimising environmental performance, raising staff awareness on corporate social responsibilities, sharing knowledge and industry best practices and working with the Enterprise Risk Management Task Force of the Company to assess new and emerging ESG-related risks.

The Group's Enterprise Risk Management System adopts a systematic approach and uses a set of consistent risk assessment criteria to identify and manage risks. Accurate risk information is provided for the Management to assist them in decision-making and risk control without compromising cost-effectiveness and efficiency. In addition, with the Enterprise Risk Management System, the Management monitors and reviews risk levels of various issues that might impact the Group, including climate change, to ensure that risk exposure remains at an acceptable level. A Key Risk Indicator Report ("KRI Report") summarises the Group's major risks identified by the Management and is submitted to the Audit and Risk Management Committee three times a year. The KRI Report provides a comprehensive profile of the major risks and the mechanisms established by the Management for monitoring these risks.

For details of our corporate governance, please refer to pages 130 to 153 of our 2023 Annual Report.

## SUSTAINABILITY REPORT

### Legal and Regulatory Compliance

TIH is committed to conducting business activities in compliance with the laws of Hong Kong. All directors and staff of the Group are subject to a written Code of Conduct when discharging their delegated duties. The Code of Conduct provides guidance on personal conduct, relations with suppliers and contractors, responsibilities to shareholders and the community, customer relations, and employment practices, as well as procedures for monitoring compliance and enforcement to promote ethical values in business activities. The Code of Conduct is available on the staff website for easy access and is reviewed and updated periodically to reflect the latest regulatory changes.

TIH's employment practices are also reviewed on a regular basis. We strictly adhere to the Employment Ordinance of Hong Kong and prohibit the hiring of child labour (a person below the local minimum age for employment or under the age of 15) and any form of forced labour.

The Group has a whistleblowing policy to encourage employees and related third parties to raise concerns in confidence about misconduct, malpractice, bribery, money laundering, any forms of forced, coerced or bonded labour and irregularities in any matters related to the Group. Employees and/or related third parties may make a report to the Company Secretary or the Chairman of the Board's Audit and Risk Management Committee. The Group will take appropriate follow-up actions, including disciplinary actions, in respect of substantiated and partially substantiated cases. In the event of an employee committing any offence of corruption under the Prevention of Bribery Ordinance (Chapter 201, Laws of Hong Kong), the Group will make a report to the Independent Commission Against Corruption ("ICAC"). We have not committed any offence of corruption under this Ordinance. Furthermore, we invited the ICAC to provide training to the Board and employees to enhance their awareness of anti-corruption and integrity management bi-yearly. We had zero concluded legal cases regarding corruption during the reporting year.

### Stakeholder Engagement and Materiality Assessment

Stakeholder engagement exercises and materiality assessments provide a solid basis for developing our sustainability reports. This exercise helps identify sustainability topics that are most relevant to both our operations and stakeholders.

Our stakeholders include passengers, employees, suppliers, contractors, Legislative Councillors, District Councillors, transport advisory bodies, interest groups and the Government. We have established several engagement programmes to gauge their views on our operations and services. Our dialogue with stakeholders is demonstrated through various channels, including the Chatbot enquiry channel on the KMB and LWB websites and app1933, the KMB Facebook page, the KMB Instagram account, the KMB YouTube channel and corporate publications such as *KMB Today*, as well as face-to-face meetings and media networking.

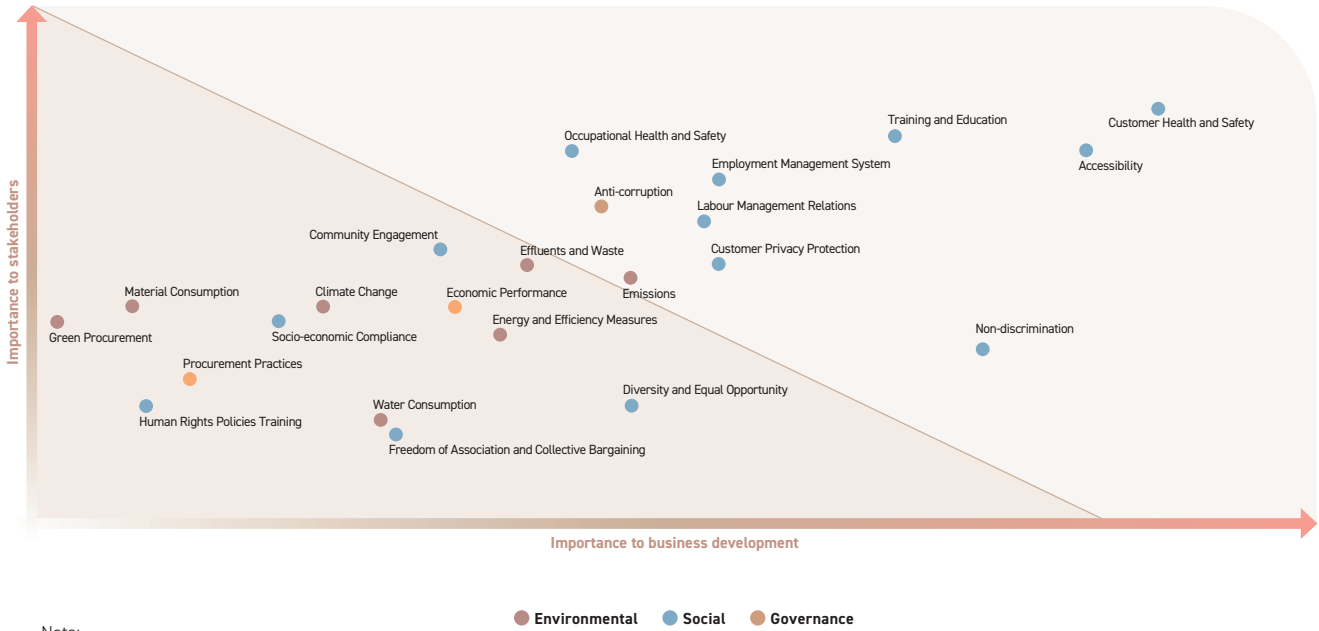
TIH engaged an external consultant to carry out a series of stakeholder engagement activities to define the scope of the Report and to identify material economic, environmental and social topics concerning the principles and requirements of the GRI Standards, the HKEX ESG Reporting Guide, the UNSDGs and the TCFD climate-related disclosures. We invited representatives from various stakeholder groups, including passengers, employees, members of the KMB volunteer team, suppliers, non-governmental organisations (e.g. social organisations and green groups) to participate in stakeholder engagement activities involving surveys, focus group meetings and interviews.

Taking into account the findings from the survey results and annual materiality assessments carried out over the past few years, we have mapped the materiality of twelve issues. The most critical issues are listed at the top right quadrant of the matrix, while less important issues are found at the bottom left. Issues shown in the top right of the matrix are those identified as emerging in importance. The top ten issues were prioritised as material for TIH to address and report. The eleventh and twelfth issues, community engagement and energy and efficiency measures, which have been reported in the previous years, are also included for consistency. The ESG Task Force further reviewed and validated the material topics to ensure a consistent and balanced representation of the Group's sustainability performance and impacts. The following material topics have been prioritised for disclosure in TIH's Sustainability Report with corresponding boundaries specified:

Aspects	Material Topics	Reporting Boundaries				
		Internal Stakeholders	Customers	Suppliers	Contractors	NGOs
Environmental	Emissions	✓			✓	✓
	Effluents and Waste		✓		✓	
	Energy and Efficiency Measures		✓		✓	
	Water Consumption				✓	
	Environmental Compliance	✓	✓		✓	
	Green Procurement				✓	
	Material Consumption				✓	✓
	Climate Change				✓	✓
Social	Customer Health and Safety	✓	✓	✓	✓	✓
	Customer Privacy Protection	✓	✓		✓	
	Employment Management System	✓	✓	✓	✓	✓
	Labour Management Relations	✓	✓	✓	✓	
	Training and Education	✓	✓	✓	✓	
	Occupational Health and Safety	✓	✓	✓	✓	✓
	Community Engagement			✓	✓	✓
	Socio-economic Compliance			✓	✓	✓
	Diversity and Equal Opportunity	✓				
	Forced and Child Labour	✓	✓	✓	✓	
	Human Rights Policy Training				✓	
	Freedom of Association and Collective Bargaining	✓		✓	✓	
	Accessibility	✓	✓	✓	✓	✓
	Non-discrimination	✓			✓	✓
Governance	Anti-corruption	✓	✓	✓	✓	✓
	Procurement Practices		✓	✓	✓	✓
	Economic Performance		✓	✓		

# SUSTAINABILITY REPORT

## Materiality Matrix



**Note:**

The topics "Environmental Compliance" and "Forced and Child Labour" are excluded from the materiality matrix given that they are standard practices in operations.

The engagement activities provided us with constructive comments and suggestions from our stakeholders. We appreciate their valuable feedback and strive to address their expectations through continuous improvements.

Key Areas of Interest	Stakeholders' Comments	Our Responses and Relevant Disclosures in the Report
<b>Safety</b>	<ul style="list-style-type: none"> <li>⬆ To enhance bus safety through innovative technologies;</li> <li>⬆ Strengthen public safety education; and</li> <li>⬆ Upgrade bus safety facilities such as installing safety belts for all seats.</li> </ul>	Safety has been a top priority of our operations. We make great efforts to implement safety measures and promote safety awareness. (See details in Safety First)
<b>Environment</b>	<ul style="list-style-type: none"> <li>⬆ To recycle waste from the operation; and</li> <li>⬆ Further explore green energy opportunities and clean energy infrastructure.</li> </ul>	We seek to minimise the impact of our operations on the environment by employing energy-efficient buses and exploring green energy and zero-emission bus technologies. (See details in Caring for the Environment)
<b>Customers</b>	<ul style="list-style-type: none"> <li>⬆ To improve accessibility for the elderly and people with disabilities;</li> <li>⬆ Design bus routes that cover more areas; and</li> <li>⬆ Explore further digitalisation of the bus management system.</li> </ul>	Bus facilities and compartment designs have been upgraded to provide better accessibility and comfort for passengers. (See details in Caring for Customers)
<b>Employees</b>	<ul style="list-style-type: none"> <li>⬆ To enhance communication with internal stakeholders.</li> </ul>	To strengthen bilateral communication, we have built a variety of internal communication channels and platforms for employees. (See details in Caring for Employees)
<b>Community</b>	<ul style="list-style-type: none"> <li>⬆ To participate more actively in key environmental and social sustainability issues (business operation and engagement with external stakeholders) and improve transparency on progress and performance.</li> </ul>	We play an active role in various community activities and make good use of different platforms and occasions to communicate with the public. (See details in Stakeholder Engagement)



## Supply Chain Management

We believe an integrated upstream supply chain management is key to quality and logistics control. We work closely with our business partners to develop new buses and services that are adapted to the local climate and operational environment, whilst prioritising energy efficiency and the latest emission standards.

We encourage fair and open competition with the aim of developing long-term relationships with suppliers based on mutual trust. Our supply chain policies and procedures are in place to ensure ethical procurement of supplies and services, which allow us to deliver high-quality end products that our customers can trust. In 2023, KMB and LWB added 70 new suppliers considering their potential capability and also considering social criteria (100% of new suppliers were screened). Meanwhile, in 2023, KMB and LWB procured from 408 local and 34 non-local suppliers and carried out vendor appraisal on 116 active suppliers (26% of active suppliers) assessing on their performance on quality, continuity of supply and their general services, allowing us to continually improve their services or terminate relationships if they fail. The proportion of spending on local suppliers was 83%.

Our Green and Sustainable Procurement Policy spells out the environmental and social risk considerations that should be taken into account in every purchasing decision. To ensure

our suppliers comply with our social and environmental requirements, we require all of them to declare compliance with our guidelines upon supplier registration:

- Ⓐ Environmental care;
- Ⓐ Health and safety;
- Ⓐ The prohibition of forced and child labour; and
- Ⓐ Anti-corruption.

## Procurement and Tendering Procedures

Our criteria for procurement and tendering of services and goods are based on price, quality, requirements, green and sustainable procurement and other relevant factors. The principles of our procurement and tendering procedures are as follows:

- Ⓐ Fair competition;
- Ⓐ Selection of appropriate contract types according to requirements;
- Ⓐ Compliance with laws, relevant regulations and contractual obligations;
- Ⓐ Consideration on environmental and social factors; and
- Ⓐ Adoption of an effective monitoring system, management controls and practices:
  - ▲ to prevent bribery, fraud or other malpractices; and
  - ▲ to ensure the declaration of conflicts of interest by staff involved in the selection.

## Performance Highlights



### Safety

Number of mechanical failures of bus fleet ↓ over 20% in December compared to the same period last year.



### Environment

The largest electric bus fleet in Hong Kong.



### Customer

Newly-added 1,000 priority seats in bus fleet.



### Employee

8.16% of employees were female.



### Community

Over 21,000 voluntary hours.



### Supply Chain

A Green and Sustainable Procurement Policy is in place.

## SUSTAINABILITY REPORT

## Safety First



↓ 20%

mechanical failure of bus fleet  
in December compared to the  
same period last year

Safety is in everything we do. It is our highest priority and an integral part of our business strategy. We strive to raise our safety standards and performance and continue to invest heavily in improving the safety of our bus operations.





### 3 GOOD HEALTH AND WELL-BEING Good Health and Well-Being

#### Safety Policy

The KMB and LWB Safety Policy ensures that injury and health risks are minimised to provide a safe and healthy environment for our employees and the public. All our employees are required to comply with all legal requirements applicable to our operations, and we regularly consult employees to identify opportunities for improvement in our safety management system.

#### Safety Committees

Safety Committees oversee internal communication on occupational safety and health information, including risks, trends and policies. All Safety Committees meet regularly to discuss safety issues at different levels across the Company.

At the corporate level, there is the Working Committee for Safety that oversees safety issues. The Departmental Safety Committees, Maintenance Safety Committees and Operations Safety Committees are responsible for safety issues relating to departments and sections. Departmental Safety Committees may vary the frequency of meetings depending on the scale of departmental safety risks.

#### Safety Management

We are dedicated to advancing occupational health and safety. We fully comply with the Occupational Safety and Health Ordinance and the Factories and Industrial Undertakings Ordinance (Chapters 509 and 59, Laws of Hong Kong, respectively). The KMB Occupational Health and Safety Management System adopted to ISO 45001:2018 which promotes continuous improvement of safety performance across all aspects of our business, including bus maintenance and design upgrades.

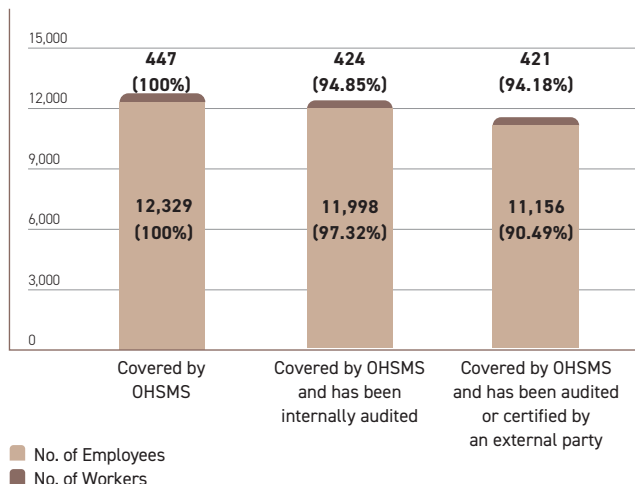
The key benchmarks of our operational performance are mechanical reliability<sup>1</sup> and operational capability<sup>2</sup>. In 2023, the mechanical reliability of KMB's bus fleet was 150,249 km: 1, while LWB's bus fleet was 508,657 km: 1. In 2023, KMB and LWB attained an operational capability of 96.78 % and 98.84% respectively.

#### Operational Excellence

KMB and LWB are certified to the ISO 9001:2015 Quality Management Systems ("QMS") Standard, demonstrating our commitment to achieving up-to-date operational and service standards through the implementation of robust processes and practices.

#### Safety Statistics

The number and the percentage of staff and workers covered by our Occupational Health and Safety Management System (OHSMS) are tabulated as follows:



Ⓐ KMB is dedicated to delivering safe and reliable bus services, relying on the KMB Academy to cultivate professional talents for the local bus industry

<sup>1</sup> Mechanical reliability refers to the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board.  
<sup>2</sup> Operational capability refers to the ratio of actual to scheduled departures in the peak direction during the peak hours of 7:00 a.m. to 9:00 a.m. across the bus network.

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- Ⓐ The bus fleet is equipped with multiple safety devices, including the GST System, which provides real-time feedback to help bus captains enhance driving performance

### Job Hazard Analysis

With an aim to ensure that both the working environment and staff performance comply with legal requirements, in-house safety rules, and industry best practices; job hazard analysis is conducted by managerial staff together with the relevant workers to assess the risk for a work task. Based on the assessment result, appropriate safety measures will be formulated and implemented to minimise the risk of a work activity.

Regular safety inspections and audits will be performed to ensure that these safety measures are properly implemented and to identify whether there are any improvement opportunities. The inspection result and audit result serve as a basis for reviewing our job hazard analysis. This Plan-Do-Check-Act management approach is employed to sustain a cycle of continuous improvement in safety performance.

### Bus Safety Facilities and Maintenance

A number of technological devices, including speed-limiting devices and telematics systems, have been installed on buses to improve safety and record operational data. All KMB and LWB buses undergo an ISO-certified maintenance regime, comprising daily and monthly servicing, a semi-annual minor dock and an annual road-worthiness inspection, as well as spot checks from the Transport Department of the Hong Kong SAR Government.

### Latest Bus Safety Measures

#### GST Safe & Eco Driving System

GST System is a safety and eco-driving system. It replaced the GreenRoad System on the whole KMB and LWB fleets in July 2023. GST System helps evaluate the driving performance and calculate the engine idling time of each and every bus trip, as well as encourage the bus captain to enhance their driving skills and pattern. The driver feedback unit at the dashboard provides real-time audio and visual alerts to the bus captain behind the wheel immediately after he/she has committed a driving behaviour that needs attention or instant rectification in five key driving aspects, including cornering, braking, acceleration, pedal control and speeding.

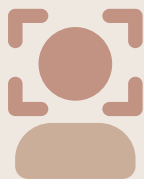
In addition to receiving instant feedback on his/her driving behaviour, the bus captain can also review his/her performance via the "GST Driver" app, which clearly shows the time, date and location of his/her improper driving behaviour as well as the duration and location where he/she let the engine idle.

Since 2020, KMB has introduced a reward scheme to demonstrate our appreciation to bus captains with good performance in the safety and eco-driving system. The reward scheme is well received by bus captains, who compete among themselves in their respective depots and share knowledge with one another regarding techniques for achieving greater driving safety.

The GST System is conducive to identifying bus captains who need further training and monitoring. With the implementation of such safety and eco driving system, KMB and LWB are further equipped for providing safe and environmentally friendly service to the public.



- Ⓐ The bus fleet has installed a Speed Limiting Retarder that can automatically activate the brake to prevent speeding downhill



### Driving Monitoring System (“DMS”)

This monitoring device, mounted on the dashboard, uses image processing and advanced facial recognition technology to detect the level of alertness of a driver. Early audio alerts and vibration warnings through the bus captain seat will be activated when it is suspected that the driver is showing signs of fatigue or abnormality.



### Advanced Driver Assistance System (“ADAS”)

The device is installed on the lower saloon windscreen and uses image-processing technology to detect obstacles on the road and calculate the obstacle distance. Early audio alerts and vibration warnings will be activated when “unsafe” conditions are detected.



### Electronic Stability Programme (“ESP”)

The ESP is an important safety feature to prevent a bus from skidding or overturning when cornering or operating on a slippery road surface.



### Speed Limiting Retarder (“SLR”)

SLR enhances the speed limiters of our fleets. The current speed limiters cut off the fuel supply to the engine when the speed limit is reached. The SLR automatically activates the brakes or retarder to prevent speeding when travelling downhill.



### Safety Belts

KMB and LWB have requested bus manufacturers to install 3-point safety belts on all seats as a standard feature for new buses. Meanwhile, KMB has been working on retrofitting existing buses with safety belts in order to provide better protection to passengers.

## SUSTAINABILITY REPORT



- Ⓐ The KMB Academy provides HKQF-accredited professional and comprehensive training courses for new recruits, in-service bus captains and bus captain training instructors

### KMB Academy

KMB established the KMB Academy ("the Academy") in January 2022, aiming to nurture talents for the bus industry. The Academy provides professional and comprehensive training programmes for franchised bus maintenance personnel and all bus captains. In 2023, two training programmes, the "Certificate in Continuing Development for In-service Bus Captains" and the "Professional Certificate for Instructors in Franchised Bus Industry" were recognised at Level Three and Level Four respectively under the Qualifications Framework ("HKQF") by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. The number of HKQF programmes in the KMB Academy now totals four.

**The "Certificate in Bus Maintenance"** at HKQF Level Two for franchised bus maintenance personnel offers knowledge of mechanical operation and industrial safety. Students will also undergo basic technical training, including engine, drivetrain, chassis, electrical appliances, and air-conditioning, with on-the-job training available in KMB and LWB depots. In addition to the HKQF Level Two accreditation, graduates will also receive professional bus maintenance certificates recognised by two European bus manufacturing giants, Alexander Dennis Ltd and Volvo Buses, making them semi-skilled workers with a clear progression ladder through further training.

### The "Certificate in Public Bus (Franchised) Driving training"

at HKQF Level Three is planned around building safety consciousness, bus maneuvering skills, and bus route and bus type knowledge. In addition to driving, students will also be trained in customer service and emotional management to further enhance their service standards. Before graduation, assessments are conducted by instructors to ensure student performance meets the standards of KMB.



- Ⓐ In addition to receiving recognition from the HKQF for completing the "Certificate in Bus Maintenance" course, graduates are also recognised by two major European bus manufacturers

The “Certificate in Continuing Development for In-service Bus Captains” is at HKQF Level Three; the training aims at enhancing our in-service bus captains on road safety awareness, driving skills and attitude, including defensive driving techniques.

The “Professional Certificate for Instructors in Franchised Bus Industry” at HKQF Level Four is set to provide our instructors (both Driving Instructors and Technical Instructors) with a better understanding of the role of an instructor at the KMB Academy in terms of enhancing teaching skills, improving teaching quality and fostering professional development whilst taking into consideration their teaching performance, professional behaviour and attitude.

Other than taking care of the training needs of bus maintenance staff and bus captains, the Academy also provides short-term courses and workshops for tertiary institutions covering various topics, aiming to widen students’ understanding of the bus industry, business operations and public institutions. For primary and secondary schools, the Academy offers a variety of on-campus STEM education courses and activities in which students can apply interdisciplinary knowledge and cultivate innovative thinking through “hands-on” and “minds-on” activities.

### Public Safety Awareness Programme

Ensuring passenger safety is of utmost importance in our bus operations. Through the use of different channels, we are able to raise public awareness of passenger safety. A series of safety messages are broadcast on the Bus Stop Announcement System in Cantonese, English and Putonghua to remind passengers to hold the handrail at all times. Safety stickers such as “Hold the handrail” and “Fasten the seatbelt” were placed in bus compartments. We also periodically communicate educational messages to the public through our mobile app, app1933, and KMB’s Facebook page.



Ⓐ KMB and LWB have always prioritised passenger safety and frequently reminded passengers to “Hold the handrail” by putting up stickers in the bus

### Safety Bus

KMB is dedicated to promoting road and passenger safety. We modified a single-deck bus into a “Safety Bus” with the theme of “Stop, Look, Listen and Give Way” to reach out to the community. Combining learning with playing through motion-sensing games and virtual reality activities inside the compartment, the Safety Bus allows participating students to learn public transport etiquette, such as fastening the seatbelt, holding the handrail, and learning about blind spots of buses. In order to raise awareness of the participants, staff members from the Safety Department are also present to play quiz games and give short talks on road and passenger safety. In 2023, a total of 587 students visited the Safety Bus.

Apart from safety promotion for school kids, KMB has also worked together with the Hong Kong Police Force to organise safety seminars for the elderly. Our staff deliver road safety messages via various interactions with the elderly so as to promote their safety awareness. In 2023, about 100 elderly persons attended our safety seminars.

### Mobile Classroom

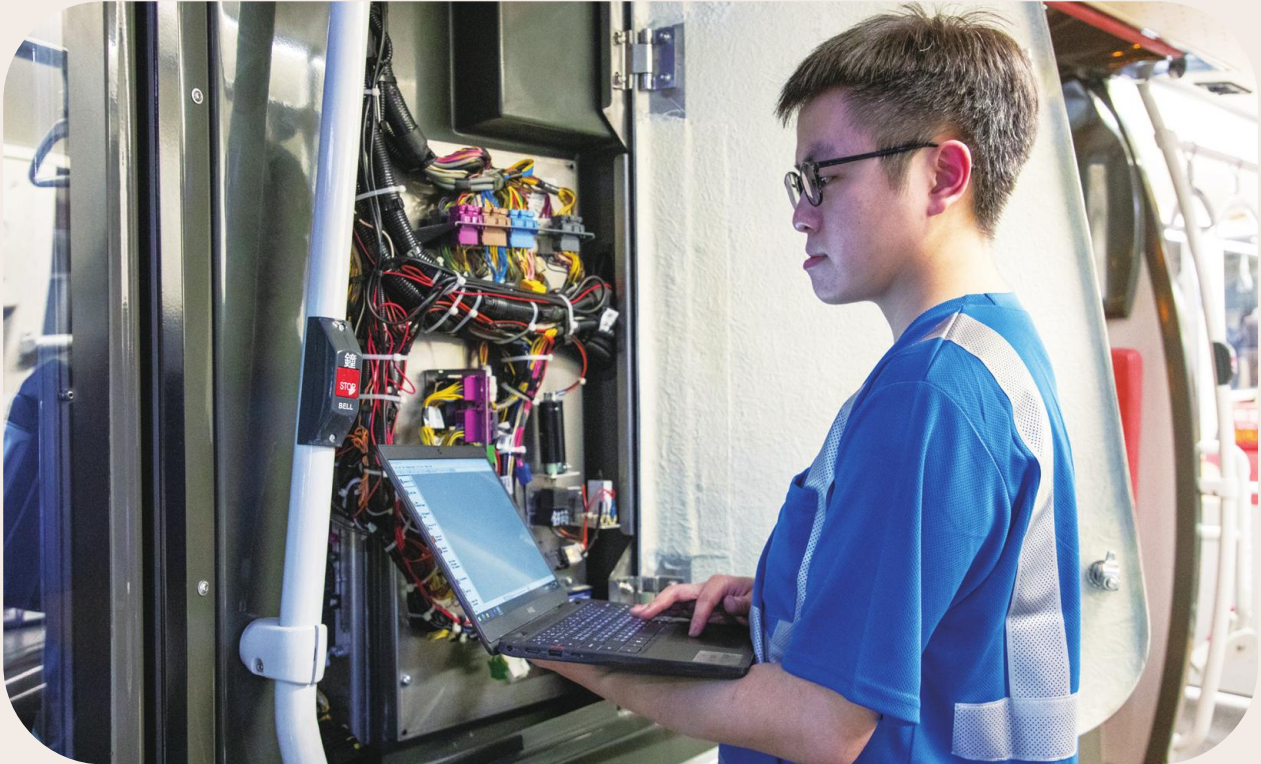
The first Mobile Classroom activity was launched by the KMB Academy and the Safety Department in 2023 to promote road and driving safety especially when bicycles and buses are on the road concurrently. More than 200 bus captains and public members were engaged in the activity. They welcomed and appreciated our efforts in engaging different road users (bus captains, cyclists, pedestrians and also bus passengers) while promoting road safety messages.



Ⓐ Safety Bus pays visits to schools

## SUSTAINABILITY REPORT

## CASE STUDY



## Introducing a Preventive Maintenance System and utilising data analysis to mitigate potential risks associated with mechanical failure

As the "Heartbeat of the City" in Hong Kong, the KMB and LWB fleets must perform at an optimal level of mechanical reliability and operational capabilities, which is crucial to the overall operation of bus services across the city. The KMB engineering team consistently reviews the parts replacement plan, enhances mechanical durability, and improves the quality of components to ensure the fleet maintains the highest standards of safety and service. Recently, they have proactively introduced a Preventive Maintenance System for the fleet, believing that the maintenance policy of "prevention is better than cure" can effectively monitor the condition of various systems and utilise resources for targeted repairs and maintenance.

The Preventive Maintenance System introduced by KMB for the fleet remotely monitors vehicles and major components such as engines, cooling systems, transmissions, braking systems, and

batteries. The monitoring system transmits real-time performance data of vehicle systems to the company's servers for analysis and regularly sends abnormal reports to the engineering staff, helping them to determine the priority of inspections and repairs. By conducting necessary repairs and maintenance in advance based on data analysis, potential risks of components failure are avoided, thereby increasing the safety coefficient of the vehicles.

Since the launch of the Preventive Maintenance System in March last year, the number of mechanical failures of bus fleets in December 2023 decreased by over 20% compared to the same period in 2022, which is concrete evidence of our ongoing commitment to enhancing bus safety by strategically using technology.





KMB and LWB operate over 4,000 buses daily, making us one of the largest bus companies globally. We make it our mission to provide safe, reliable, and comfortable bus services to passengers. The KMB engineering team constantly researches and implements various safety and monitoring systems, aiming to achieve the goal of "prevention being better than cure" for the entire bus fleet.

The Preventive Maintenance System was recently introduced to our fleet, which remotely collects real-time performance data of vehicle components. This allows engineers to promptly identify potential issues and accurately predict the probability of component failures, enabling them to devise appropriate repair and maintenance measures to enhance the mechanical reliability and operational efficiency.

Furthermore, the collected data are also used to enhance the efficiency of bus maintenance and servicing. Engineers can prioritise maintenance and servicing tasks based on the performance of vehicle components, effectively allocating manpower and planning parts ordering. This ensures optimal resource utilisation and improves cost-effectiveness.

**Andrew Kwan, KMB Operations Director**



## SUSTAINABILITY REPORT

## Caring for the Environment



**82** electric buses in fleet

We are driving into a new and green era with our eco-friendly bus fleets and many other sustainable innovations and technologies. We strive to become a carbon-neutral bus operator to set a new industry standard in Hong Kong.





**Good Health and Well-Being**



**Clean Water and Sanitation**



**Affordable and Clean Energy**



**Industry, Innovation and Infrastructure**



**Sustainable Cities and Communities**



**Responsible Consumption and Production**



**Climate Action**

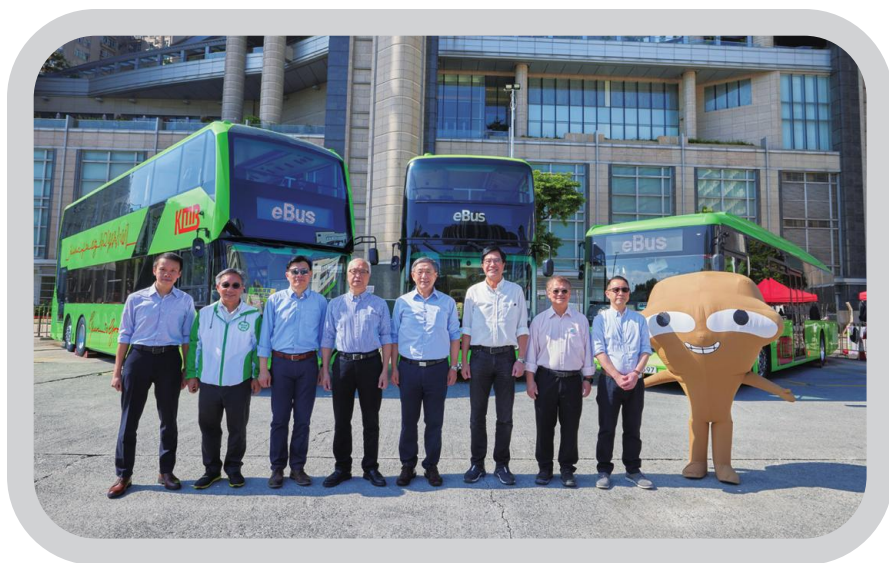
## Environmental Policy

We recognise the inherent environmental impacts of our bus services and we are committed to mitigating and minimising these impacts in the following ways:

- Ⓐ Preventing pollution and continually improving our environmental performance by establishing and achieving objectives and targets;
- Ⓐ Conserving resources by reducing waste at source, and recycling and reusing resources;
- Ⓐ Minimising and controlling emissions from buses by adopting control measures and providing professional bus repair and maintenance services;
- Ⓐ Reducing our environmental footprint and combating climate change;
- Ⓐ Enhancing staff environmental awareness by providing training in line with our environmental policy, objectives and targets, as well as in relation to the potential environmental impacts arising from our operations;
- Ⓐ Communicating our environmental policy and requirements to our suppliers and making the policy available to the public;
- Ⓐ Responding to environmental enquiries promptly and ensuring effective internal communication on environmental issues; and
- Ⓐ Ensuring compliance with all applicable local environmental legislation and other relevant requirements.

## Environmental Management

KMB has been ISO 14001:2015 certified for the Environmental Management Systems implemented in its two largest depots. KMB's four major depots and LWB's depot are subject to quarterly surveillance audits to ensure compliance with a set of stringent environmental management standards. Environmental working groups have been set up to handle environmental issues and ensure the implementation of the ISO systems. Under the guidance of the Senior Management, the Engineering Team is introducing new and innovative technologies applicable to both bus fleets and bus operations.



- Ⓐ In collaboration with the Environment and Ecology Bureau, the "KMB Green Journey" events introduce the latest environmentally friendly bus fleet to members of the public

## SUSTAINABILITY REPORT

# TCFD

TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES

### Adopting TCFD Reporting

The Task Force on Climate-related Financial Disclosures ("TCFD"), developed by the Financial Stability Board ("FSB"), aims to provide a framework for climate-related reporting and offers recommendations on the type of information companies should disclose to better inform investors and other stakeholders of the potential risks and opportunities associated with climate change.

TIH adopted the framework recommended by TCFD, discussing in detail the risks and opportunities associated with climate change, the potential impact on our business, and the actions we are taking to cope with these risks and opportunities. TIH is committed to communicating our approach and strategies through the TCFD's four thematic areas: governance, strategy, risk management, and metrics and targets.

### Governance

The overall strategic planning and accountability for the Group's sustainable development rests with TIH's Board-level Committee, which determines the sustainability strategy

and oversees its progress. The Board-level Audit and Risk Management Committee is appointed to oversee strategic ESG-related issues concerning TIH, including climate-related strategies, policies, actions and disclosures. It informs the Board of the strategic risks and opportunities presented by climate change, which forms part of the Board's discussion of TIH's strategic plans.

Our ESG Task Force, under the oversight of the Committee, implements the Board's ESG strategy and policies to drive sustainable initiatives throughout our operations, including safety, environmental protection, staff welfare, community engagement and volunteering. The ESG Task Force is also responsible for optimising environmental performance, raising staff awareness of corporate social responsibilities, sharing knowledge and industry best practices and working with the Enterprise Risk Management Task Force of the Company to assess new emerging ESG-related risks.

### Our Vision and Strategy

To ensure our business remains resilient against climate change, we consider potential impacts on different business units and develop plans to mitigate and adapt to climate change. When refining our business strategy, the Group recognises that sustainable development is crucial for long-term success. The Group has identified physical risks, including more frequent extreme weather events, and transition risks, such as regulatory changes and customer



demands, which may affect operations to varying degrees. By identifying and effectively managing the financial risks and opportunities associated with climate change, the Group acknowledges the potential for growth that comes with transitioning towards a low-carbon economy.

As such, to align with the National 14<sup>th</sup> Five-Year Plan and the emission reduction target of the Hong Kong SAR Government, the Group has determined a clear roadmap on upgrading its whole fleet with new energy buses. In addition, we have set a 3-year six environmental targets for key performance indicators for the financial year ("FY") 2023. Using FY 2019 as the baseline, we plan to reduce the carbon intensity and energy intensity, comprising carbon footprints of bus, oil consumption, electricity consumption and water consumption. We are pleased to announce that both KMB and LWB have reached positive results in six environmental targets by 2023, with more details disclosed from pages 1 to 2.

## Risk Management

We have incorporated climate-related risks into the Group's Enterprise Risk Management, utilising a systematic approach and consistent risk assessment criteria to identify and manage risks. Accurate risk information is provided to the Management to assist them in decision-making and risk control without compromising cost-effectiveness and efficiency.

A Key Risk Indicator Report ("KRI Report"), summarising the Group's major risks as identified by the Management, is submitted to the Audit and Risk Management Committee three times a year. The KRI Report offers a comprehensive profile of the major risks and outlines the established mechanism for monitoring them.

## Our Environmental Targets

In 2023, TIH appointed an external consultant to review the environmental performance of the Group. To move forward, the Board has already established new Environmental Targets for the period from FY 2024 to FY 2028. We have ensured consistency in our targets by once again using FY 2019 as the baseline year. Additionally, we have expanded the scope to include Hong Kong Franchised Public Bus Operations, Hong Kong Non-franchised Transport Operations and Property Holdings and Development, incorporating six modified environmental targets that specifically address Diesel Consumption (Scope 1), Electricity Consumption (Related to Property/ Real Estate Operations only) (Scope 2), GHG Emissions (Scope 1&2), Water Consumption, Solid Chemical Waste (Hazardous), and Metal Waste (Non-hazardous).



SUSTAINABILITY REPORT

# Environmental Targets for Key Performance Indicators by FY 2028

(Baseline: FY 2019)

## GHG Emissions

(Scopes 1 & 2)

CO<sub>2</sub>e tonnes  
(Absolute)

**-11%**

'000 CO<sub>2</sub>e tonnes/km  
(Intensity)

**-34%**

## Diesel Consumption

(Scope 1)

'000 GJ/km  
(Intensity)

**-33%**

## Electricity Consumption

(Related to Property/Real Estate Operations only) (Scope 2)

kWh/m<sup>2</sup>  
(Intensity)

**-35%**

## Metal Waste (Non-hazardous)

'000 kg/km  
(Intensity)

**-7%**

## Solid Chemical Waste (Hazardous)

'000 kg/km  
(Intensity)

**-13%**

## Water Consumption

m<sup>3</sup>/no. of buses  
(Intensity)

**-34%**





▲ LWB signs its first sustainability-linked loan facility with BOCHK, demonstrating the Group's commitment to promoting green transportation

### Green Finance

LWB recently closed a HK\$200 million sustainability-linked loan facility with Bank of China (Hong Kong) Limited ("BOCHK") in 2023, bringing the Group's total green loan and sustainability-linked loan facilities to HK\$3,800 million. This figure represents more than 50% of our overall loan facilities, demonstrating the Group's significant efforts to propel Hong Kong towards achieving zero emissions through the use of green finance.

We have established key sustainability performance targets that focus on reducing greenhouse gas emissions from our buses, increasing green procurement practices, and enhancing average training hours for employees. Moving forward, TIH Group will continue to identify suitable financing solutions that will drive Hong Kong's transportation industry into a new era of sustainability.

### Greenhouse Gas Emissions Reduction

KMB and LWB seek to minimise greenhouse gas emissions by judicious application of the latest technologies and interventions.

### Environmental Bus Fleet

We invest in eco-friendly buses that meet the strict exhaust emission standards of the European Council of Environmental Ministers to create a better environment and minimise climate-related impacts.

At the end of 2023, the KMB fleet comprised 855 Euro VI buses (including three Euro VI diesel-electric hybrid buses), 2,934 Euro V buses, and 56 battery-electric buses, including an addition of 24 new-generation electric buses; while the LWB fleet consisted of 156 Euro VI buses, 116 Euro V buses and four battery-electric buses. The new double-decker electric buses are zero-emission buses that meet the latest standards of KMB, including equipped with solar panel systems, and providing free 5G Wi-Fi internet connection services and featuring ventilation windows. The majority of these buses have been deployed on routes passing through busy corridors to improve the roadside air quality in high-traffic areas.

We have been replacing older bus models with the latest and more energy-efficient bus models to enhance our bus fleet's longevity and environmental performance to achieve zero emissions. The average age of the KMB bus fleet is 7.5 years, while that of LWB is 4.4 years.



▲ The first batch of electric double-deckers has been deployed in the Anderson Road Development Area, receiving strong support from a large number of locals on its maiden trip

## SUSTAINABILITY REPORT

### Exploring Renewable Energy and Zero-emission Bus Technologies

KMB and LWB strive to explore renewable energy and zero-emission technologies, demonstrating KMB's and LWB's determination to introduce green public transport in Hong Kong. Attaching great importance to pursuing the Government policy of achieving carbon neutrality by 2050, KMB and LWB have rolled out an electrification roadmap. In the long run, KMB hopes that new energy buses will be deployed in the entire fleet to help make Hong Kong a green city. Currently, KMB and LWB have 30 single-deck electric buses. Together with the 52 double-deck electric buses, KMB and LWB have over 80 electric buses, forming the largest electric bus fleet in Hong Kong.

Other environmental facilities in KMB and LWB's bus fleet:

- Ⓐ KMB has introduced the third-generation solar panels on double-deckers, which reduce the air temperature in the bus compartment and supply power to electronic devices in the bus compartment, thereby reducing fuel consumption. The third-generation solar panel bus can save 3-4% of fuel consumption on each bus daily, which is equivalent to reducing about six tonnes of carbon emissions per bus annually. The system has now become a standard feature in newly purchased buses;
- Ⓐ KMB has successfully designed wind curtains that help reduce energy wasted due to the loss of cooled air of buses and obtained patents that were granted by the Intellectual Property Department. The facility, installed at the rear exit of a bus, will be activated when the exit door is opened, creating an airflow to separate the hot air outside from the cooled air inside. According to tests conducted at the ambient temperature of 32°C, the temperature measured in the area near the exit door inside a bus compartment with wind curtains is 4°C lower than that in a bus without. KMB installed the facility on 600 buses; and
- Ⓐ The scheme to retrofit the fleet with lower-powered LED strips, which will create a softer and more comfortable travel environment for passengers compared to the old LED lighting, is completed. This initiative helps reduce the carbon emissions of our buses by 5,600 tonnes of carbon emissions per year. The old LED light strips will be reused across bus depots and bus stops for lighting.



- Ⓐ The 52 electric double-deck buses self-purchased by KMB, with solar panel systems being a standard feature in its new purchases, have made a substantial contribution to achieving carbon neutrality in Hong Kong



## CO<sub>2</sub> Concentration Checks

Each year, 80 KMB buses and 15 LWB buses from passenger-intensive bus routes are selected for a data logger measurement of indoor CO<sub>2</sub> concentration. Our buses generally demonstrate compliance with the requirements.

## Emissions Reduction

KMB and LWB adopt the latest technologies to reduce roadside emissions and maintain good air quality in bus compartments. We have in place a number of measures to meet the high standards of exhaust emissions laid down by the European Council of Environmental Ministers, which include using near-zero sulphur diesel, renewing bus models and upgrading older buses by retrofitting exhaust treatment devices such as diesel oxidation catalysts, diesel particulate filters, and selective catalytic reduction units.

As part of our environmental protection commitment, KMB and LWB invest regularly to upgrade the environmental performance of their bus fleets and patrol cars. KMB and LWB have introduced electric patrol cars as back-up support and set up electricity-recharging facilities at their main depots.

## Energy Saving

KMB and LWB take all practicable measures to reduce resource consumption and streamline waste disposal procedures. We handle and dispose of all materials in compliance with applicable laws and regulations, and in a responsible way without posing risks to human health or the environment.



ⓐ KMB adopts the aircraft-style "Posilock" refuelling system to prevent fuel spillage

## Fuel

To reduce fuel consumption, a number of measures have been adopted throughout the KMB and LWB bus fleets and across all operations:

- ⓐ The aircraft-style "Posilock" fuel filling system is used to refuel buses;
- ⓐ Ambient sensors are installed on air-conditioned buses to reduce unnecessary cooling;
- ⓐ The use of synthetic gearbox oil extends oil drain intervals to reduce waste oil by 80%; and
- ⓐ The mileage-based oil change scheme reduces engine oil consumption and waste oil by 40%.

ⓐ KMB has installed a total of 30,000 solar panels on bus roofs, bus stops and other facilities, enhancing the utilisation of renewable energy

## SUSTAINABILITY REPORT



Ⓜ To enhance eco-working awareness among employees, KMB promotes a “Clean and Green” environmental protection culture by launching activities such as The Bus Terminus Cleanliness Competition and The Bus Terminus Energy Reduction Competition, and selecting the best bus terminus practice every month

### Electricity

We continue to explore environmentally friendly initiatives and invest in the latest technologies to minimise energy use and reduce greenhouse gas emissions.

In addition to our one-off LED light replacement and continuous housekeeping measures, we have dynamically adjusted our electricity consumption pattern in accordance with the latest operation scales, including the adjustment of illumination time of parking depots and the optimisation of equipment used to support our facilities' operation duration.

We cooperate with a power company to install 30,000 solar panels at depots, bus termini, bus shelters and other facilities to extend the application of renewable energy and reduce greenhouse gas emissions.

### Green Measures in the Office

The Green Office concept drives both the design and renovation of our premises. We run our air-conditioning systems at 25.5°C to align with the Government's Action Blue Sky Campaign and save energy. Operating hours have also been rearranged to reduce energy waste during non-office hours. High-efficiency air conditioning units are installed in all newly renovated offices. Moreover, we have also set up recycling arrangements for used toners, plastic materials and used papers and have regularly promoted good housekeeping practices for energy saving to all staff members.

## Waste Reduction

KMB and LWB are committed to good waste management through responsible storage and disposal of waste, recycling and reusing resources whenever feasible. Significant types of waste generated in our operations are reported as follows:

### Waste Water

As responsible corporate citizens, KMB and LWB are committed to reducing water consumption and properly treating effluents before discharge. Our depots are equipped with nine automatic wastewater treatment systems handling 400 cubic metres per day. The water used for bus washing was collected and recycled, reducing total water consumption at depots by around 4%. Newly setup rainwater collection and water recycling systems have been introduced in some of our satellite depots.

### Tyres and Metals

Used KMB and LWB tyres were retreaded by KMB's appointed contractors, and waste metals were sent to recycling companies.

### Oil and Chemicals

Solid chemical waste is processed and stored by type in designated areas at bus depots before disposal by a registered chemical waste collector at the Government's Chemical Waste Treatment Centre, while waste oil is recycled or disposed of in accordance with the statutory standards. In the reporting period, KMB and LWB have improved the engine oil replacement cycle by changing new engine oil with extended oil drain intervals to reduce solid chemical waste.

Batteries are disposed of by a licensed contractor complying with the instructions of the Environmental Protection Department ("EPD"), with some of them exported to overseas facilities approved by the EPD under the Basel Convention.



Ⓜ The fleet is now using a new tyre model to extend the lifespan of tyres and reduce solid waste disposal

## SUSTAINABILITY REPORT

## CASE STUDY



## KMB's double-deck electric buses entering service validates their suitability for Hong Kong and lays a crucial foundation for green transportation

Hong Kong has stringent operational requirements for double-deck buses. They must accommodate passenger capacity and load capacity, in addition to dealing with all-weather air conditioning, narrow and winding roads, and steep slopes. KMB recognises the long-term negative impacts of climate change on a global scale and has introduced new energy buses to reduce carbon emissions and improve roadside air quality. The engineering team of KMB closely collaborates with bus manufacturers from the Mainland and overseas to bring in "zero-emission" electric double-deck buses that not only meet daily operational needs but are also well suited for use in Hong Kong.

Among the discussions surrounding various new energy buses, particular concern has been raised about the charging time and the environmental benefits of electric buses. Typically, buses are

parked at depots for approximately 4 to 5 hours overnight for cleaning, simple maintenances and repairs. Electric buses take advantage of this period for charging meaning the charging process for electric buses not only has no impact on daily operations but also takes only about two hours. Electric buses are able to travel up to 300 kilometers, which is sufficient to meet the operational needs of nearly 80% of KMB buses for an entire day.

In order to meet the fast-charging needs of electric buses, KMB has installed sufficient direct current (DC) fast charging facilities at bus depots. Each charging facility can accommodate up to three electric buses charging simultaneously every night, reducing the waiting time for buses in need of a charge. KMB is preparing to build two

multi-storey electric bus depots in Tuen Mun and Tai Po which will provide 850 bus parking spaces. These depots are expected to be complete and operational within three to five years.

KMB is currently collaborating with two electric bus manufacturers, including China's BYD and the United Kingdom's Alexander Dennis Limited. Recently, the Hong Kong exclusive electric double-deck bus, Alexander Dennis Enviro500EV, participated in the manufacturer's product launch event in the United Kingdom. The manufacturer showcased the latest electric double-deck bus in Hong Kong to 150 bus service operators and suppliers from around the world. The design of the electric bus, combining a sense of modernity, technology and environmental friendliness, has garnered unanimous praise from global bus industry leaders.



KMB has faced various challenges in the development of new energy buses, particularly in the area of technology. In the past, bus manufacturers predominantly produced two-axle electric single-deck buses with left-hand drive, and they had limited experience in manufacturing three-axle electric double-deck buses in both China and Europe. In view of this, to meet the high passenger capacity and endurance requirements in Hong Kong, KMB has engaged in extensive discussions and exchanges with bus manufacturers during the early stage of the electric double-deck bus development, with a particular focus on the operational requirements and relevant production techniques specific to Hong Kong. When KMB's first electric double-deck bus arrived in Hong Kong for vehicle type approval by the Transport Department, both KMB and the bus manufacturer made continuous adjustments to ensure compliance with the specified requirements of the Transport Department and the bus's full suitability for use in Hong Kong.

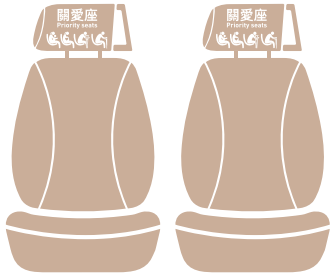
Since electric double-deck buses entered into service, they have gained popularity among the public. Their mechanical performance and endurance have received positive feedback, affirming that KMB's electric buses are well suited for Hong Kong. As an engineer, I am highly encouraged by this. In addition to its continuous efforts in sourcing electric double-deck buses suitable for local use, the company is actively collaborating with bus manufacturers to engage in in-depth discussions on maintenance, repairs, and battery technology for electric double-deck buses. This ensures that electric buses provide the public with a safe, reliable, quiet, and comfortable service.

**Brad Leung, KMB Assistant Engineer**



## SUSTAINABILITY REPORT

## Caring for Customers



Newly-added

**1,000**

priority seats in bus fleet

As a public transport provider, we are dedicated to delivering excellent bus travel experience for all. We work to identify and understand customer needs and expectations to ensure our bus services are safe, smart, efficient, comfortable and good value-for-money.





**Industry, Innovation and Infrastructure**



**Sustainable Cities and Communities**

**Innovation and Convenience**

We believe that innovation and technology are the key to benefitting the industry and communities by facilitating a convenient, diversified and sustainable travel environment.

**Electronic Payment System**

LWB was the first franchised bus company in Hong Kong to install a diversified electronic payment system in its fleet in 2020, the e-payment system has become applicable to all KMB routes since 2022, also supporting all existing routes under the KMB Regional Two-way Section Fare Schemes. With the newly accepted American Express, Discover/ Diners Club, WeChat Pay HK and Weixin Pay, the number of electronic payment methods supported by the KMB and LWB e-payment systems increased to sixteen in 2023. This makes KMB and LWB the industry players that accept the most diverse electronic payment methods among local public transport operators. The sixteen contactless payment options available include credit cards, digital wallets on mobile devices, smartwatches, and QR codes for an easy, fast and convenient bus fare payment.

**app1933**

With one million daily unique users and approximately seven million downloads, the KMB and LWB mobile app, app1933, elevates customer experience with a more convenient and personalised service offering.

app1933 allows users to check bus route information and the estimated time of bus arrivals. Highlighted functions include:

- Ⓐ The Estimated Travelling Time and the Bus Estimated Time of Arrival (“ETA”) services enable users to plan their trips more easily and check the ETAs provided not only for KMB and LWB but also for other franchised bus companies;
- Ⓐ The built-in location-based function, with which users can check real-time traffic conditions, weather information, flight schedules and ferry information under the “Info Corner” feature, a seamless and efficient travel experience across different transportation modes;

- Ⓐ The function of displaying real-time occupancy levels on upcoming buses has been introduced, enabling passengers to better plan their itinerary;
- Ⓐ The “Reminder function” which has been upgraded with boarding reminders, allowing passengers to create reminders by selecting bus routes and boarding times, offering a stress-free solution for everyday commuting;



**Bluetooth Beacon Signal**



**Estimated Travelling Time**



**Real-time Weather Information**



**Estimated Bus Arrival Time**



**Chatbot**

## SUSTAINABILITY REPORT



- Ⓐ In response to the further opening of the Sha Tau Kok Frontier Closed Area, KMB has introduced a special Route 78S for customers visiting Sha Tau Kok
- Ⓐ Further engaging with customers through an exclusive loyalty programme, the membership scheme club1933, which allows passengers to enjoy bus rides while earning points for gifts, or eCoins which can be used to settle bus fare payment; and
- Ⓐ Allowing passengers to make enquiries and comments on the artificial intelligence Chatbot channel, bot1933, at any time of the day or night.



### New Bus Services

We have implemented a number of enhancements to our bus service over the past few years to deliver a more pleasant and comfortable journey for our passengers.

- Ⓐ To enhance the connection between the Anderson Road Development area and Hong Kong Island, KMB introduced Route 613A in February 2023. The service is the first solely operated cross-harbour route reaching Chai Wan Area;
- Ⓐ Tying in with the opening of Heung Yuen Wai Control Point, KMB introduced Route B9 to operate between the Control Point and Tuen Mun Station. The route was enhanced to provide an all-day service starting mid-2023. Apart from this, Route 79K also provides an all-day service connecting North District and Heung Yuen Wai Control Point. Passengers of Route 79K can interchange on multiple KMB routes at Fanling Station Bus-bus Interchange ("BBI") to travel to other districts with a discount offered;
- Ⓐ To facilitate residents of North District commuting to and from Hong Kong Island, KMB introduced Route 673A (Sheung Shui ⇌ Central) in April 2023. This provides residents of North District, including those who live in Sheung Shui, Wah Ming and Fanling, with an additional choice of bus service travelling to Hong Kong Island. Route 673A travels via Hennessy Road and Des Voeux Road Central, offering passengers who work along these roads a point-to-point bus service;
- Ⓐ To cope with the increase in passenger demand in Queen's Hill area, KMB added a special departure to Route 78B (Queen's Hill ⇌ Sheung Shui) in September 2023. This has strengthened bus services in both Queen's Hill and North District, facilitating the commuting of students and the working population;
- Ⓐ To accommodate the growing population in residential areas of Tsing Yi, KMB introduced Route 49 and 49M in 2023, connecting Ching Fu Court to Tsing Yi Station and Tseung Kwan O;



- Ⓜ To respond to the increasing trend of outbound travel, LWB introduced Routes A42 and A46 in December 2023. Apart from this, to enhance the overall network coverage, the existing Route A41 was re-routed such that the whole Sha Tin District was covered by the LWB A-bus network. These routes aim to enhance bus services between Sha Tin, Tai Wai, the Airport, and the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, providing a wider and more comprehensive network coverage; and
- Ⓜ Starting January 2024, the once restricted area of Sha Tau Kok has been further opened up to the public. To enhance accessibility to the area, KMB has introduced a new express Route 78S, running from Sheung Shui to Sha Tai Kok, to facilitate weekend and holiday travel for visitors. Since then, it has become easier for passengers to explore the mystic surroundings, enjoy the scenic beauty and appreciate the historical buildings in Sha Tau Kok.



- Ⓜ LWB has introduced two new Routes A42 and A46 to enhance the bus service between Sha Tin District, the Airport and the Hong Kong-Zhuhai-Macao Bridge

### Facility Upgrades

- Ⓜ Display screens have been installed on the lower deck of KMB buses to show the number of remaining seats on the upper deck. This facilitates passengers in finding available seats on the upper deck, contributing to more even distribution of space and elevating the overall passenger experience;

- Ⓜ KMB has launched a comprehensive upgrade of its 5G services and planned to upgrade the entire bus fleet to 5G-enabled buses with free 5G Wi-Fi service on board. For an elevated travel experience, passengers can now enjoy unlimited sessions of complimentary 5G Wi-Fi service with an ultra-fast, stable and smooth 5G network connectivity;
- Ⓜ A total of four horizontal ventilation windows, located on both the upper and lower decks, are designed to facilitate natural ventilation and ensure a comfortable journey for passengers;
- Ⓜ The Solar-powered Bus Shelter Campaign promotes green energy by installing solar panels to power lighting. To date, 1,907 bus stops have been equipped with solar power equipment;
- Ⓜ The enhancement of the bus route information sheets has been completed. Passengers can now scan the two-dimensional QR code on the new layout information sheets posted at bus stops for bus frequency and other bus route information;
- Ⓜ KMB and LWB have installed the Bus Information Panel System on 4,123 buses. Passengers can obtain real-time bus stop information through the display screens on the upper and lower decks and the alighting reminder function on app1933;
- Ⓜ 1,219 bus stop locations are equipped with display panels showing the estimated time of bus arrivals;
- Ⓜ The air quality in bus compartments has been improved with electrostatic air filters installed in KMB and LWB buses; and
- Ⓜ 4,051 KMB and 285 LWB buses are equipped with power-saving variable capacity air-conditioning compressors, which provide more adaptive and refined thermal control in the most fuel-efficient manner in all weather conditions. The air-conditioning systems feature a fresh air function that extracts fresh air outside the compartment and purifies it through a double-layer filter system.



- Ⓜ Passengers can notice the number of remaining seats on the upper deck via the device installed on the lower deck

## SUSTAINABILITY REPORT

### Accessibility

Access to transportation is vital for independent living, and an accessible transport system is the building block of an inclusive society.

### Accessible Bus Fleet

The entire KMB and LWB fleets deploy super-low floor buses for easy boarding and alighting, with wide entrances and exit doors for better passenger access. These features have made all KMB and LWB buses easily accessible to the elderly and wheelchair users. In addition, KMB has approximately 300 buses fitted with two wheelchair spaces, which run mainly on routes travelling to and from hospitals. Besides, KMB has introduced foldable armrests in the wheelchair areas of over 110 buses. The new armrests not only make wheelchair passengers feel more comfortable on board but can also help prevent wheelchairs from overturning or skidding on the gangway. The new design has become one of the standard features on every newly purchased bus.

KMB has been a pioneer in introducing "priority seats" on buses. These seats are strategically located near the bus doors to ensure easy access for passengers in need. KMB actively promotes to the public that these seats are intended for anyone requiring assistance, fostering a culture of offering assistance to those who need it. To further promote the spirit of assisting those in need, KMB is adding two extra priority seats on 500 buses, bringing the total number of newly added priority seats to 1,000. These buses will be identified by a "Priority Seats x6" label sticker on the windscreen, and will primarily serve routes frequented by seniors.

### Upgrade of Depots, Termini and Bus Stops

The commitment of KMB and LWB to upgrading their facilities at termini and bus stops is reflected in the following measures:

- Ⓐ The renovation of 31 Bus-bus Interchanges was completed in 2023. There are clearer signage and platform numbers in the interchanges so that passengers can find their way to the interchange platform more easily. Route information is also available in both interchanges and on the mobile application app1933 to facilitate passengers; and
- Ⓐ KMB has upgraded 70 bus stops or termini, which are frequently used by the elderly, to transform them into "Age-friendly Bus Stops". These bus stops, located near public housing estates or hospitals commonly visited by the elderly, now provide extra seating and age-friendly signage to improve the waiting environment for all passengers as a whole.

### Affordability

#### Fare Concession Schemes

KMB and LWB are committed to providing efficient bus services for the public. A number of fare concession schemes were introduced in 2023, including the following:

#### KMB

- Ⓐ KMB has launched the Monthly Pass Scheme, the first monthly pass for franchised buses in Hong Kong, under which passengers can take up to ten rides per day on KMB buses, with an additional two trips permitted on Route B1. In May 2023, other than encompassing 400 KMB routes, including regular routes, overnight routes and racecourse routes, the Pass also covers LWB bus routes to reward



- Ⓐ Locals and tourists can receive a fare discount at the KMB Fare Saver Kiosk located at the Hong Kong Palace Museum to enjoy the bus service at a more affordable price when they visit West Kowloon



- 70 bus stops or termini frequented by seniors have been upgraded to "Age-Friendly Bus Stops", where additional seats have been installed to care for the elderly

passengers under the new 10-year LWB franchise. For LWB services, Pass holders are entitled to use the Pass to travel on E-, N-, S-, R- and X- routes and enjoy a 73% off on the bus fare when taking LWB A- and NA- routes;

- KMB rolled out the Regional Short-haul Two-way Section Fare Schemes in Tuen Mun, Yuen Long, Tin Shui Wai, Tseung Kwan O and North District. Passengers can enjoy the concessions by tapping an Octopus card, contactless bank card or mobile device or by scanning the QR code on the designated one-stop validators at bus stops upon alighting;
- The KMB Fare Saver Scheme offered a fare discount of up to HK\$4.0, covering some campuses of educational institutions, shopping malls and residential areas. On top of the existing Fare Saver Kiosks in Mei Foo, Kowloon Mosque, United Court in Yuen Long and two private housing estates in Tin Shui Wai and Tseung Kwan O, KMB has further expanded the Fare Saver Scheme to cover West Kowloon Cultural Area and Yuen Long. The new Fare Saver Kiosks are located at M+, Hong Kong Palace Museum and Kong Ha Wai Transitional Housing;
- ICBC/KMB UnionPay Dual Currency Cardholders enjoyed a maximum of 20% bus fare rebate when paying for KMB and LWB rides; while Citibank cardholders enjoyed a 15% bus fare rebate year-round under another fare rebate scheme;



- Two additional priority seats have been added to 500 in-service buses which are now deployed to operate on routes commonly used by elderly passengers
- Partnering with Hong Kong Tramways Limited and some Green Minibus operators, KMB provided inter-modal interchange fare concessions covering routes on Hong Kong Island and in the New Territories;
- A KMB-MTR interchange discount was offered to passengers interchanging from designated routes solely operated by KMB to designated MTR stations, and vice versa;
- New Bus-bus Interchange Concession Schemes were offered alongside the introduction of the new Routes 49, 49M, B9 and W4;

## SUSTAINABILITY REPORT

- Ⓐ In response to the northward consumption patterns observed among locals, KMB introduced Border Routes B1 and B9 interchange discounts. Passengers were entitled to a free ride after taking two designated trips, with a fare discount of nearly 50% off at maximum;
- Ⓐ To celebrate KMB's 90<sup>th</sup> anniversary and encourage people to travel to different places in Hong Kong during the summer holiday in 2023, child passengers were offered free rides on more than 450 KMB and LWB routes on thirteen consecutive Sundays and public holidays;
- Ⓐ A summer promotion offering students a half-fare discount on 30 selected cross-harbour routes was implemented from mid-July to early August 2023; and
- Ⓐ As part of the "Night Vibes Hong Kong" campaign, four KMB and LWB routes were carefully chosen to offer passengers to embark on a nighttime excursion and savour the renowned night vistas of Hong Kong, thereby promoting the evening economy. KMB also offered a 25% off on overnight bus routes from September to November 2023 in support of the "Night Vibes Hong Kong" event.

### LWB

- Ⓐ ICBC/KMB UnionPay Dual Currency Cardholders enjoyed a maximum of 20% bus fare rebate when paying for KMB and LWB rides;
- Ⓐ Citibank cardholders enjoyed a 15% bus fare rebate year-round through a fare rebate scheme;
- Ⓐ A new Bus-bus Interchange Concession Scheme was launched in collaboration with New Lantau Bus, offering passenger rides to leisure spots in Mui Wo, Tai O, Ngong Ping and Disneyland;
- Ⓐ Passengers were entitled to a maximum of 50% fare discount when interchanging with the KMB designated routes to and from the Airport and HZMB under the "Ride two journeys, get one journey free" campaign;
- Ⓐ To celebrate KMB's 90<sup>th</sup> anniversary and encourage people to travel to different places in Hong Kong during the summer holiday in 2023, child passengers were offered free rides on more than 450 KMB and LWB routes on thirteen consecutive Sundays and public holidays; and



- Ⓐ KMB has completed the renovation of 31 Bus-Bus Interchanges, providing clear signage and platform numbers for customers

- Ⓐ As part of the “Night Vibes Hong Kong” campaign, four KMB and LWB routes were carefully chosen to offer passengers to embark on a nighttime excursion and savour the renowned night vistas of Hong Kong, thereby promoting the evening economy.

### Bus-bus Interchange (“BBI”) Schemes

KMB and LWB are dedicated to enhancing their Bus-bus interchange (“BBI”) networks, offering fare concessions to ensure value-for-money, convenient, and environmentally friendly bus services. This commitment aims to provide passengers with a better quality of life and the experience that “Interchange is so simple”.

- Ⓐ KMB and LWB offer fare discounts to passengers on the second leg of their journeys and broaden the network coverage under their BBI Schemes. As of the end of 2023, KMB completed setting up 31 BBIs in major locations across the entire eighteen districts of Hong Kong. Those BBI hubs benefitted passengers as they offered more route choices, along with new interchange discounts offered by the BBIs; and
- Ⓐ KMB completed the renovation for 31 BBIs in 2023 to provide clearer signage and platform numbers in the interchanges for easy wayfinding. Through their respective websites and on app1933, KMB and LWB also provide detailed and comprehensive route-to-route BBI information for passengers.

### KMB Monthly Pass

The KMB Monthly Pass Scheme, under which passengers can take up to ten rides per day on KMB and LWB buses for HK\$800 and two additional trips on Route B1, covers 450 KMB and LWB routes, including regular routes, overnight routes, racecourse routes and the joint-operated Cross-Harbour Routes.

KMB Monthly Pass holders can unlock some exclusive privileges, which include the following:

- Ⓐ With each purchase of the Pass, passengers can earn 800 points towards redeemable KMB gifts and eCoins under the KMB membership scheme, club1933;
- Ⓐ Enquiries made via the KMB Monthly Pass Exclusive Hotline (3974 7888) will be handled by assigned operators;
- Ⓐ The passenger rewards offered by the KMB Monthly Pass Scheme also covers LWB bus routes. Pass holders are entitled to use the Pass to travel on E-, N-, S-, R- and X-routes operated by LWB and enjoy a 73% off on bus fare when taking LWB A- and NA- routes, benefitting from a bus network that connects different boundary control points;

- Ⓐ Experience a comfortable bus ride on Routes P960 and P968 by paying a “Fare for Upgraded Journey”; and
- Ⓐ KMB has launched a “Buy-2-Get-1-Free” promotion, offering Student Identity Octopus cardholders a HK\$800 Octopus dollar rebate with the purchase of an KMB Monthly Pass for only three consecutive months.

### Customer Privacy Protection

As the public relies on our transport services daily, we acknowledge the crucial role we play in safeguarding our customers’ privacy and endeavour to maintain our status as a trusted bus company.

Attaching great importance to personal data protection, the Group has established working instruction guidelines to prevent inappropriate disclosure of personal data. Stickers are posted inside all buses that are equipped with a CCTV system to inform passengers and bus captains of its presence and purpose. Authorised personnel will access recordings from CCTV cameras solely for security and incident investigation purposes. The recorded data is controlled by the Management and will only be accessed, copied or viewed with prior approval of the Management and in accordance with the governing procedures.

CCTV cameras, including forward-looking cameras, to monitor road and saloon conditions have become standard features on all new buses since 2015. CCTV cameras are installed in all KMB and LWB buses to protect the interests of bus captains in the event of police investigations or legal proceedings.



- Ⓐ The KMB Monthly Pass covers 450 KMB and LWB routes, and also provides students with “buy two, get one free” offers

## SUSTAINABILITY REPORT

## CASE STUDY



## Enhancing passenger riding experience through attention to detail

For residents in Hong Kong, buses have become an integral part of daily life, serving as a popular mode of transport for commuting to work, attending school and conducting routine travel. With over 2.5 million passenger trips on KMB buses each day, our mission is to ensure not only their safe arrival at destinations but also an enhanced riding experience for each customer. Over the past year, KMB has continued to listen to customers' feedback and monitor market demands. We have diligently conducted research and implemented follow-up actions to optimise our service across various aspects, including the interior design of bus compartments, payment methods, as well as the layout of bus termini. We have introduced a series of innovative measures aimed at providing our customers with a more comfortable and convenient bus service, seamlessly enhancing their experience without them even noticing.

In response to the changing times, we have been introducing more scientifically based and user-friendly designs for the interior of our buses. For instance, recognising the importance of enabling family members or groups of friends to sit together and communicate during bus journeys, KMB is the first bus company in Hong Kong to introduce four-person "face-to-face seats" on the upper deck of buses. This innovative design allows families or friends to interact and enjoy the scenery together. To ensure a more comfortable

journey for passengers, the "face-to-face seats" have been specially arranged to provide expanded legroom and seat width, creating a more spacious environment and elevating the riding experience for passengers. In addition, we have also upgraded the general seating, widening the spacing to allow passengers more room to stretch their bodies. Therefore, passengers will not feel burdened, even during longer bus journeys. Furthermore, the bus cabin is designed with additional storage space to facilitate passengers in storing their luggage or other belongings, thereby enhancing overall customer satisfaction.

In terms of payment methods, there are increasing number of options available in the market. In response to this, KMB and LWB began introducing a diversified e-payment system since 2020. The system has evolved from initially supporting nine e-payment methods and being applicable only to certain routes to accepting 16 e-payment methods, including contactless payments, mobile payments, and QR code payments. Also, the system is now available across all 450 routes, providing passengers with a comprehensive range of payment options.

In addition to continuously upgrading the hardware and software on buses, KMB has also enriched the customer experience through the introduction of additional non-bus services. Among them, to facilitate parcel collection, KMB proactively collaborated with a logistics company, pioneering the installation of self-service lockers at 35 bus termini in Kowloon and the New Territories. This enables our customers to conveniently collect packages before or after taking the bus. Furthermore, as the self-service lockers are available 24 hours a day, our customers can apply online to retrieve lost items from these lockers.

KMB is committed to working hand in hand with customers to promote environmental protection and encourage more locals to

use public transportation, thereby collectively improving the environment. To this end, we have launched a "Green Rewards Programme", in which passengers can earn an extra one club1933 point when they ride on our buses with solar panels. Also, we have launched our own electronic wallet called "eCoin Wallet", allowing passengers to earn club1933 points by taking KMB buses or playing games in the app1933 game room. These points can be redeemed for "eCoins", which can be used to pay for bus fares or exchange for other gift rewards. This not only enables customers to contribute to environmental protection but also provides them with a more cost-effective riding experience.



Customer satisfaction and experience are fundamental to KMB's business success. Therefore, enhancing the riding experience and meeting our customers' needs are at the core of KMB's operational strategy. We fully understand that our customers' expectations of KMB extend beyond punctual arrivals, they also seek convenience and comfort while riding on our buses. Given this, KMB continuously assesses and implements various measures to meet our customers' expectations. For example, efforts have been made to improve the seating design for the comfort of passengers in various seating postures. In addition, we also offer a variety of payment methods to accommodate passengers' preferences. Through these efforts, our goal to enhance the riding experience of our customers, thereby attracting more people to use KMB services.

Meanwhile, KMB actively seeks additional sources of non-farebox revenue. We have introduced more value-added services, such as self-service lockers at bus termini and convenience stores at bus-bus interchanges. These services not only provide convenience for our customers but also attract advertisers, partners, and sponsors to engage in relevant collaborative projects. By offering better bus services and facilities, we aim to attract more partners and further widen KMB's revenue sources. These efforts will create more value for our customers and contribute to KMB's sustainable development.

We firmly believe that these efforts will not only enhance customer satisfaction but also reinforce KMB's leading position in Hong Kong's public transport services. In the future, KMB will continue to pursue improvement and innovation, aiming to provide our customers with high quality, convenient, and comfortable riding experience.

**Joseph Leung, KMB Finance Director**



## SUSTAINABILITY REPORT

## Caring for Employees



> 8%  
female employee

We are committed to building a community where our employees can thrive, be respected and feel empowered. We maintain our focus on advancing employee welfare and the working environment to promote a healthy and positive work culture across TIH.







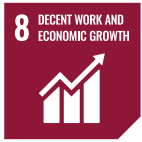
**Good Health and Well-Being**



**Quality Education**



**Gender Equality**



**Decent Work and Economic Growth**



**Reduced Inequalities**

### Human Resources Policy

We take care of our employees by maintaining a safe, respectful and harmonious work environment. We have implemented a set of comprehensive human resources policies to promote gender equality, offer protection against sexual harassment, foster occupational health and safety, prevent bribery, and protect personal privacy. These and other policies are published on the staff website. We observe Hong Kong's labour and anti-discrimination laws and ensure that all our suppliers respect labour rights with regard to employment and respect employees' rights to join trade unions.

As an equal opportunity employer, we are committed to ensuring that no job applicant or employee is discriminated against on the grounds of race, gender, marital status, family status, pregnancy or disability. In collecting personal data from job applicants and existing staff members, we comply with the requirements of the Chapter 486, Personal Data

(Privacy) Ordinance, respecting the privacy of personal data while taking all reasonable steps to ensure that the personal data of job applicants and staff members are securely held and used only for the purposes stated in our personal data collection statement. As public bodies included in the Schedule of the Chapter 201, Prevention of Bribery Ordinance, KMB and LWB remind staff members that they should not use their position to solicit or receive any advantage from the public.

We remind our employees to comply with our Human Resources Policies at all times. In addition, we have a complete complaint handling mechanism in place. In case we receive complaints, we thoroughly investigate all complaints in breach of the above policies and take appropriate action. Depending on the severity of the complaint, an ad-hoc committee may be set up to investigate the case. Appropriate disciplinary action, including summary dismissal, will be instigated in the event of any violation.



▲ Dr. Norman Leung Nai Pang, GBS, JP, Chairman of the Board of Directors (fifth from the right in the front row), and Mr. Lam Sai-hung, GBS, JP, Secretary for Transport and Logistics (fifth from the left in the front row), along with various Government officials and Board members, attend the KMB's 90<sup>th</sup> anniversary dinner and award presentation ceremony

## SUSTAINABILITY REPORT



- ⓐ Events are organised in the Staff Appreciation Month to promote a work culture of unity, mutual appreciation, and support among employees

### Staff Benefits and Well-being

To attract and retain talent, competitive benefits packages are offered, including annual leave, medical benefits, hospitalisation insurance, accident insurance and free bus travel for staff and dependents.

During the reporting period, KMB and LWB strengthened their benefits packages for full-time employees by increasing the annual leave entitlement of frontline and clerical staff. Despite challenging market conditions, the Company made a remarkable gesture by granting a HK\$900 bonus to every staff member to celebrate KMB's 90<sup>th</sup> anniversary. This gesture not only recognised the contributions of our staff but also served as a testament to their resilience during difficult times. It demonstrated KMB and LWB's commitment to fostering a positive work environment and acknowledging the collective efforts that have shaped our company's success over the past 90 years.

We are committed to fostering a caring culture which covers both our staff members and their families. Since 2015, we have been providing a scholarship programme to alleviate the financial burden on staff members. This programme supports the tertiary education of the Company's young generation, including children of staff. As of 31 December 2023, approximately 500 children of KMB and LWB staff members had received a scholarship. In addition, the Company has established benevolent funds and schemes, including financial assistance, healthcare support, and emergency relief, to provide support for staff members and their family members during times of needs or unexpected challenges.

We also organise a series of activities for staff and their family members during the summer holiday with the aim of strengthening the parent-child relationships among our staff members and promoting a healthy work-life balance. These activities provided opportunities for quality family time, bonding and enjoyment.

Festive joy was shared with our staff throughout various festivals. The celebration of Chinese New Year and Christmas, marked by the distribution of red packets and special gifts sourced from social enterprises, lucky draws, visits to bus termini and depots, as well as heartfelt greetings to staff members, significantly enhanced staff engagement, fostered cultural celebration, and elevated staff appreciation.

During the year, several initiatives were implemented which received overwhelming feedback from our staff. A series of "Appreciation Month" events were held to develop a work culture of unity, mutual appreciation and support. These events included distributing e-vouchers and portable fans to staff members and shooting a "Thank You Video" featuring the Management team and colleagues from both the frontline and back office. The purpose of the video was to thank all our



- ⓐ KMB and LWB have made seasonal influenza vaccination outreach service available to employees for free

colleagues for their contributions and support to the Company, and bring positive energy to everyone working for KMB and LWB.

In KMB and LWB, we passionately believe that the well-being of our staff is paramount. Recognising that our team is our most valuable asset, we are committed to fostering a work environment that prioritises their health and wellness. We organised various initiatives throughout the year to encourage healthy lifestyles and self-care among staff members. These include health talks and seminars, posters with health messages, and special events such as "Health Month" held every October. During the Health Month, we organised talks on mental health, cardiovascular health and sleeping well, an interest class on "Singing Bowl" and stretching exercises in the office, a Depot Wellness Day, a talk on financial well-being for our staff, dependents, and retirees, and provided a company subsidy for flu vaccinations for staff and dependents, to promote a healthy lifestyle encompassing four key aspects: physical, mental, social and financial well-being.

Furthermore, we also care deeply about the mental and emotional well-being of our staff. We offered confidential counselling and support services through our Employee Assistance Programme ("EAP"). The EAP provides 24-hour



Ⓜ KMB organises 3D Origami Art classes to help employees foster parent-child relationship with their children

crisis support, short-term counselling services, and referrals to mental health professionals. These services are available not just to employees, but to their family members as well.



Ⓜ To celebrate KMB's 90<sup>th</sup> anniversary and recognise the long-term service and outstanding performance of its employees, KMB invites staff members to attend the award presentation ceremony and dinner

## SUSTAINABILITY REPORT

To promote work-life balance and boost team spirit, KMB and LWB staff members are encouraged to participate in sports and leisure activities as well as voluntary work. A total of ten Staff Interest Clubs, including singing, hiking, photography, basketball, table tennis, badminton, football, running, chess and dragon boat racing, were maintained throughout 2023. We organised a company-wide sports tournament to promote teamwork, camaraderie, and a healthy work-life balance among staff members. Throughout the year, KMB and LWB won 16 awards in total from external competitions, and fundraising events, such as the Sowers Action Challenging 12 Hours 2023, the Community Chest Corporate Challenge, Green Power Hike, Race for Water, and Sacramento Homeless World Cup (Hong Kong) Fundraising Tournament.

### Occupational Safety and Health

KMB and LWB staff members are encouraged to make suggestions on possible improvements to health and safety measures. We have incorporated health and safety practices proposed by our staff during our regular health and safety meetings and introduced a series of health and safety control measures. Our staff are also protected from any discrimination for their speech in these health and safety meetings. We continued to make Automated External Defibrillators ("AED") available at the Customer Service Centres located in major bus termini and depots for the use of the public and staff in case of emergency.

### TIH Retiree Association

The TIH Retiree Association was formed to maintain close contact with retired colleagues through various activities.



- Ⓐ KMB has set up ten Staff Interest Clubs to promote work-life balance among its employees. Members of the running club have completed the full marathon race at the Standard Chartered Hong Kong Marathon within three hours.

With the community returning to normalcy, afternoon tea gatherings and festive gifts distribution resumed for KMB and LWB retirees in 2023. We used our Facebook page and set up a KMB retiree website to actively communicate and stay connected with the retirees so as to promote mutual support.

### Staff Development and Training

The KMB Academy was established to demonstrate our determination to strive for continuous service improvements and staff training while also ensuring that a stable team is in place to provide maintenance service for KMB and LWB as well as the transportation industry in general. "Mission Safety • Act with Self-discipline" is adopted as the motto of the KMB



- Ⓐ In 2023, KMB and LWB collectively received 16 awards in external competitions and fundraising events. Among them, KMB encourages its employees to participate in Pok Oi Cycle for Millions, not only to motivate them to engage in physical activity but also take concrete actions to support charity cause.

Academy, emphasising the pivotal role of safety and discipline in the industry.

The KMB Academy is the first institution in Hong Kong accredited by the Qualifications Framework ("HKQF") to provide professional training programmes for franchised bus maintenance personnel and bus captains. The "Certificate in Bus Maintenance" at HKQF Level Two and "Certificate in Public Bus (Franchised) Driving" at HKQF Level Three offered by the KMB Academy were previously approved by the Hong Kong Council for Accreditation and Academic and Vocational Qualifications ("HKCAAVQ").

In 2023, two additional training programmes, the "Certificate in Continuing Development for In-service Bus Captains" and the "Professional Certificate for Instructors in Franchised Bus Industry" were recognised at HKQF Level Three and Level Four respectively. The number of HKQF programmes in the KMB Academy now totals four.

In addition, the KMB Academy provides on-the-job training for current maintenance staff and bus captains, through which they can learn the latest technology in the bus maintenance industry and refresh their driving and customer service skills.

## Continuous Learning

Our diversified learning channels provide self-learning opportunities, including internal classroom training and e-learning programmes. Job rotation and secondment opportunities are also available so that our employees may broaden their understanding of the industry. We regularly organise customised training and learning activities for all staff levels to keep them abreast of the latest industry trends, knowledge and work skills. For instance, we arranged a training course for the Customer Engagement Team to enhance their knowledge and skills on taking care of passengers in a traffic incident.

## Recognition for Service Excellence

In 2023, 104 Star Bus Captains were recognised for their outstanding performance in safe driving and customer care. Long Service Awards were presented to staff in recognition of their loyal service. A total of 35 employees received the 35-year award and a gold medal, 96 and 42 employees received the 30-year and 20-year awards, respectively, together with a plaque and a pin, and 395 employees with ten years of service received a certificate of appreciation.

▲ KMB Safety and Green Awards aims to recognise the outstanding and safe driving performance of our bus captains

Besides, a total of 100 bus captains were granted the Annual Safety and Green Awards. The top ten Gold Awardees were presented with a HK\$10,000 cash prize and a certificate of appreciation. Including the Retirement Awards, over 400 employees received awards in appreciation of their loyal and outstanding service.

## Staff Communication

To strengthen bilateral communication and employee well-being, the Joint Consultative Committees, comprising the Management and staff representatives representing around 90% of the total workforce, held regular meetings. The meetings aim to review issues including safety, operations, work environment and staff welfare.

Through the staff website, staff members are kept informed of useful information, including KMB and LWB announcements, safe driving tips, snapshots of KMB and LWB activities and notices of forthcoming events. Staff can check duty roster information and make annual leave arrangements through the internal application, OPS1933, and the internal portal, as well as using the e-learning training platform. The corporate magazine, *KMB Today*, provides another means of keeping employees up to date on KMB and LWB news and industry developments.

We make use of media and online platforms to share up-to-date information with our staff. Several online activities and programmes, including online health talks, interest classes and financial seminars, were held on the KMB Staff Facebook page, Teams and Zoom platforms to maintain our connection with staff members.

## Senior Management Visits

KMB and LWB Senior Management members visited bus termini, depots and offices during the year to support and engage with our colleagues. These visits provided an excellent opportunity for staff members to share their views about operational matters and workplace-related issues with the Management team members.



## SUSTAINABILITY REPORT

## CASE STUDY



## KMB Academy introduces two new courses recognised by the Qualifications Framework, aligning with international standards to enhance staff professional recognition

The safe and smooth operation of buses relies on the collective efforts of over 12,000 employees at KMB and LWB. Indeed, the bus industry encompasses various professions that are specialised and unique, each with its own professional standards.

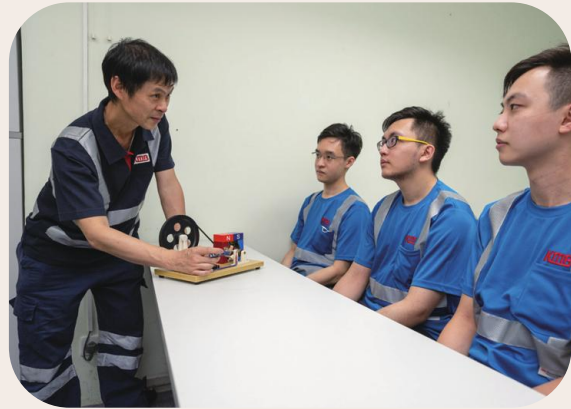
To help our employees pursue further professional recognitions, the KMB Academy has introduced two new certificate courses, namely the "Certificate in Continuing Development for In-service Bus Captains" and the "Professional Certificate for Instructors in Franchised Bus Industry". These courses have been recognised as equivalent to Level Three and Level Four under the Qualifications Framework in Hong Kong respectively. Along with the "Certificate in Public Bus (Franchised) Driving" and the "Certificate in Bus Maintenance", the KMB Academy now offers a total of four certificate courses recognised by the Qualifications Framework.

As the only academy in Hong Kong dedicated to training talents for the bus industry, the KMB Academy actively enhances the professional qualifications of its employees. The newly introduced "Professional Certificate for Instructors in Franchised Bus Industry" course requires a total of 180 hours of learning, aiming to instill teaching concepts and enhance the teaching skills of bus captain training instructors and technical training instructors at KMB and LWB.

The course content is seamlessly integrated into the instructors' daily teaching activities, with a particular emphasis on fostering systematic and effective communication with trainees. This approach enables trainees to grasp the course content more easily. Currently, the course has been recognised at Level Four

of the Qualifications Framework. In-service instructors are required to take the course and pass the examination. Upon completion of the course, they will obtain a qualification equivalent to a Higher Diploma.

The “Certificate in Continuing Development for In-service Bus Captains” is another new course which includes a total of 50 hours of learning, aiming to provide in-depth training on comprehensive driving techniques and promote a positive attitude with an emphasis on road safety, defensive driving and handling emergencies. Guided by instructors and through practical training, current bus captains can strengthen their professional and safe driving skills while gaining knowledge about the latest developments and technological applications in the industry. The course has currently been recognised at Level Three of the Qualifications Framework. Upon completion and passing of the examination, in-service bus captains will receive recognition equivalent to a diploma qualification.



The “Professional Certificate for Instructors in Franchised Bus Industry” course primarily teaches us to systematically handle teaching content, improve techniques, and develop effective teaching plans, thereby improving the overall quality of instruction. In the past, while we had extensive driving experience, most teaching skills were primarily acquired through oral tradition from senior colleagues and observation.

In contrast, the current certificate courses are designed to facilitate more systematic planning and organisation of teaching, allowing us to gradually master a comprehensive range of teaching techniques. Moreover, the systematic teaching methods also improves the way we develop our teaching plans, thereby enhancing the KMB Academy’s recognition in terms of teaching quality.

Currently, the course has obtained recognition at Level Four of the Qualifications Framework, which is equivalent to obtaining a Higher Diploma certificate. We are very grateful to the Company for affording us the opportunity of continuous learning. This certificate will not only benefit our work, but also boost our self-confidence and inspire confidence in others. My fellow bus captain training instructors and I will continue to train more outstanding and professional bus captains in the city, so the public can enjoy a safe and comfortable bus journey.



Lee Kam Fai, KMB Academy Chief Instructor (Bus Captain Training)



## SUSTAINABILITY REPORT

## Stakeholder Engagement



>21,000  
voluntary hours

We support various initiatives to advance the well-being of the community and engage with our stakeholders through effective communication channels.







**Good Health and Well-Being**



**Industry, Innovation and Infrastructure**



**Sustainable Cities and Communities**



**Partnerships For The Goals**

**Engaging the Public**

With a close relation with the community, we actively engage the public to connect and solicit feedback helping us build a strong community to create shared values for all.

**Events**

In 2023, a number of events were organised to interact with the public we serve:

- Ⓐ KMB held the 90<sup>th</sup> Anniversary Ceremony and Carnival at KMB Shatin Depot on 22 April 2023 to celebrate our 90<sup>th</sup> birthday with the general public. The event featured an exhibition of both vintage and the latest electric buses, a VR experience, interactive game booths and a pop-up store, with a total of 10,000 participants joining the event;
- Ⓐ KMB organised four “KMB Journeys” between May and August, which included a bus exhibition, staff recruitment and public engagement. These events were well-received by the public;

- Ⓐ In June, KMB organised a KMB x UNO competition and a pop-up store in Sham Shui Po V Walk to engage KMB fans and UNO fans, which attracted over 100 participants to join the competition;
- Ⓐ In July, KMB joined the Hong Kong Book Fair held at the Hong Kong Convention and Exhibition Centre;
- Ⓐ In December, KMB and the Environment and Ecology Bureau co-organised the “KMB Green Journey” event to introduce the latest new energy buses and the roadmap of electrification to the general public;
- Ⓐ KMB and LWB held a total of twelve Passenger Liaison Group meetings at bus termini across their operating areas to collect customer views on a variety of issues, including interchange schemes, environmentally friendly buses, passenger facilities and network connectivity; and
- Ⓐ KMB organised free ride days with business partners and sponsors in January, March and April.



- Ⓐ KMB has organised multiple “KMB Journey” events, featuring bus exhibitions and booth games, to bring joy to the public



- Ⓐ KMB and UNO™ collaborate for the first time in organising a competition, attracting over a hundred participants

## SUSTAINABILITY REPORT

### Media and Social Media Platforms

In 2023, we invited the media to our events to strengthen public communication and promoted greater adoption of social media platforms such as Facebook and Instagram to disseminate information related to KMB and LWB. Our interaction with netizens included a number of cross-media activities, these activities proved popular, as our Facebook page reached more than 1.6 million netizens in 2023. Likewise, the number of followers of our Instagram account reached over 22,300 followers at the end of December.

Firmly believing that social media platforms play a pivotal role in communication between the public and the Group, we are committed to continue leveraging online communication platforms to strengthen our ties with the public.

Throughout the year, KMB Facebook has showcased various events using images, GIFs and videos. In particular, bus safety and etiquette have been actively promoted on this online and other social media platforms.

### app1933

KMB's smartphone application has been continuously updated with newly added features such as the "Estimated Alighting Time" to cater to passengers' trip planning needs. To facilitate trip planning, the application calculates passenger alighting times at different bus stops based on real-time traffic conditions.

More mini-games have been introduced to the "Game Room" on app1933, allowing users to earn extra club1933 points that can be converted into eCoins for bus rides.

### club1933

A new scheme, eCoin, was launched in August 2023 for club1933 members. Under the scheme, members can convert their club1933 points into eCoins which can be used, without an expiry date, for paying bus fares and redeeming gifts.

### Websites

The KMB and LWB website (www.kmb.hk) provides a user-friendly experience with enhanced information integration, allowing users to easily acquire information on our service details.

### Depot Visits

To increase our stakeholders' understanding of the daily operations at our bus depots, we hosted 31 delegations in 2023, among them were social service organisations, professional associations, Government departments and higher education institutes. We also engaged with schools and non-government organisations through a depot visit programme to promote good manners and safety awareness on the bus, especially for students and families.

### Excellent Customer Service

KMB and LWB place great emphasis on delivering quality services to customers and welcome their feedback on our bus services. At KMB and LWB, we treat substantive feedback as a reference for continuous service improvement and future service development.

### Chatbot for Enquires

KMB and LWB provide an artificial intelligence Chatbot channel, bot1933, on their websites and app1933, enabling customers to receive instant year-round responses to enquiries and provide feedback on bus services. Since its launch, the Chatbot channel has continually been enhanced to handle customer enquiries and has received positive feedback.



Ⓐ The customer service hotline, with human operators to answer customer inquiries, provides assistance in finding lost elderly people

### Customer Service Hotline

Both KMB and LWB offer a manned customer service hotline (2745 4466 and 2261 2791, respectively) with human operators available for enquiries daily, complemented by a 24-hour hotline system. Shortcut keys are provided to get through to a live operator. These shortcut keys are designed to facilitate prompt reporting of illegal parking that may affect bus services and providing assistance in locating lost elderly people.

### Customer Service Centres

Our Customer Service Centres provide customers with a one-stop service, which includes offering KMB and LWB souvenirs, Octopus card add-value services and the provision of bus route information. Likewise, at our Tai Lam Customer Service Kiosk, we provide a comprehensive range of services, including cash withdrawal, free Wi-Fi service and convenience goods, offering a handy one-stop service to customers. A new convenience store was opened at Tuen Mun Road Bus-bus Interchange (Kowloon bound) to provide food and beverages for passengers, catering to their daily needs and indulgences while waiting.

## Smart Lockers

KMB has installed self-service lockers at 35 bus termini to provide customers with the convenience of picking up parcels easily at bus termini, elevating customers' riding experience to a new level. To provide additional assistance for passengers retrieving their lost items on the bus, these smart lockers at bus termini also serve as collection points for lost property retrieval.

## Membership of Associations and Advocacy

During the reporting period, we further strengthened our connection with stakeholders by joining the following organisations:

- Ⓐ Business Environment Council;
- Ⓐ Employers' Federation of Hong Kong;
- Ⓐ Federation of Hong Kong Industries;
- Ⓐ Hong Kong Association for Customer Service Excellence;
- Ⓐ The Chartered Institute of Logistics and Transport in Hong Kong; and
- Ⓐ The Hong Kong General Chamber of Commerce.

## Serving the Community

We continually take steps to understand the needs of our community and actively support various initiatives in society. We leverage the Group's business strengths and resources to optimise positive social impacts, mainly through engagement with the elderly and nurturing youth development.

## Donation of Retired Bus and Bus Stop Pole

To support sustainability and recycling as well as helping people in need, we have donated retired buses and bus stop poles to schools and elderly homes. KMB launched

the Donation of Used and Retired Bus Programme in 2016 to donate used and retired buses to schools and non-profit organisations. These buses can be regenerated explicitly to meet the creative learning needs of schools or non-profit organisations. For the Donation of Caring Bus Stop Pole Programme, we donated tailor-made bus stop poles to elderly homes to help prevent seniors with dementia from wandering and going missing as well as assisting them in receiving treatment.

The list of beneficiary schools/non-profit organisations that received a donated bus or bus stop pole in 2023 is as follows (by alphabetical order):

### Retired Bus Donation

- Ⓐ Yan Chai Hospital Ho Sik Nam Primary School.

### Bus Stop Pole Donation

- Ⓐ Aura Nursing Home;
- Ⓐ Azure Elderly Care;
- Ⓐ (Sydney, Australia) CASS Residential Aged Care Facility;
- Ⓐ Chau Lin Day Care Centre for the Elderly;
- Ⓐ Chow Hung Piu Day Care Centre for the Elderly;
- Ⓐ HKYWCA Lam Woo Memorial Day Care Centre for the Elderly;
- Ⓐ Helping Hand Father Sean Burke Care Home for the Elderly;
- Ⓐ Ka Shui Garden Nursing Home for the Elderly;
- Ⓐ Koo Bin Kau Lee Day Care Centre for the Elderly;
- Ⓐ Po Hing (Po Tin) Centre for the Elderly Limited;
- Ⓐ Po Leung Kuk Merry Court for the Senior;
- Ⓐ Po Leung Kuk Siu Ming Memorial Home cum Care & Attention Unit;
- Ⓐ The Hong Kong Society for the Blind Kowloon Home for the Aged Blind; and
- Ⓐ Yuen Yuen Home for the Aged.



- Ⓐ In 2023, KMB donated fourteen Caring Bus Stop Poles to local and overseas elderly homes, including Kowloon Home for the Aged Blind, to serve elderly individuals with cognitive and visual impairments



- Ⓐ The KMB engineering team retrofits retired buses to cater for the educational needs of schools, and arranges bus delivery and fixation at schools

## SUSTAINABILITY REPORT



- Ⓐ KMB collaborates with the Hong Kong Society for the Blind and The Hong Kong Polytechnic University to create a simulated bus environment for elderly individuals receiving cognitive stimulation therapy

### Collaboration with Hong Kong Society for the Blind and Polytechnic University

As part of its collaboration with The Hong Kong Society for the Blind ("HKSB") and the Department of Rehabilitation Sciences, the Hong Kong Polytechnic University ("PolyU"), KMB has donated a Caring Bus Stop Pole and provided a soundtrack with the bus stop information of Route 2F to HKSB's Kowloon Home for the Aged Blind. Technical support is also provided to assist in setting up a smart bus stop and creating a simulated environment for waiting and boarding buses. This initiative, together with the cognitive stimulation therapy developed by PolyU and HKSB, enhances the effectiveness of assessing and treating visually impaired elderly individuals with cognitive problems.

### Collaboration with Jockey Club Centre for Positive Aging and The Hong Kong University of Science and Technology

In February 2023, a Memorandum of Understanding was signed between the Jockey Club Centre for Positive Aging, Professor Gary Chan from The Hong Kong University of Science and Technology and KMB for installing 50 "Angel Boxes" at bus termini to expand the protection network for the elderly. KMB installed the first batch of Angel Boxes at five major KMB bus termini in 2022. The Angel Boxes are Bluetooth signal detectors that can identify iBeacon tags registered under the campaign and carried by seniors with dementia. When an elderly person carrying a registered iBeacon tag is out in the street, the Bluetooth signal emitted by the iBeacon tag will be detected by the Angel Boxes.

### Business-school Partnership

In collaboration with Hong Chi Association, KMB takes students with Special Educational Needs ("SEN") out of the classroom to showcase their talents through a multi-platform and various placements. For example, the Café1933, a staff coffee shop, offers retail placements to students as well as food and beverages. Under the partnership, KMB has also recruited SEN graduates as bus cleaning workers, office assistants, customer service assistants, and gardening assistants.

### Nurturing Talents

KMB is committed to cultivating young people and nurturing talents for the transportation industry in Hong Kong. The following activities were organised throughout the year:

- Ⓐ KMB organised a career-oriented seminar for secondary school students. The seminar includes a depot tour and career talk session, allowing students to grasp various job roles and work settings whilst gaining insight into KMB's organizational structure. The activity aimed to expand the horizon of the students and inspire them to plan for future studies and career paths.



- Ⓐ When interviewed by the publication "SCOM Talk Show" of the School of Communication, The Hang Seng University of Hong Kong, KMB Managing Director, Roger Lee Chak Cheong (first from the left), shares KMB's operational philosophy and future development with young adults



- Ⓐ FRN regularly organises volunteers to participate in beach cleaning activities



▲ KMB, LWB, and FRN actively participate in The Community Chest Walk for Millions event, demonstrating their commitment to society

## Community Participation

- ▲ KMB and LWB offer free rides on all bus routes for people with disabilities, together with one accompanying caregiver, to support the International Day of Persons with Disabilities every year;
- ▲ KMB and LWB support the annual Senior Citizens Day by offering free rides to people aged 65 and over;
- ▲ KMB has rolled out several new electric bus engagement activities to encourage more customers to experience our new-generation electric buses. Students with SEN and their family members, and physically handicapped passengers were invited to make a trial run on the latest electric buses;
- ▲ KMB has organised a bus drawing competition to connect with the new developed area, Anderson Road in Kwun Tong. The winning entries are painted on buses that serve Kowloon East, bringing art, culture and green transportation ideas into the community; and
- ▲ KMB has long supported the Community Chest activities. In 2023, a group of KMB staff participated in The Community Chest Sports for Millions.

## FRIENDS OF KMB

KMB's volunteer club FRIENDS OF KMB ("FRN") has been promoting environmental protection, civic education and social service activities since it was formed in 1995. In the reporting period, FRN comprised 2,330 members, including passengers, KMB and LWB staff and their dependents.

During the reporting period, FRN volunteers worked with the KMB Bus Stop Management Team to tailor-make and deliver bus stop poles to elderly homes for treatment and therapy specifically designed for seniors with dementia.

FRN participated in regular home visits and made care calls to elderly people experiencing depression. The programme was organised by the Suicide Prevention Service, with which FRN has maintained a partnership since 2013. FRN also launched a civic education programme, "Safety Junior Mentor", to enhance the awareness of primary school students regarding road safety, bus safety and bus etiquette through various interactive games.

In October 2023, KMB held an appreciation ceremony to commend FRN volunteers who served 50, 100, 200, 500 and 1,000 hours.



- ▲ In support of The Community Chest Hong Kong, KMB deploys 60 buses and over a hundred staff members to provide feeder service for participants joining The Community Chest Walk for Millions

## SUSTAINABILITY REPORT

## CASE STUDY



## The Bus Captain Experience Programme helps SEN students fulfil their dreams of becoming bus captains

Equality, inclusivity and care have always been the core cultural values of KMB. It is especially important to provide equal learning opportunities for young people and help them unleash their full potential. KMB has become aware that a group of youth with special educational needs ("SEN") dreams of becoming bus captains. To encourage these young people to pursue their dreams, the KMB Academy has invited them to participate in its bus captain experience programme. Through the programme, they can understand firsthand the duties of a bus captain and prepare themselves for their future careers.

The bus captain experience programme offers a rich curriculum. In addition to theory classes provided by experienced bus captain training instructors, the programme also features a simulated demonstration, allowing participants to experience driving an electric bus in various scenarios such as navigating to a bus stop, parking at the stop and manoeuvring through narrow roads. Students can also gain hands-on experience in the pre-driving preparations of a bus captain, such as checking tyres, adjusting the driver's seat and the rearview mirrors, and inspecting safety and electronic devices. To enhance engagement, the KMB Academy even provided these students with personalised bus captain uniforms and staff cards displaying their photos, names and school names to foster a greater interest in learning.



“

Through the programme, KMB aims to promote equal learning opportunities by providing work-tasting opportunities for SEN students. The experience not only gives them an insight into the fundamental duties and responsibilities of a bus captain, but also fosters a better understanding of their own interests and strengths. This in turn contributes to their potential development and helps in making their dreams come true.

Our students thoroughly enjoy the bus captain experience programme. The visit to bus depots allows students to have firsthand experience of how KMB operates, including insights into vehicle maintenance and the opportunity to ride the bus. This is a rare and valuable experience for them.

Meanwhile, the activity also allows students to experience the role of a bus captain and understand the job responsibilities of various positions within KMB. This practical and hands-on learning experience helps students to apply theoretical knowledge to real-life situations, deepening their understanding of related occupations. The activity also helps students in character building, cultivating a sense of responsibility in them and sharpening their skills in teamwork, communication, and problem-solving. All these are crucial abilities highly valued in the workplace, which contribute to the personal growth of our students and their future career development.

We hope that more companies will follow KMB's example and promote equal learning opportunities, allowing students with special educational needs to experience different positions in the workplace and integrate into society.

**Yiu Ching Yee, Principal of CCC Kei Shun Special School**

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## SUSTAINABILITY REPORT

## Performance Statistics

	Units	FY 2023	FY 2022	Year-On-Year Change
<b>Environmental</b>				
<b>Emissions</b>				
GHG Emissions of Bus (Scope 1) <sup>1</sup>	tCO <sub>2</sub> e	498,289	458,518	8.67%
GHG Emissions of Bus (Scope 1) Intensity	tCO <sub>2</sub> e per million km	1,599	1,649	-3.03%
GHG Emissions of Electricity (Scope 2) <sup>2,3</sup>	tCO <sub>2</sub> e	6,246	6,518	-4.17%
GHG Emissions of Electricity (Scope 2) Intensity <sup>1</sup>	tCO <sub>2</sub> e per m <sup>2</sup>	0.015	0.015	0.00%
Nitrogen Oxides (NOx) <sup>4,5</sup>	tonnes	1,779	1,588	12.03%
Sulphur Oxides (SOx) <sup>4,6</sup>	tonnes	3.05	2.81	8.54%
Particulate Matter (PM) <sup>4,7</sup>	tonnes	128	114	12.28%
<b>Waste</b>				
<b>Hazardous Waste</b>				
Solid Chemical Waste (recycled)	kilograms (kg)	1,294,968	1,285,460	0.74%
Solid Chemical Waste Intensity	kilograms (kg) per million km	4,156	4,623	-10.10%
Tyres (recycled) <sup>8</sup>	kilograms (kg)	921,060	974,760	-5.51%
Fluorescent Tubes	kilograms (kg)	0	0	n.a.
Waste Oil (recycled)	kilograms (kg)	457,400	456,600	0.18%
Battery (recycled) <sup>3</sup>	kilograms (kg)	166,658	164,200	1.50%
<b>Non-hazardous Waste</b>				
Metal (recycled) <sup>9</sup>	kilograms (kg)	745,206	679,852	9.61%
Metal Intensity	kilograms (kg) per million km	2,391	2,445	-2.21%
Waste directed to disposal (paper waste) <sup>10</sup>	tonnes	38.59	33.60	14.85%
<b>Use of Resources</b>				
Diesel Oil Consumption <sup>11</sup>	gigajoules (GJ)	7,295,900	6,716,564	8.63%
Diesel Oil Consumption Intensity	GJ per million km	23,414	24,154	-3.06%
Water Consumption <sup>12,13</sup>	m <sup>3</sup>	237,517	197,855	20.05%
Water Consumption Intensity <sup>12,13</sup>	m <sup>3</sup> per bus	55	46	19.57%
Non-renewable Electricity Consumption <sup>12,14</sup>	kWh	16,880,249	17,615,264	-4.17%
Non-renewable Electricity Consumption Intensity <sup>12,14</sup>	kWh per m <sup>2</sup>	41	42	-2.38%

<sup>1</sup> The GHG emissions of bus (scope 1) increased due to the total distance travelled by KMB and LWB bus fleet in 2023 exceeded that of 2022.

<sup>2</sup> The emission factors of greenhouse gas emissions for electricity consumption were obtained from the 2022 HKEX published document, "How to prepare an ESG Report, Appendix 2: Reporting Guidance on Environmental KPIs": 0.37kg CO<sub>2</sub>e/kWh.

<sup>3</sup> The GHG emissions of electricity (scope 2) of KMB and LWB decreased due to the adoption of environmentally-friendly initiatives and the installation of solar panels across depots, bus termini and bus shelters.

<sup>4</sup> The emission factors were obtained from the 2022 HKEX published document, "How to prepare an ESG Report, Appendix 2: Reporting Guidance on Environmental KPIs".

<sup>5</sup> There was an increase in Nitrogen Oxides due to the increased distance travelled across the KMB and LWB bus fleet during the reporting period.

<sup>6</sup> There was an increase in Sulphur Oxides due to the increased fuel usage and increased distance travelled across the KMB and LWB fleet during the reporting period.

<sup>7</sup> There was an increase in Particulate Matter due to the increased distance travelled across KMB and LWB bus fleet during the reporting period.

<sup>8</sup> The reduction of recycled tyres during the reporting period was due to the use of new tyre model.

<sup>9</sup> There was an increase in Metal (recycled) due to the increased distance travelled across KMB and LWB bus fleet during the reporting period.

<sup>10</sup> There was an increase in Paper Waste due to the increased distance travelled across KMB and LWB bus fleet during the reporting period.

<sup>11</sup> The diesel oil consumption increased due to the total distance travelled by KMB and LWB bus fleet in 2023 exceeded that of 2022.

<sup>12</sup> The water consumption and electricity consumption in all KMB and LWB premises, excluding tenants, were taken into account.

<sup>13</sup> There was an increase in water consumption as KMB and LWB diligently improved the cleanliness and hygiene standards of their bus fleets. This occurred despite the social epidemic returning to normal.

<sup>14</sup> The non-renewable electricity consumption of KMB and LWB decreased due to the adoption of environmentally friendly initiatives and the installation of solar panels across depots, bus termini and bus shelters.



	Units	FY 2023	FY 2022	Year-On-Year Change
<b>Social</b>				
<b>Employment</b>				
Total Workforce	no. of employees	12,355	12,837	-3.75%
<b>By Gender</b>				
Female	no. of employees	1,008	1,005	0.30%
Male	no. of employees	11,347	11,832	-4.10%
<b>By Age Group</b>				
Below 40 Years Old	no. of employees	2,468	2,743	-10.03%
40-50 Years Old	no. of employees	3,718	3,665	1.45%
Over 50 Years Old	no. of employees	6,169	6,429	-4.04%
<b>By Employment Category</b>				
Senior Level	no. of employees	22	23	-4.35%
Middle Level	no. of employees	244	248	-1.61%
Entry Level	no. of employees	12,089	12,566	-3.80%
<b>By Employment Type by Gender</b>				
Full Time Female	no. of employees	901	914	-1.42%
Full Time Male	no. of employees	10,509	11,114	-5.44%
Non Full Time Female	no. of employees	107	91	17.58%
Non Full Time Male	no. of employees	838	718	16.71%
<b>By Employment Contract by Region</b>				
Permanent in Hong Kong	no. of employees	11,194	11,749	-4.72%
Permanent in Other Region	no. of employees	0	0	n.a.
Temporary in Hong Kong	no. of employees	1,161	1,088	6.71%
Temporary in Other Region	no. of employees	0	0	n.a.
<b>By Employment Contract by Gender</b>				
Permanent Female	no. of employees	891	900	-1.00%
Permanent Male	no. of employees	10,303	10,849	-5.03%
Temporary Female	no. of employees	117	105	11.43%
Temporary Male	no. of employees	1,044	983	6.21%
<b>Parental Leave</b>				
Return to work	rate	100	100	0.00%
Retention	rate	100	0	n.a.

## SUSTAINABILITY REPORT

	Units	FY 2023	FY 2022	Year-On-Year Change
<b>Social</b>				
<b>Turnover Rate</b>				
<b>By Gender</b>				
Female	no. of employees	190	181	4.97%
Male	no. of employees	2,076	1,900	9.26%
<b>By Age Group</b>				
Below 40 Years Old	no. of employees	622	656	-5.18%
40-50 Years Old	no. of employees	515	405	27.16%
Over 50 Years Old	no. of employees	1,129	1,020	10.69%
<b>By Geographical Region</b>				
Hong Kong	no. of employees	2,266	2,081	8.89%
Other Region	no. of employees	0	0	n.a.
<b>Health and Safety</b>				
Total Number of Work-related Fatalities Occurred	no. of employees	1	0	n.a.
	rate (no. of employees/ total workforce)	0.00008	0	n.a.
Lost Days Due to Work Injury	no. of days	17,071	18,525	-7.85%
Work-related injuries	no. of injuries	230	242	-4.96%
Work-related ill health	no. of ill health	0	0	n.a.
<b>Development and Training</b>				
<b>By Gender</b>				
Female	% of employees trained	6.65	6.11	8.84%
Male	% of employees trained	93.35	93.89	-0.58%
<b>By Employment Category</b>				
Senior Level	% of employees trained	0.02	0.03	-33.33%
Middle Level	% of employees trained	0.64	0.73	-12.33%
Entry Level	% of employees trained	99.34	99.23	0.11%
<b>Training Hours</b>				
Total Training Hours	no. of hours	348,334	315,824	10.29%
<b>Average Training Hours By Gender</b>				
Female	no. of hours	28.02	23.00	21.83%
Male	no. of hours	28.21	24.00	17.54%
<b>Average Training Hours By Employment Category</b>				
Senior Level	no. of hours	1.55	2.00	-22.50%
Middle Level	no. of hours	9.32	11.00	-15.27%
Entry Level	no. of hours	28.62	25.00	14.48%

	Units	FY 2023	FY 2022	Year-On-Year Change
<b>Social</b>				
<b>Employees receive regular performance and career development reviews By Gender</b>				
<b>By Gender</b>				
Female	% of employees received	88.36	91.59	-3.53%
Male	% of employees received	90.75	88.65	2.37%
<b>By Employment Category</b>				
Senior Level	% of employees received	95.5	94.7	0.84%
Middle Level	% of employees received	100	100	0.00%
Entry Level	% of employees received	90.40	91.3	-0.99%
<b>Diversity and Equal Opportunity</b>				
Senior Level	Ratio of basic salary and remuneration of women to men	0.53	0.91	-41.76%
Middle Level	Ratio of basic salary and remuneration of women to men	0.92	0.95	-3.16%
Entry Level	Ratio of basic salary and remuneration of women to men	0.87	1.11	-21.62%
Number of incidents of discrimination and corrective actions taken	No. of cases	0	0	n.a.
<b>Supply Chain Management</b>				
<b>By Region</b>				
Hong Kong	no. of suppliers	408	408	0.00%
Other Region	no. of suppliers	34	34	0.00%
<b>Product Responsibility</b>				
Service-Related Complaints Received	no. of complaints received per million passenger trips	2.66	1.91	39.27%
<b>Anti-corruption</b>				
Concluded Legal Cases	no. of cases	0	0	n.a.

## SUSTAINABILITY REPORT

## Reporting Content Index Table

Transport International Holdings Limited (“TIH”) has reported in accordance with the GRI Standards from 1 January 2023 to 31 December 2023. The following content index table presents the associated disclosures either by cross-referring relevant section(s) in this Report and/or by providing direct remarks.

ESG Guide, HKEX	UNSDG	GRI Standards	Material Topics	Reference / * Direct Answer / + Reason for omission	Page(s) ^: refer to TIH 2023 Annual Report
<b>2: General Disclosures 2021</b>					
<b>Organizational Profile</b>					
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		2-2	Entities included in the organization’s sustainability reporting	About the Report Reporting Principles Reporting Focus	44-51 44-45 44
		2-3	Reporting period, frequency and contact point	About the Report Reporting Principles Reporting Focus	44-51 44-45 44
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<b>Activities and workers</b>					
KPI B5.1		2-6	Activities, value chain and other business relationships	Business at a Glance	4-5^
KPI B5.2				Key Franchised Bus Network in Hong Kong	6-7^
KPI B5.3				Financial and Operational Highlights	8-9^
KPI B5.4				Supply Chain Management	51
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		2-8	Workers who are not employees	Safety First Performance Statistics	52-59 98-101

ESG Guide, HKEX	UNSDG	GRI Standards	Material Topics	Reference / * Direct Answer / + Reason for omission	Page(s) ^: refer to TIH 2023 Annual Report
<b>Governance</b>					
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		2-10	Nomination and selection of the highest governance body	Corporate Governance Report	130-153^
		2-11	Chair of the highest governance body	Corporate Governance Report	130-153^
		2-12	Role of the highest governance body in overseeing the management of impacts	Adopting TCFD reporting: Governance	62
		2-13	Delegation of responsibility for managing impacts	Adopting TCFD reporting: Governance	62
		2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Report	130-153^
		2-15	Conflicts of interest	Financial Review	114-129^
		2-16	Communication of critical concerns	Caring for Employees	82-89
		2-17	Collective knowledge of the highest governance body	Corporate Governance Report	130-153^
		2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report Adopting TCFD reporting: Risk Management	130-153^ 63
		2-19	Remuneration policies	Remuneration Report	154-157^
		2-20	Process to determine remuneration	Remuneration Report	154-157^
		2-21	Annual total compensation ratio	Directors' emolument	225-226^

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ESG Guide, HKEX	UNSDG	GRI Standards	Material Topics	Reference / * Direct Answer / + Reason for omission	Page(s) ^: refer to TIH 2023 Annual Report
<b>Strategy, policies and practices</b>					
		2-22	Statement on sustainable development strategy	Chairman's Letter Managing Director's Message	14-17^ 18-19^
		2-23	Policy commitments	Caring for Employees Caring for the Environment Stakeholder Engagement	82-89 60-71 90-97
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KPI B7.2		2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	90-97
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<b>Stakeholder engagement</b>					
KPI B6.2		2-29	Approach to stakeholder engagement	Stakeholder Engagement Stakeholder Engagement and Materiality Assessment	90-97 48
	8: Decent Work and Economic Growth	2-30	Collective bargaining agreements	Legal and Regulatory Compliance Stakeholder Engagement and Materiality Assessment Caring for Employees	48 48 82-89
<b>GRI 3: Material Topics 2021</b>					
		3-1	Process to determine material topics	Stakeholder Engagement and Materiality Assessment	48
		3-2	List of material topics	Stakeholder Engagement and Materiality Assessment	48

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<b>GRI 201: Economic Performance 2016</b>					
GD A4 KPI A4.1		3-3	The management approach and its components	Financial Review Management Discussion and Analysis Caring for the Environment	114-129^ 20-21^ 60-71
		201-1	Direct economic value generated and distributed	Financial Review	114-129^
	8: Decent Work and Economic Growth 13: Climate Action	201-2	Financial implications and other risks and opportunities due to climate change	Management Discussion and Analysis Caring for the Environment Adopting TCFD reporting: Risk Management	20-21^ 60-71 63
	8: Decent Work and Economic Growth	201-3	Defined benefit plan obligations and other retirement plans	Caring for Employees Remuneration Report Directors' Report Financial Review	82-89 154-157^ 169-181^ 114-129^
		201-4	Financial assistance received from government	Financial Review	114-129^
<b>GRI 204: Procurement Practices 2016</b>					
GD B5 KPI B5.2 KPI B5.3 KPI B5.4		3-3	The management approach and its components	Supply Chain Management	51
KPI B5.1		204-1	Proportion of spending on local suppliers	Supply Chain Management	51
<b>GRI 205: Anti-corruption 2016</b>					
GD B7 KPI B7.2 KPI B7.3		3-3	The management approach and its components	Legal and Regulatory Compliance	48
	16: Peace, Justice and Strong Institutions	205-1	Operations assessed for risks related to corruption	*TIH conducts an Enterprise Risk Assessment annually, corruption was not an identified risk.	-
KPI B7.3	16: Peace, Justice and Strong Institutions	205-2	Communication and training about anti- corruption policies and procedures	Legal and Regulatory Compliance	48
KPI B7.1	16: Peace, Justice and Strong Institutions	205-3	Confirmed incidents of corruption and actions taken	Legal and Regulatory Compliance Performance Statistics	48 98-101

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<b>GRI 207: Tax 2019</b>					
		3-3	The management approach and its components	Financial Review	114-129 <sup>^</sup>
		207-1	Approach to tax	Financial Review	114-129 <sup>^</sup>
		207-2	Tax governance, control, and risk management	Financial Review	114-129 <sup>^</sup>
		207-3	Stakeholder engagement and management of concerns related to tax	Financial Review Stakeholder Engagement and Materiality Assessment	114-129 <sup>^</sup> 48-50
		207-4	Country-by-country reporting	Financial Review	114-129 <sup>^</sup>
<b>GRI 302: Energy 2016</b>					
GD A2 GD A3 KPI A2.3		3-3	The management approach and its components	Caring for Customers Caring for the Environment	72-81 60-71
KPI A2.1	7: Affordable and Clean Energy 12: Responsible Consumption and Production 13: Climate Action	302-1	Energy consumption within the organization	Caring for the Environment Performance Statistics	60-71 98-101
	12: Responsible Consumption and Production 13: Climate Action	302-2	Energy consumption outside the organization	+Information incomplete: TIH is not ready to explore these voluntary disclosures yet but has been reviewing the feasibility to do so in the future.	-
KPI A2.1	12: Responsible Consumption and Production 13: Climate Action	302-3	Energy intensity	Caring for the Environment Performance Statistics	60-71 98-101
KPI A2.3	12: Responsible Consumption and Production 13: Climate Action	302-4	Reduction of energy consumption	Caring for the Environment Performance Statistics	60-71 98-101
KPI A2.3	12: Responsible Consumption and Production 13: Climate Action	302-5	Reductions in energy requirements of products and services	Caring for the Environment	60-71



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<b>GRI 303: Water and Effluents 2018</b>					
GD A2 GD A3		3-3	The management approach and its components	Caring for the Environment	60-71
KPI A2.2 KPI A2.4 KPI B5.3	6: Clean Water and Sanitation	303-1	Interactions with water as a shared resource	Caring for the Environment *All water used at KMB and LWB offices and depots was sourced from municipal water supplies. No major issue concerning sourcing water and water-related impacts has been encountered during the reporting year.	60-71
GD A3 KPI A3.1	6: Clean Water and Sanitation	303-2	Management of water discharge-related impacts	Caring for the Environment *We ensure water discharge to drainage systems and water bodies were in compliance with local government requirements.	60-71
KPI A2.4	6: Clean Water and Sanitation	303-3	Water withdrawal	Caring for the Environment	60-71
	6: Clean Water and Sanitation	303-4	Water discharge	Caring for the Environment *Effluents are discharged into municipal sewage treatment systems and comply with local regulatory standards of effluents discharge.	60-71
KPI A2.2	6: Clean Water and Sanitation	303-5	Water consumption	Caring for the Environment Performance Statistics *No specific regions are water stressed in Hong Kong.	60-71 98-101
<b>GRI 305: Emissions 2016</b>					
GD A1 GD A3 KPI A3.1		3-3	The management approach and its components	Caring for the Environment	60-71
KPI A1.1 KPI A1.2	12: Responsible Consumption and Production 13: Climate Action	305-1	Direct (Scope 1) GHG emissions	Caring for the Environment Performance Statistics	60-71 98-101
KPI A1.1 KPI A1.2	12: Responsible Consumption and Production 13: Climate Action	305-2	Energy indirect (Scope 2) GHG emissions	Caring for the Environment Performance Statistics	60-71 98-101

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KPI A1.1		305-3	Other indirect (Scope 3) GHG emissions	+Information incomplete: TIH is not ready to explore these voluntary disclosures yet but has been reviewing the feasibility to do so in the future.	-
KPI A1.2	12: Responsible Consumption and Production 13: Climate Action	305-4	GHG emissions intensity	Caring for the Environment Performance Statistics	60-71 98-101
KPI A1.5	7: Affordable and Clean Energy 12: Responsible Consumption and Production 13: Climate Action	305-5	Reduction of GHG emissions	Caring for the Environment Performance Statistics	60-71 98-101
KPI A1.1		305-6	Emissions of ozone-depleting substances (ODS)	+Not applicable: TIH does not produce, import and export ODS.	-
KPI A1.1	12: Responsible Consumption and Production 13: Climate Action	305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	Caring for the Environment Performance Statistics	60-71 98-101
<b>GRI 306: Effluents and Waste 2016</b>					
GD A1		3-3	The management approach and its components	Caring for the Environment	60-71
	6: Clean Water and Sanitation 13: Climate Action	306-3	Significant spills	*TIH has not recorded any significant spills during the reporting year.	-
<b>GRI 306: Waste 2020</b>					
GD A1 GD A3 KPI A1.6		3-3	The management approach and its components	Caring for the Environment	60-71
KPI A3.1		306-1	Waste generation and significant waste-related impacts	Caring for the Environment Performance Statistics	60-71 98-101

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KPI A3.1	12: Responsible Consumption and Production	306-2	Management of significant waste-related impacts	Caring for the Environment Performance Statistics	60-71 98-101
KPI A1.3 KPI A1.4 * KPI A2.5	12: Responsible Consumption and Production	306-3	Waste generated	Performance Statistics *Quantitative data of total packaging materials are not available as they are not applicable to KMB & LWB's business.	98-101
KPI A1.6	12: Responsible Consumption and Production	306-4	Waste diverted from disposal	Performance Statistics	98-101
KPI A1.6	12: Responsible Consumption and Production	306-5	Waste directed to disposal	Performance Statistics	98-101
<b>Employment</b>					
<b>GRI 401: Employment 2016</b>					
GD B1		3-3	The management approach and its components	Caring for Employees	82-89
KPI B1.2		401-1	New employee hires and employee turnover	Caring for Employees Performance Statistics	82-89 98-101
	8: Decent Work and Economic Growth	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Caring for Employees	82-89
	10: Reduced Inequalities	401-3	Parental leave	Caring for Employees Performance Statistics	82-89 98-101
<b>GRI 403: Occupational Health and Safety 2018</b>					
GD B2 KPI B2.3		3-3	The management approach and its components	Caring for Employees Safety First	82-89 52-59
GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-1	Occupational health and safety management system	Caring for Employees Safety First Business Review: KMB & LWB	82-89 52-59 22-33

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GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-2	Hazard identification, risk assessment, and incident investigation	Safety First Caring for Employees Sustainability Governance	52-59 82-89 47	
GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-3	Occupational health services	Caring for Employees Safety First	82-89 52-59	
GD B2	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-4	Worker participation, consultation, and communication on occupational health and safety	Caring for Employees Safety First	82-89 52-59	
GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-5	Worker training on occupational health and safety	Caring for Employees Safety First	82-89 52-59	
GD B2	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-6	Promotion of worker health	Caring for Employees	82-89	
GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety First	52-59	
GD B2 KPI B2.3	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-8	Workers covered by an occupational health and safety management system	Safety First	52-59	
KPI B2.1 KPI B2.2	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-9	Work-related injuries	Caring for Employees Performance Statistics	82-89 98-101	
KPI B2.1	3: Good Health and Well-Being 8: Decent Work and Economic Growth	403-10	Work-related ill health	Caring for Employees Performance Statistics	82-89 98-101	

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<b>GRI 404: Training and Education 2016</b>					
GD B3		3-3	The management approach and its components	Caring for Employees Safety First	82-89 52-59
KPI B3.1 KPI B3.2	4: Quality Education	404-1	Average hours of training per year per employee	Performance Statistics *The breakdown of employees trained in 2022 has been restated.	98-101
	4: Quality Education	404-2	Programs for upgrading employee skills and transition assistance programs	Caring for Employees	82-89
	4: Quality Education	404-3	Percentage of employees receiving regular performance and career development reviews	Caring for Employees Performance Statistics	82-89 98-101
<b>GRI 405: Diversity and Equal Opportunity 2016</b>					
GD B1		3-3	The management approach and its components	Caring for Employees	82-89
KPI B1.1	5: Gender Equality 10: Reduced Inequalities	405-1	Diversity of governance bodies and employees	Caring for Employees Corporate Governance Report Performance Statistics	82-89 130-153^ 98-101
	5: Gender Equality 10: Reduced Inequalities	405-2	Ratio of basic salary and remuneration of women to men	Caring for Employees Performance Statistics	82-89 98-101
<b>GRI 406: Non-discrimination 2016</b>					
GD B1		3-3	The management approach and its components	Caring for Employees	82-89
GD B1	5: Gender Equality 10: Reduced Inequalities	406-1	Incidents of discrimination and corrective actions taken	Caring for Employees Performance Statistics	82-89 98-101
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>					
GD B5		3-3	The management approach and its components	Legal and Regulatory Compliance Caring for Employees	48 82-89
	8: Decent Work and Economic Growth 10: Reduced Inequalities	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	*TIH suppliers are all in regions in which workers' rights is unlikely to be violated. Collective bargaining is not recognized as a legally enforceable right in Hong Kong.	-

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<b>GRI 408: Child Labor 2016</b>					
GD B4		3-3	The management approach and its components	Legal and Regulatory Compliance	48
KPI B4.1	8: Decent Work and Economic Growth	408-1	Operations and suppliers at significant risk for incidents of child labor	Legal and Regulatory Compliance	48
KPI B4.2				Supply Chain Management	51
<b>GRI 409: Forced or Compulsory Labor 2016</b>					
GD B4		3-3	The management approach and its components	Legal and Regulatory Compliance	48
KPI B4.1	8: Decent Work and Economic Growth	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Legal and Regulatory Compliance	48
KPI B4.2					
<b>GRI 413: Local Communities 2016</b>					
GD B8		3-3	The management approach and its components	Stakeholder Engagement	90-97
KPI B8.1	9: Industry, Innovation and Infrastructure	413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement	90-97
KPI B8.2				11: Sustainable Cities and Communities	Caring for Customers
	9: Industry, Innovation and Infrastructure	413-2	Operations with significant actual and potential negative impacts on local communities	+Not applicable: Due to the nature of TIH's operations, this disclosure is not applicable.	-
<b>GRI 414: Supplier Social Assessment 2016</b>					
GD B5		3-3	The management approach and its components	Supply Chain Management	51
KPI B5.2	12: Responsible Consumption and Production	414-1	New suppliers that were screened using social criteria	Supply Chain Management	51
	12: Responsible Consumption and Production	414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	51

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<b>GRI 416: Customer Health and Safety 2016</b>					
GD B6		3-3	The management approach and its components	Safety First Stakeholder Engagement	52-59 90-97
GD B6	3: Good Health and Well-Being	416-1	Assessment of the health and safety impacts of product and service categories	Caring for Environment Safety First	60-71 52-59
GD B6 KPI B6.1 *KPI B6.3 KPI B6.4	3: Good Health and Well-Being	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Safety First *TIH has not identified any non-compliance with regulations and/or voluntary codes.	52-59 -
<b>GRI 418: Customer Privacy 2016</b>					
GD B6		3-3	The management approach and its components	Safety First	52-59
KPI B6.5		418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safety First Caring for Customers	52-59 72-81



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