



載通國際

Transport International

Transport International Holdings Limited



2020
Sustainability
Report

»»» About the Report



Over **82%**
of bus fleet at Euro V
standard or above



Over
22,000
voluntary hours



17.1
Average training hour per
employee



Over **16%**
of the total workforce with
minority and disabled
staff and retiree



Reporting Focus

This is the 2020 Sustainability Report (“this Report”) of Transport International Holdings Limited (“TIH”). This Report highlights the significant environmental and corporate social responsibility performance and sustainability achievements of the Hong Kong franchised public bus operations provided by two of TIH’s wholly-owned subsidiaries, namely The Kowloon Motor Bus Company (1933) Limited (“KMB”) and Long Win Bus Company Limited (“LWB”). Operating in Hong Kong, these two companies represent the significant business operations of TIH. This Report covers the reporting period from 1 January to 31 December 2020.

There were no significant changes with regard to TIH’s size, structure, ownership or supply chain during the reporting period. In this 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 this Report cover the performance of KMB and LWB during the entire reporting period. There is no specific limitation on the scope and boundary of this Report in respect of KMB and LWB’s operations.

Reporting Principles

The TIH 2020 Sustainability Report was prepared in accordance with the Core Option of the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”) and the Environmental, Social and Governance Reporting Guide (“ESG Guide”) issued by the Hong Kong Exchanges and Clearing Limited (“HKEX”) and based on the reporting principles of materiality, quantitative, consistency and balance, which are set out in the ESG Guide. In addition, we have taken into account the concerns of stakeholders as identified through engagement exercises such as the annual passenger liaison group meetings and interviews with representatives of different groups. 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 this Report, please send an email to ccd@kmb.hk.





Major Recognition and Awards

We aim to deliver excellent public transport services in a sustainable manner and are pleased to receive a number of prestigious awards in 2020.

Corporate Social Responsibility

- 15 Years Plus Caring Company Logo from The Hong Kong Council of Social Service;
- Good Employer Charter from the Labour Department;
- Family-friendly Good Employer Logo from the Labour Department;
- The Good MPF Employee Award from the Mandatory Provident Fund Schemes Authority;
- Manpower Developer from the Employees Retraining Board;
- Mental Health Friendly Organisation from the Department of Health;
- Award of 10,000 Hours for Volunteer Service from the Social Welfare Department;
- Award of Merit from The Community Chest of Hong Kong;
- Social Capital Builder Logo Award from the Labour and Welfare Bureau and Community Investment and Inclusion Fund;
- Sport-Friendly Action Decal from the Chinese YMCA of Hong Kong;
- Jockey Club Age-friendly City Partner 2020 from The Hong Kong Jockey Club Charities Trust;
- Honour Award in the Highest Service Hour Award (Private Organisations – Best Customers Participation) from the Social Welfare Department; and
- Merit in the Highest Service Hour Award (Private Organisations) from the Social Welfare Department.

Brand

- › Hong Kong Service Awards 2020 – Apps Award from East Week;
- › Health Partnership Awards 2020 from ET Net;
- › Gold in the Public Transport category of the 2020 Reader’s Digest Trusted Brands Awards;
- › Top Service Awards 2020 – Public Transportation from Next Magazine;
- › Honour Awards for Traditional Annual Reports and Written Text for the TIH 2019 Annual Report in the Transportation and Leasing category of the International ARC Awards; and
- › Silver Award in the Transportation & Logistics category in the Vision Awards from the League of American Communications Professionals LLC.

Sustainability Governance

With a commitment to conducting our businesses in line with the best corporate governance practices, we aim to achieve sustainable business development by considering the interests of our stakeholders, while ensuring compliance with legal and regulatory requirements. The Group has adopted an integrated management approach to guide the sustainable development of the Group based on the principles of integrity, equity and transparency. This integrated management approach is strengthened by on-going staff training and communication with all stakeholders. The board of directors of TIH (the “Board”), as the highest governance body, is responsible for promoting the long-term development of the Group and for 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 136 to 142 of our 2020 Annual Report.

The overall strategic planning and accountability for the Group’s sustainable development rests with our Board-level Committee, which determines the sustainability strategy and oversees its progress across the Group. Under the oversight of the Committee, we have an ESG Task Force to implement the Board’s ESG strategy and policies in driving sustainable initiatives throughout our operations, including safety, environmental protection, staff welfare, community engagement and volunteering. The Task Force members are responsible for optimising environmental performance, increasing staff awareness on corporate social responsibilities, and sharing knowledge and best practice with the industry 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 uses consistent risk assessment criteria to provide a systematic approach to the timely identification and management of risks. Accurate and concise risk information is made available to assist management in decision-making and risk control by adopting risk treatments of cost-effectiveness and efficiency. Meanwhile, with the Enterprise Risk Management System, the management monitors and reviews risk levels, including climate change related risks, to ensure that risk exposure remains within an acceptable level. A Risk Key Performance Indicator Report (“Risk KPI Report”), summarising the Group’s major risks as identified by management, is submitted to the Audit and Risk Management Committee three times a year. The Risk KPI Report provides a comprehensive profile of the major risks and the mechanism established by management for monitoring these risks.

For details of our corporate governance, please refer to pages 110 to 131 of our 2020 Annual Report.

Legal and Regulatory Compliance

The Group is committed to conducting its business activities in a proper and lawful manner in compliance with the HKSAR laws. All Directors and staff of the Group are subject to a written Code of Conduct, available on the staff website, that provides guidance on matters relating to personal conduct, relations with suppliers and contractors, responsibilities to shareholders and community, relations with customers, and employment practices, as well as procedures for monitoring compliance and means of enforcement. The Code of Conduct promotes ethical values in business activities that Directors and employees are required to adhere to when discharging their delegated duties. The Code of Conduct is reviewed and updated periodically to reflect the latest regulatory changes. Our Group also reviews its employment practices on a regular basis, including strictly following the Employment Ordinance of Hong Kong to prohibit the hiring of child labour and any form of forced labour practices. We do not use forced labour in any form of child labour (persons below the local minimum age or the age below of 16).

The Group has a whistleblowing policy to encourage employees and related third parties who deal with the Group 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. Appropriate follow-up action, including disciplinary action, will be taken by the Group 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), we would make a report to the Hong Kong Independent Commission Against Corruption. We have not committed any offence of corruption under this Ordinance. We also invited the Hong Kong Independent Commission Against Corruption to provide training for senior executives and employees to enhance their awareness of anti-corruption. During the reporting year, we had zero concluded legal cases regarding corruption cases.

Supply Chain Management

We believe in upstream integrated supply chain management with an emphasis on quality and logistics control. We work closely with our business partners to develop new buses and services that are adapted to the local climatic and operational environment while taking a high level of energy efficiency and the latest emission standards into consideration. We encourage fair and open competition with the aim of developing long-term relationships with suppliers based on mutual trust. Our supply chain activities are guided by policies and procedures that are geared to ensuring the ethical procurement of supplies and services, as well as high-quality end products in which our customers can be confident. In 2020, KMB and LWB worked with 405 local and 48 non-local suppliers, of which 55 suppliers were newly added. The proportion of spending on local suppliers was 62%.

To ensure compliance by suppliers with our social and environmental requirements, we require them to declare their 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

The criteria for the procurement and tendering of services or goods are based on price, quality, requirement and other relevant factors. Our procurement and tendering measures have been established according to the following principles:

- › Impartial selection of capable and responsible suppliers;
- › Fair competition;
- › Selection of appropriate contract types according to requirement;
- › Compliance with laws, relevant regulations and contractual obligations; 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 interests by staff involved in the selection.

Stakeholder Engagement and Materiality Assessment

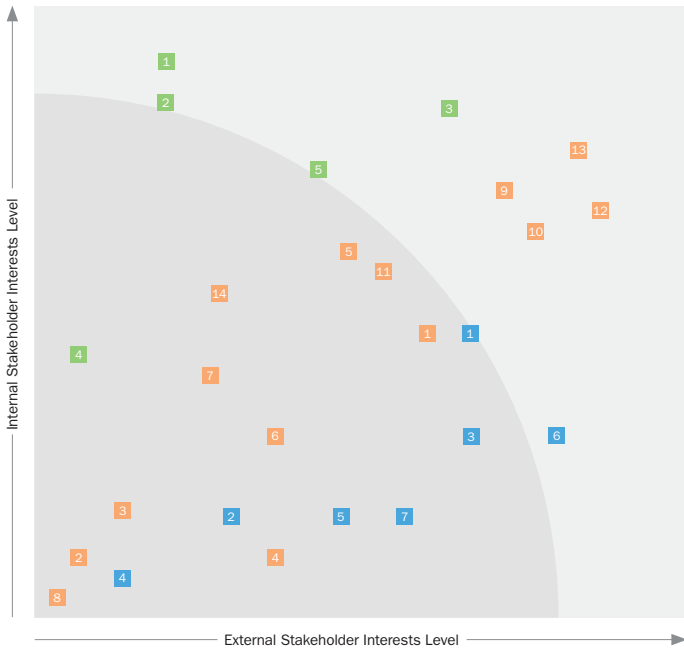
Stakeholder engagement exercises and materiality assessments provide a sound basis for us to develop our sustainability reports, as they help identify the sustainability topics that are most relevant to both our operations and the shared interests of our stakeholders.

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 LiveChat 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.

In 2020, we once again engaged an external consultant to carry out a series of stakeholder engagement activities to define the scope of this Report and to identify the material economic, environmental and social topics to be reported, concerning the principles and requirements of the GRI Standards and the HKEX ESG Guide. We invited representatives from various stakeholder groups, including passengers, employees, FRIENDS OF KMB, suppliers, non-governmental organisations (e.g. social organisations and green groups) to participate in three stakeholder engagement activities involving surveys, focus group meetings and interviews.

Based on the survey results and the materiality assessment conducted annually over the past few years, we have mapped the materiality of 12 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 we have identified as emerging in importance. The top ten issues were prioritised as material for TIH to address and report. The eleventh and twelve issues, namely energy and efficiency measures and community engagement, which have been reported in the previous years, are also included to make it consistent. The ESG Task Force further reviewed and validated the material topics to ensure a consistent and balanced representation of the Group's significant sustainability performance and impacts. As a result, the following material topics have been prioritised for disclosure in the TIH 2020 Sustainability Report with the corresponding boundaries specified:

Materiality Matrix



Environment	Employees
1 Emissions	1 Employment
2 Effluents and Waste	2 Staff Communication
3 Energy and Efficiency Measures	3 Training and Education
4 Water Consumption	4 Gender Equality
5 Environmental Compliance	5 Occupational Health and Safety
6 Green Procurement	
7 Material Consumption	
Community	
1 Community Engagement	7 Human Rights Training
2 Anti-corruption	8 Forced and Child Labour
3 Socio-economic Compliance	9 Economic Performance
4 Corporate Responsible Procurement	10 Procurement Practices
5 Diversity and Equal Opportunity	11 Indirect Economic Impacts
6 Freedom of Association and Collective Bargaining	12 Customer Health and Safety
	13 Marketing and Labelling
	14 Customer Privacy Protection

Material Topics	Reporting Boundaries	
	KMB & LWB's Operations	KMB & LWB's Suppliers
Environment		
Energy and Efficiency Measures	➤	➤
Emissions	➤	➤
Green Procurement	➤	➤
Employees		
Employment	➤	➤
Training and Education	➤	
Staff Communication	➤	
Occupational Health and Safety	➤	
Community		
Customer Health and Safety	➤	
Community Engagement	➤	➤
Procurement Practices*	➤	➤
Economic Performance*	➤	
Marketing and Labelling*	➤	

* Newly identified material topics in this Report

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

Key Area of Interest	Stakeholders' Comments	Our Responses and Relevant Disclosures in this Report
Safety	<ul style="list-style-type: none"> › Suggest promoting safety with educational buses in schools or community centres 	<p>Safety is our utmost priority, and we make great efforts to implement safety measures and promote safety awareness. (See details in Safety First)</p>
Passengers	<ul style="list-style-type: none"> › Suggest installing facilities at bus stops (e.g. seats and shelters) and on buses (e.g. baggage racks) 	<p>Bus facilities and compartment designs have been upgraded to provide better accessibility and comfort for passengers. (See details in Care for Customers)</p>
Environment	<ul style="list-style-type: none"> › Welcome the new introduction of the latest model buses which have contributed in lower air emissions 	<p>KMB continues to work with suppliers to employ the latest technologies in new bus models. (See details in Care for the Environment)</p>
Employees	<ul style="list-style-type: none"> › Recognise the good practice of providing job opportunities for people with disabilities 	<p>As an equal opportunity employer, we are committed to ensuring that no employee is discriminated. (See details in Care for Employees)</p>
Community	<ul style="list-style-type: none"> › Suggest developing a long-term plan on voluntary activities with charitable organisations 	<p>We play an active role in a range of community activities and take various opportunities to communicate with the public. (See details in Engaging Stakeholders)</p>

»»» Safety First

Safety is our number one priority and we continue to invest heavily in improving the safety of our bus operations.





KMB and LWB are committing to safety performance

Safety Policy

The KMB and LWB Safety Policy is dedicated on a commitment made by all employees to provide a safe and healthy environment for everyone who may be affected by our work activities. It is our objective to minimise the risk of injury and ill-health.

Safety is an absolute pre-requisite in everything we do and is an integral part of our business strategy. Employees at all levels are required to comply with all legal requirements and other requirements applicable to our work activities. We consult our employees by engaging them in our safety management system. We shall continue to maintain our safety risks at as low a level as reasonably practicable and strive for continual improvement in safety performance.

Safety Committees

Safety Committees are responsible for ensuring that information about Occupational Safety and Health risks, trends and policies are adequately communicated up and down the chain of command. Meetings of the Working Committee for Safety are held to discuss safety issues at the corporate level. Meetings of Departmental Safety Committees, Maintenance Safety Committees and Operations Safety Committees are held at the local level to discuss safety issues relating to departments and sections. Departmental Safety Committees may vary the frequency of their meetings in accordance with the scale of their local safety risks.

Safety Management

We are dedicated to committing occupational health and safety and fully comply with the Occupational Safety and Health Ordinance and the Factories and Industrial Undertakings Ordinance (Chapter 509 and 59, Laws of Hong Kong). KMB adopts ISO45001:2018 Occupational Health and Safety Management System to promote further improvement of safety performance in all aspects of our business, including bus maintenance and design upgrades.

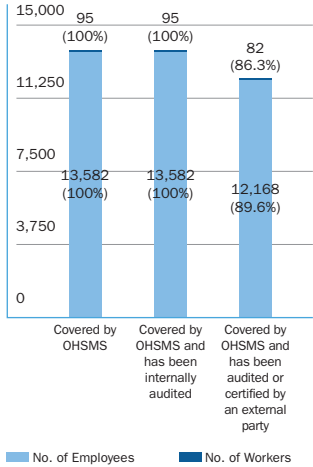
The key benchmarks of our operational performance are mechanical reliability and operational capability. Mechanical reliability refers to the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board. In 2020, the mechanical reliability of KMB's bus fleet was 94,551 km: 1, while LWB's bus fleet was 116,421 km: 1. Operational capability refers to the ratio of actual to scheduled departures during the peak hours of 7:00 a.m. to 9:00 a.m. across the bus network. In 2020, KMB and LWB attained an operational capability of 93.96% and 99.60% respectively.



KMB and LWB offer professional maintenance training to provide safe and quality bus service

The number and the percentage of staff and workers covered by our occupational health and safety management system (OHSMS)

(as at 31 December 2020)



Operational Excellence

KMB and LWB are ISO9001 certified for their Quality Management Systems. Both companies have been accredited with the latest version of ISO9001, reflecting our commitment to achieving up-to-date operational and service standards.

Risk Assessment

Risk assessments are critically conducted by managerial staff together with the relevant workers before the commencement of work. Both the working environment and staff working behaviour are checked during safety inspections and safety audits to ensure compliance with the legal requirements, the in-house safety rules and the best practices of the industry. We adopt the Plan-Do-Check-Act cycle to ensure continual improvement.

Bus Safety Facilities and Maintenance

A number of technological devices, including speed limiting devices and the telematics system, have been incorporated 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 random checks by the Transport Department of the HKSAR Government.



The GreenRoad system provides instant feedback to bus captains through an online platform to enhance their driving performance





The professional maintenance team and high-quality safety measures bring a safe and comfortable journey to passengers

Latest Bus Safety Measures

GreenRoad System

KMB and LWB have become the first franchised bus companies to introduce the GreenRoad system in Hong Kong. The system will detect up to 150 bus driving dynamics and provide real-time feedback and suggestions with ratings to the driver. When the risk is lower, the value is lower, which means the driver's driving behaviour is safer. The platform will also display the ranking of the driver's safety driving performance for the captain's future reference.

Electronic Rear-view Mirrors

Electrical rear-views mirrors have been attached on 2,573 buses to enable rear-view mirror adjustment and ensure driving safety. The bus captain can now use the button on the panel to easily adjust the rear-view mirrors, minimising the risks of incorrect posture or excessive force when adjusting the mirrors manually because of the bus height.

Tree Guard

Trees growing close to the road may be a hazard to vehicles and passengers. The use of tree guards can protect the bus windscreen and body from damage caused by branches and twigs. The tree guard design has been upgraded to have vertical bars on both sides and a crossbar to strengthen protection. KMB has taken the lead to install tree guards for the safety of 336 ADL Enviro 400 buses and Enviro 500 buses which mainly serve rural routes. More tree guards will be installed in phases.

Drowsiness Monitoring System ("DMS")

The DMS is installed on all LWB buses to monitor the status of bus captains when they are driving. This device, which is mounted on the dashboard, uses image-processing and advanced facial recognition technology to detect the level of alertness of a driver. Early audio and vibration warnings will be activated when "fatigue" or "micro-sleep" is detected.

Advanced Driver Assistance System ("ADAS")

The ADAS is installed on all LWB buses to monitor the road condition in front of a moving bus. The device is installed on the lower saloon windscreen and uses image-processing technology to detect the presence of different objects on the road and the corresponding distance. Early audio and vibration warnings will be activated when "unsafe" conditions are detected.



More tree guards will be installed to protect the bus windscreen and body from branches and twigs

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. Currently, more than 600 new buses are fully equipped with seat belts on both decks. As for buses currently in service and running on long-haul or expressway routes, 3-point safety belts will be installed on all upper-deck seats in phases.



The ESP helps reduce the risk of bus skidding when cornering

Electronic Stability Programme (“ESP”)

The ESP is an important safety feature, which reduces the risk of bus skidding or overturning when cornering or operating on a slippery road surface. To safeguard road safety, all new Euro VI buses will be equipped with the ESP. The first batch of these buses was deployed in 2019.

Parking Sensor

KMB and LWB have installed parking sensors on more than 1,100 buses. The system will alert the driver if the bus is nearing obstacles when reversing. With a camera system, bus captains can monitor the real-time situation through the screen in the driving cab.

Surveillance Cameras and Data Protection


Surveillance cameras, including forward-looking cameras, to monitor road and saloon condition, have been standard features on all new buses since 2015. At the end of 2020, surveillance cameras were installed on all KMB and LWB buses. The cameras protect the interests of bus captains in the event of police investigations or legal proceedings.

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

3-point safety belts on all seats have become a standard measure for new buses





 We provide comprehensive training to bus captains to ensure that their performance meets professional standards

Public Safety Awareness Programme

KMB and LWB attach great importance to enhancing bus safety performance and use different channels to boost public awareness of safety issues. A series of safety messages, broadcast on the Bus Stop Announcement System in Cantonese, English and Putonghua, reminds passengers to hold the handrail at all times. We have put on safety stickers, such as “Hold the handrail” and “Fasten seatbelt” on our buses. This message is also periodically conveyed via App1933 and on KMB’s Facebook page.

Bus Captain Safety Training

The Bus Captain Training School provides comprehensive basic training to all new bus captains, including a safe driving mind-set, bus manoeuvring skills and bus route knowledge. The school also offers a series of training courses for in-service bus captains, including route training, remedial training, bus type training and refresher training. Bus captains may upgrade their driving skills and enhance their safety awareness.

In 2020, the bus captain training programmes were revamped with course content and materials restructured. To further enhance and consolidate the driving manner and safety awareness of bus captains with 0 – 4 years of service, yearly refresher training has been introduced. The module for preventing passengers from “losing balance” has been enhanced in both Basic Training and Remedial Training to strengthen bus captains’ sense of caring for passengers and smooth driving. We have re-designed and developed training on “bus tyre checking” and “handling of bus tyre on smoke/fire” across all training sessions in order to draw bus captains’ attention to the importance of keeping the bus tyres in good condition while driving. Aiming at preventing accidents of hitting stationary objects, we have been conducting “Safety Talks” at different bus termini.

Fighting the Epidemic Together

January

- Stepped up compartment cleaning and the promotion of public health
- Provided non-contact infrared thermometers at depots
- Provided masks and hand sanitiser gel at bus termini
- Launched “COVID-19 Information Kiosks” on the KMB Staff Web
- Set up a notification mechanism and procedures, with inter-departmental efforts in prompt follow-up of cases



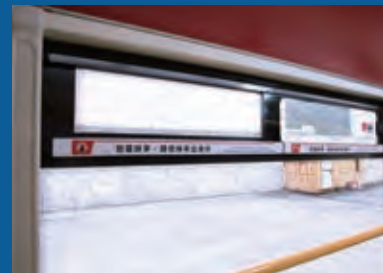
February

- Adopted the Nano-Photocatalyst Technology to step up compartment cleaning
- Installed disinfection carpets and provided hand sanitiser gel in the bus compartment
- Strengthened the compartment broadcast



March

- Installed a cleanroom and set up a production line for surgical masks in Hong Kong
- Introduced ventilation windows on some buses



April

- The ISO14644-1 Class 8 Cleanroom commenced its operation
- Distributed drinks to boost the frontline staff morale



May

- Provided Self-produced masks to staff
- Organised the “Pandemic Prevention Materials Online Market” to give staff convenience
- Launched a series of public health promotion



June

- Introduced mask vending machines
- Guaranteed to keep the price of the KMB Mask unchanged under the situation of mask shortage
- Adopted the second-round Nano-Photocatalyst Technology to step up compartment cleaning
- Free KMB Masks for passengers who purchased the KMB Monthly Pass
- Provided deep throat saliva specimen collection packs for bus captains and outdoor staff

The year 2020 was overshadowed by the Coronavirus pandemic. Facing the unprecedented challenge, we considered the health of staff members and passengers our top priority. With demonstrated professionalism, the frontline staff adhered to their obligations and the back office provided full support. As part of our infection control measures, we aimed to offer clean compartments, bring safe and enjoyable travel experiences to passengers, and overcome the challenges together with the citizens during the difficult times.

July

- Introduced the Long-lasting Smart Coating Technology to disinfect the bus fleet
- Free KMB Masks for other local companies to express our support
- Set up partitions at staff canteens, pantries and duty dispatch office, etc. with a temporary lunch area at depots



August

- Distributed face masks to subdivided unit households, the homeless and the disabled
- Donated pandemic care packs to voluntary organisations
- KMB Masks were certified with ASTM Level 1



September

- Introduced the junior version of KMB Masks
- Provided masks for students on the first school day



October

- Distributed healthy food to cheer frontline employees up



November

- Introduced the kid size of KMB Masks
- KMB Masks were certified with ASTM Level 2
- The “LeaveHomeSafe” QR code was made available at approximately 200 bus termini and interchanges



December

- Launched the “1-Dollar-1-Mask” to help passengers fight the epidemic

Mask Production Line Working Around the Clock to Protect the Community



As the coronavirus broke out at the beginning of the year, prevention supplies were in shortage. We took action promptly by setting up a cleanroom and a local production line for surgical masks in Hong Kong. KMB and LWB became the first franchised bus companies to provide self-produced surgical masks to the frontline and back office employees. The KMB Masks production line operates every day to ensure a stable supply of three sizes of ASTM Level 2 (American Society for Testing and Materials Level 2 standard) certified masks. In addition to providing comprehensive protection for our employees, we added retail locations and vending machines in multiple districts to facilitate mask purchase. We also offered surgical masks to passengers through various promotion schemes. We donate masks to a number of voluntary organisations to assist subdivided unit households, the homeless and the disabled in relieving their financial pressure.



“As a hearing-impaired person I am not afraid of the hard work. Mask production is very meaningful to me and I am very pleased to be involved because it can effectively help protect the health of Hong Kong people. The factory staff help one another and my colleagues often take care of me. They are willing to use words and body language instead of speaking to communicate so that I can easily adapt to the working environment.”

Chan Lai Dong, Worker of the mask factory

Fighting the Coronavirus in Bus Compartments with Local Technology

To allow passengers to travel safely, we worked hard to find safe and reliable anti-pandemic technology suitable for public transportation, aiming to provide clean compartments for the public and our employees. KMB and LWB became the first franchised bus companies to adopt the local “Nano-Photocatalyst Technology” and “Long-lasting Smart Coating Technology” in enhancing compartment cleaning. At the same time, we adopted other infection control measures, including the provision of hand sanitiser dispensers in bus compartments and disinfection carpets at the boarding point as well as retrofitted bus window vents to enhance natural ventilation.



“ When SARS struck Hong Kong in 2003, people kept using diluted bleach for cleaning. In fact, the bleach loses its sterilising function as it evaporates. Even if sterilisation is done every two hours, it cannot effectively prevent the spread of the virus. Given the high traffic of public transport, lasting disinfection on the surface is very important for infection control, which inspired us to develop a less volatile “Long-lasting Smart Coating Technology” adopted by KMB and LWB. I am gratified by the great help of the laboratory research. ”

Dr. Joseph Kwan, Adjunct Professor at the Division of Environment & Sustainability, The Hong Kong University of Science and Technology

Frontline Staff Value Passengers' Safety



All frontline staff and back office employees serve with professionalism despite adversity. Putting passengers' safety first, our departments keep an eye on the pandemic development and take corresponding measures efficiently. In terms of operations, we flexibly adjust our headways in line with the government's prevention and control measure and passengers' demand. Externally, we disseminate messages both online and offline, with media briefings on infection control to maintain high transparency. We maintain effective communication with the public and work to strengthen health education.



“ I keep cleaning every nook and corner of the bus compartment following the sweeping, wiping and mopping steps. I clean the whole bus, from windows, armrests, and stop buttons to the gap between seats. Now there are different kinds of antiseptic products. KMB is prompt in providing equipment for our work. Although our workload is heavy and we have to grasp the time to clean the bus properly, it is important to offer the staff and passengers a clean, safe and comfortable environment in the compartment. Despite the hard work, I feel reassured when everyone is safe. ”

Wong Siu Lin, Cleaner

Stringent Infection Control Measures Strengthen Protection for Employees

We implement strict infection control measures and internal guidelines, including temperature screening for all employees before they start working every day, and providing surgical masks for them to wear when performing duties. There is also a notification mechanism that requires employees to report COVID-19 cases to be followed up by the Inter-departmental Emergency Response Unit. All premises and buses concerned will be disinfected. Moreover, we added “COVID-19 Information Kiosks” to increase the transparency of pandemic information.



“ I always pay attention to passengers’ need. There are passengers boarding the bus in a hurry without wearing a mask. I usually have some spare masks with me, so I can help by giving them a mask to continue their journey. Actually most passengers follow the rule with a mask on. Even when there is any difficult passenger, I tend to gently remind them to protect themselves and others by wearing a mask properly before boarding. In most cases they are willing to cooperate. ”

Tang Shun Ling, Bus Captain

»»» Care for Customers

Safety, efficiency, value-for-money and comfort underpin our customer service philosophy.



New Bus Fleet and Facilities

KMB has committed to introducing innovative and eco-friendly bus service. The latest Euro VI double-decker features a glass window that shows the staircase leading to the upper deck. Sunlight is directed onto the stairs, thus enhancing safety and passengers' experience.

KMB and LWB's latest double-deck buses are equipped with upgraded passenger facilities, including a free Wi-Fi service and a number of USB charging points on both the upper and lower decks, a straight staircase for easy access to the upper deck, additional space for 2+2 seating, priority seats for passengers in need, a designated area for wheelchair users near the entrance/exit, colour contrasted handrails and easy-reach bell-pushes. In addition, the provision of the continuous railing and hand poles on the lower deck ensures a smooth passenger flow in the space between the entrance and exit doors. All seats on the upper deck of LWB's Airbus are equipped with an armrest to provide a more comfortable bus journey. As of the end of 2020, 3,306 buses meeting Euro V standard or above were licensed in the KMB fleet, while 213 buses of Euro V standard or above were licensed in the LWB fleet. The majority of these buses have been deployed on routes passing through low-emission zones to improve the air quality in busy districts.

The entire KMB and LWB fleets deploy super-low floor buses for easy boarding and alighting, as well as wide entrance and exit doors for better passenger access, which means that all KMB and LWB buses are accessible to the elderly and wheelchair users. In addition, KMB has retrofitted around 200 buses to accommodate two wheelchair passengers, to run mainly on routes travelling to hospitals.

LWB has become the first franchised bus company in Hong Kong to install diversified e-payment system in its fleet, and support contactless payment method by using a credit card, e-wallet on mobile devices and smart watches, or scanning the QR code for easy, fast and convenient bus fare payment. It proves the commitment to LWB's passengers by providing a better travelling experience with more choices for payment means and promoting smart city development. In 2021, the diversified electronic payment system will be extended to KMB.

KMB and LWB have installed the Bus Information Panel System on 3,468 buses. With the Bus Stop Announcement System, passengers can easily and clearly obtain bus stop information through the display screens on the upper and lower decks.

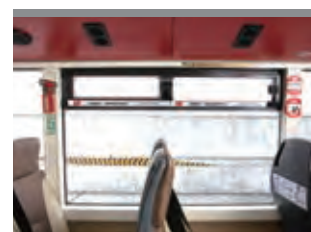
Upgraded Compartments

The air quality in bus compartments benefits from electrostatic air filters installed on all KMB and LWB buses, which are able to remove up to 80% of fine particles. As at the end of 2020, electrostatic air filters were installed on 3,860 KMB buses and 237 LWB buses. In addition, all KMB and LWB buses ordered after 2008 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 have a fresh air function which extracts fresh air outside the compartment and purifies it using a double-layer filter system.

KMB has retrofitted 192 new licensed Euro VI buses with four ventilation windows, two on each deck, to provide natural ventilation and to bring passengers a comfortable journey.



LWB introduces a diversified e-payment system in its fleet supporting contactless payment method



Ventilation windows are installed on some KMB buses to bring fresh air to passengers



We, partnering with some Green Minibus operators, provide inter-modal interchange fare concessions



Passengers of Route 98 can enjoy an interchange discount on more than 50 routes at Kwun Tong Road Interchange to Kowloon and the New Territories

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 2020, including the following:

KMB

- KMB introduced the first Regional Two-way Sectional Fare Scheme on 17 routes serving Tuen Mun, Yuen Long and Tin Shui Wai, in which the number of card reader has increased to 35;
- KMB Fare Saver Scheme offered a fare discount of up to HK\$4. To extend the coverage of this scheme, the number of Fare Saver Kiosks installed at the campus of educational institutions and at shopping malls was increased to 19 and two respectively;
- A 4-week lucky draw promotion campaign was held for KMB Cross-harbour Routes;
- A gift reward scheme was offered to monthly pass holders starting from March 2020. The gifts include KMB limited Octopus card, KMB face masks and bus tickets of LWB A-Routes and KMB Route B1;
- New Reward Scheme, “KMB x LWB FUN Redemption Scheme”, was introduced to let passengers earn points by registering via App1933 and taking bus rides;
- ICBC/KMB UnionPay Dual Currency Cardholders enjoyed a maximum of 20% bus fare rebate when they paid for KMB and LWB rides;
- A fare rebate scheme for Citibank cardholders to enjoy a 15% bus fare rebate year round;
- Partnering with Hong Kong Tramways Limited and some Green Minibus operators, KMB provides inter-modal interchange fare concessions covering routes on Hong Kong Island and in the New Territories;
- A KMB-MTR interchange discount for passengers interchanging from designated routes solely operated by KMB to designated MTR stations, and vice versa; and
- Six new Bus-Bus Interchange concession schemes covering more than 124 routes.



KMB Fare Saver Scheme and KMB x LWB FUN Redemption Scheme give back to passengers



The opening of the Tuen Mun-Chek Lap Kok Tunnel Interchange allows passengers to travel flexibly

LWB

- › ICBC/KMB UnionPay Dual Currency Cardholders enjoyed a maximum of 20% bus fare rebate when they paid for KMB and LWB rides;
- › A fare rebate scheme for Citibank cardholders to enjoy a 15% bus fare rebate year round;
- › New Reward Scheme, “KMB x LWB FUN Redemption Scheme”, was introduced to let passengers earn points by registering via App1933 and taking bus rides; and
- › A new Bus-Bus Interchange concession scheme covering five routes.

Bus-Bus Interchange (“BBI”) Schemes

KMB and LWB’s BBI Schemes offer fare discounts to passengers on the second leg of journeys and broaden the network coverage. The schemes contribute to a greener environment by improving bus usage and reducing congestion on busy roads. As of the end of 2020, KMB operated a total of 164 BBI Schemes covering all KMB operated routes, while LWB operated 28 Octopus BBI Schemes covering 29 routes. The opening of the bus interchanges at the Tseung Kwan O Tunnel (Tseung Kwan O-bound) and the Tuen Mun-Chek Lap Kok Tunnel allows passengers to travel with a flexible journey plan. The KMB and LWB websites provide more detailed and comprehensive route-to-route BBI information for passengers.

Upgrade of Depots, Termini and Bus Stops

The four major KMB depots at Lai Chi Kok, Kowloon Bay, Sha Tin and Tuen Mun, as well as the LWB depot at Siu Ho Wan, provide the KMB and LWB fleets with maintenance and repair services. The KMB Overhaul Centre in Tuen Mun provides major overhaul services, while twelve smaller depots offer parking and minor maintenance services.



KMB continues to upgrade the bus stop facilities for passengers’ better traveling experiences



Platform Numbering System is introduced to KMB Kwun Tong Road Interchange for the convenience of passengers



KMB and LWB have set up alcohol-based hand-rub dispensers at interchanges and other bus termini

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

- › KMB Kwun Tong Road Interchange Platform Numbering System is launched to facilitate passenger with greater convenience to enjoy Bus-Bus Interchange concession and have more choices.
- › Seats for the elderly, the disabled and young children are being introduced at bus shelters, bus termini and interchanges. At the end of 2020, 1,775 seats had been installed;
- › The Solar-powered Bus Shelter Campaign promotes green energy by installing solar panels to power up lighting, mosquito repelling devices and ventilation fans. 150 bus stops have been equipped with solar power equipment;
- › Alcohol-based hand-rub dispensers have been installed at the airport, the Hong Kong Port of the Hong Kong-Zhuhai-Macao Bridge, Lok Ma Chau Station Bus Terminus, interchanges and other bus termini for passengers and frontline staff members;
- › 869 bus stop locations are equipped with display panels showing the estimated time of bus arrivals;
- › 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 the bus stop for further bus route information, including bus frequencies; and
- › In 2020, 20 new bus shelters were constructed, bringing the total to 2,609.

Smartphone App

The KMB and LWB mobile app, App1933, has one million daily active users making around five million downloads. Through the app, passengers can check information on bus routes and the estimated time of bus arrivals. App1933 received a number of upgrades during the year, including an upgrade on the Bus Estimated Time of Arrival (“ETA”) service, so that passengers can also check the Estimated Arrival Time of KMB, LWB and other franchised bus companies. Besides receiving nearby route information at the bus stops through Bluetooth Beacon signal, App1933 has enhanced its intrinsic location-based function to provide the relevant traffic conditions, weather information and bus route suggestion based on a passenger’s current location through the new “myFavourite” feature. In addition, KMB and LWB introduced the new rewards scheme “KMB x LWB FUN Redemption Scheme”, under which passengers enjoyed bus rides while earning points for gifts at the same time. The app also offers the LiveChat function so that passengers can directly communicate with our customer service representatives.

A new feature, “myFavourite”, has been added on App1933. It offers the relevant traffic conditions, weather information, and “KMB x LWB FUN Redemption Scheme” reward scheme as well



Caring for Customers by Enhancing Their Experience

Embracing Innovation

The First Regional Two-way Sectional Fare Scheme in Hong Kong

Innovation and caring services underpin KMB's service philosophy. We have launched multiple fare discount plans to give back to passengers and enhanced services to meet the daily needs of the public. We noticed that there were insufficient regional bus routes across Tuen Mun, Yuen Long, and Tin Shui Wai. In this light, we leveraged on our bus network to provide more transportation choices, more comfortable journeys and cheaper options for passengers. Tailor-made card readers were installed at 35 bus stops for 17 KMB routes. After leaving the bus, passengers can tap their Octopus card to obtain a fare discount. The Scheme has been well received since its launch. Moreover, two KMB Fare Saver kiosks were made available at two shopping malls, Manhattan Mid-Town in Mei Foo and PopWalk in Tseung Kwan O, as an extension of our discount network. By tapping the Octopus card at the kiosk, passengers can enjoy a fare discount of HK\$2 for their KMB bus ride.



“ Sometimes I have gatherings with my friends in Yuen Long on holidays. Options were once very limited if I wanted to travel from Tuen Mun to Yuen Long. Since the launch of the Two-way Sectional Fare Scheme, Route 269D has become my first choice. I just need to use the App1933 to check the estimated arrival time before getting to the bus stop nearby for a direct journey to Yuen Long. It is very convenient. I also find it more flexible to choose which stop to board. ”

Mr. Kwok, Passenger

»»» Care for the Environment

Our eco-friendly bus fleets are driving us into a new era.





九巴引入超級電容巴士gBus，提升對環境的保護，致力邁向綠色運輸發展

環保政策

九巴及龍運深明巴士服務對環境的影響，因而採取以下措施，盡力將影響減至最低：

- ▶ 訂立及實現目標與指標，力求避免污染環境，並持續提升環保工作的表現；
- ▶ 透過源頭減廢、循環再造和再用，保護資源；
- ▶ 推行多種管制措施，提供專業的巴士維修保養工程服務，控制及減少巴士的廢氣排放；
- ▶ 透過培訓，提升員工的環保意識，讓員工了解我們的環保政策、目標和指標，以及巴士服務對環境造成的潛在影響；
- ▶ 與供應商就環保政策和相關要求進行交流，並供市民大眾查閱有關政策；
- ▶ 迅速回應持份者有關環保的查詢，確保公司內部能有效地就環保事項溝通；及
- ▶ 確保遵守本地所有環保法例及相關要求。

環保管理

九巴最大的兩間車廠獲得「環境管理體系」認證(ISO14001)；而九巴四間主要車廠和龍運車廠每季均會進行審核，確保符合嚴格的環境管理標準。各車廠的環保工作小組負責執行環保工作及確保符合ISO的標準。工程師團隊在管理層領導下，致力為巴士車隊和營運研發創新的環保技術。



九巴在雙層巴士安裝太陽能板後，有助降低車廂溫度

Emissions Reduction



118 tonnes
Particulate matter



1,635 tonnes
Nitrogen oxides



3.09 tonnes
Sulphur oxides

Environmental Bus Fleet

We are committed to creating a better environment and minimising the climate-related impacts by investing in eco-friendly buses that meet the strict exhaust emission standards of the European Council of Environmental Ministers. At the end of 2020, there were 442 Euro VI buses (including three Euro VI diesel-electric hybrid buses), 2,846 Euro V buses, ten battery-electric buses and eight supercapacitor buses in the KMB fleet, and 209 Euro V buses and four battery-electric buses in the LWB fleet. In collaboration with our suppliers, we have been replacing older bus models with the latest, more energy-efficient bus models to enhance the endurance and environmental performance of our bus fleets to achieve “zero emission” on the road. The average age of the KMB bus fleet has become 6.60 years, while that of LWB has become 6.04 years.



To strive for eBus development, KMB has set up electricity-recharging facilities at main depots

Exploring Renewable Energy and Zero-emission Bus Technologies

KMB and LWB strive to improve environmental performance by exploring various renewable energy and zero-emission technologies, which shows KMB and LWB’s determination to introduce green public transport in Hong Kong.

- KMB has introduced some double-deckers with solar panels to its fleet. The system reduces the air temperature in the compartment by around 8-10°C compared to a bus without such a system;
- KMB and LWB are exploring the use of an electric bus (“eBus”) with a 324 kWh Lithium Iron Phosphate battery power pack capable of delivering 200km of zero-emission bus transport; and
- KMB has introduced the “gBus”, the supercapacitor-powered 12-metre air-conditioned single deck bus. The gBus is characterised by long working hours and frequent start-stop duty cycles, as the supercapacitor can be recharged more quickly and undertake many more charging/ discharging cycles. The gBus can be powered up by an overhead pantograph or a plug-type charging port in the depot.

Checks on CO₂ Concentration

Each year, 80 KMB buses and 15 LWB buses from passenger-intensive bus routes are selected for a data logger measurement of indoor CO₂ concentration. Our buses generally demonstrate compliance with the requirement.

Greenhouse Gas Emissions

KMB and LWB seek to minimise their greenhouse gas emissions through the judicious application of the latest technologies and relevant measures.

Emissions Reduction

KMB and LWB adopt the latest technologies to reduce roadside emissions and maintain good air quality in bus compartments. We have a number of measures including using Near Zero Sulphur Diesel, renewing the models and upgrades older buses by retrofitting exhaust treatment devices, such as Diesel Oxidation Catalysts, Diesel Particulate Filters, and Selective Catalytic Reduction units, to meet the high standards of exhaust emission laid down by the European Council of Environmental Ministers.

As part of our commitment to conserving the environment, KMB and LWB are investing in upgrading the environmental performance of the bus fleets and the patrol cars as well. KMB and LWB have introduced twenty electric patrol cars for back-up support and have set up electricity-recharging facilities at the main depots.

Consumption and Waste

KMB and LWB take all practicable measures to reduce precious resources consumption and streamline waste disposal procedures. We aim to handle and dispose of all materials in compliance with present laws and regulations and in a responsible manner without creating risks to human health or the environment.

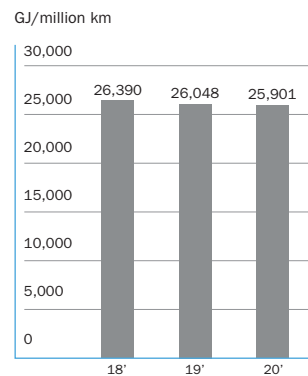


Twenty electric patrol cars are introduced to KMB and LWB's fleets for back-up support



KMB and LWB's aircraft-style fuel filling system prevents spillage

Total Diesel Oil Consumption of KMB & LWB



More than 300 solar panels have been installed on Tuen Mun Depot's rooftop for promoting the application of renewable energy



With the environmental-friendly design, the automatic waste water treatment systems properly treat effluents

Energy Consumption

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

- The aircraft-style "Posilock" fuel filling system is used to refuel buses;
- Ambient sensors are installed on air-conditioned buses to save energy by reducing unnecessary cooling;
- The use of synthetic gearbox oil extends the oil drain interval from 30,000 to 150,000 km, reducing waste oil by 80%; and
- The mileage-based oil change scheme brings about a 40% reduction in engine oil consumption and waste oil.

Electricity Consumption

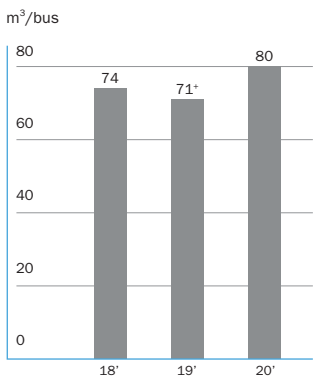
We continue to explore environment-friendly initiatives and invested in the latest technologies to minimise energy use and reduce greenhouse gas emissions. Over 600 fluorescent tubes, flood lights and spot lights were switched off in the main depots. After the implementation of these saving measures, the depots reduce its total electricity consumption by around 6%, we have re-arranged the operation period of the air-conditioning units at depots, which has reduced the electricity consumption in that depot by around 2%.

Through cooperation with a power company, a Solar Photovoltaic System consisting of more than 300 solar power panels has been installed on the roof of the Tuen Mun Depot. KMB will gradually introduce the system in major and satellite depots to strengthen the application of renewable energy and reduce greenhouse gas emissions.

Water Consumption and Waste Water Treatment

KMB and LWB as responsible corporate citizens are committed to reducing water consumption and properly treating effluents before discharge. Our depots are equipped with 10 automatic waste water treatment systems handling 400 cubic metres per day. The water used for bus washing was collected and recycled, bringing a reduction in total water consumption at depots of around 4%. However, owing to the COVID-19 pandemic, the total water consumption increased by 9.86% compared to 2019.

Total Water Consumption of KMB & LWB[#]



[#] The Water Consumption in all KMB and LWB premises, excluding tenants, were taken in account

^{*} Refer to GRI Standards 102-48, Restatements of information

Waste Generation

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:

Tyres

Used KMB and LWB tyres were retreaded by KMB's appointed contractors.

Fluorescent Tubes

KMB and LWB sent used fluorescent tubes to the government's Chemical Waste Treatment Centre for recycling.

Oil and Chemicals

The solid chemical waste were treated and stored by type in designated areas at bus depots before being disposed of by a registered chemical waste collector at the government's Chemical Waste Treatment Centre and waste oil were recycled or disposed of in accordance with the statutory standards.

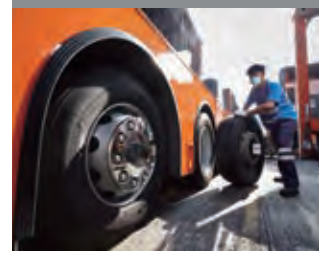
Batteries were disposed of by a licensed contractor in compliance with Environmental Protection Department ("EPD") instructions, including some which were exported to overseas facilities approved by the EPD under the Basel Convention.

Metals

KMB and LWB sent waste metals to recycling companies.

Green Measures in the Office

The Green Office concept drives both the design and the renovation of our premises. The air-conditioning thermostats are set to 25.5°C to conserve energy and protect air quality in line with the government's Action Blue Sky Campaign. Operating hours have also been re-arranged to reduce energy waste during non-office hours. Higher efficiency air conditioning units are installed in all newly renovated office. Lower-energy LED lighting is used on the ceilings of depots and in the common areas of our headquarters building, including the main lobby, to reduce electricity consumption and the demand for air-conditioning.



Used tyres were retreaded by appointed contractors



KMB and LWB have continually implemented several measures in depots and offices to reduce electricity consumption

»»» Care for Employees

Our employees are our greatest asset, and we cherish them accordingly.





We have organised various health programmes and festive activities for staff engagement

Human Resources Policy

We take care of our employees by maintaining a safe, respectful and harmonious work environment. We adopt a set of comprehensive human resources policies promoting gender equality, offering protection against sexual harassment, occupational health and safety, preventing bribery, and protecting 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, sex, 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 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 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.

From time to time, we remind our employees to comply with Human Resources Policies. In addition, we have a complete complaints handling mechanism in place. In case we receive complaints, we would thoroughly investigate all complaints on breach of the above policies and take appropriate action. Depending on the degree of seriousness of the complaint, an ad hoc committee may be set up to investigate the complaint. Severe disciplinary action, including summary dismissal, will be instigated for any violation.



To show our caring for employees, KMB and LWB distribute drinks to staff members



We have organised the “Father’s Day Look-alike Photo Competition”

Staff Benefits

To help attract and retain talented staff, competitive benefits packages are offered, including annual leave, medical benefits, hospitalisation insurance, accident insurance and free bus travel for staff and dependents. In the reporting period, KMB and LWB strengthened the benefits package of full-time employees by:

- › Increasing the annual leave entitlement of frontline and clerical staff; and
- › Upgrading the staff medical benefits by increasing the number of clinics from 4 to 23 covering far more convenient locations and including staff family members and retirees for corporate discount rates.

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 for the children of staff with satisfactory academic performance to support their tertiary education. As at 31 December 2020, more than 300 children of KMB and LWB staff members had received scholarships. We further launched a 8-week summer internship programme for our staff’s children this year, allowing students to understand their own strengths and potentials and have a better future career plan.

Festive joys were brought to our staff at different festivals as well. At the Lunar New Year, we distributed Chinese New Year gifts to our staff, while at Christmas, we organised a Christmas Lucky Draw live broadcast to celebrate the festive season. Senior corporate executives and managerial staff joined the gatherings and shared the festive joy with colleagues. During the year, several initiatives were implemented with overwhelming feedback. The “Father’s Day Look-alike Photo Competition” was a venue where staff members could proudly share their family affection through photos. Online concerts also attracted those who were fond of talent shows.



KMB and LWB are committed to fostering a caring culture to both staff members and their families. We have organised a Christmas Lucky Draw and provided a scholarship programme

Staff Communication

To strengthen bilateral communication and staff welfare, each of the five KMB and one LWB Joint Consultative Committees, comprising management and staff representatives representing around 90% of KMB and LWB's total workforce, holds meetings monthly and bi-monthly in general. The meetings are to review issues including safety, operations, work environment and staff welfare. At the meetings, employee representatives generally account for 90% of attendees to ensure that the views of staff are comprehensively relayed.

Staff members are kept informed through the staff website 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 online, as well as using an e-learning training platform. The bi-monthly 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 modern technologies such as the social media to share information with our staff to cope with the onset of the COVID-19 and various infection control measures. The KMB Staff Facebook page was therefore revamped in April 2020. Several online activities and programmes, including an online staff music concert and the Christmas Lucky Draw, were held to maintain connection with staff members. The number of followers on the Facebook page dramatically was increased by five times in 2020.

Senior Management Visits

Members of KMB and LWB senior management visited bus termini, depots and offices during the year to give support to our colleagues and listen to their opinions. These visits provided an excellent opportunity for staff to share their views about operational matters and workplace-related issues with the management team members.

Occupational Safety and Health

KMB and LWB staff members are encouraged to suggest improvement measures to enhance health and safety conditions. After reviewing staff suggestions at the regular meetings of the Working Committee for Safety, a series of safety control measures has been introduced. Safety promotion has been launched throughout the year to raise safety awareness of staff. Topics suitable for operations and maintenance are involved, including safety precautions for different working procedures in maintenance workshop, fire evacuation procedure, manual handling procedure and safe bus driving tips. To enhance the competence of our staff regarding the new requirements defined in ISO45001, several training courses, which are conducted by Hong Kong Quality Assurance Agency, have been arranged for all staff at different levels.

In 2020, KMB and LWB launched a series of health-related activities, including a health talk, a weight loss campaign and a cooking competition to promote a healthy lifestyle. A seasonal flu vaccination discount was also offered to staff members to protect them against flu viruses.

Improved Working Environment

KMB and LWB have continued to renovate and upgrade the working environment, especially for frontline staff, to provide better rest facilities for staff to take rest breaks. Further to its opening at Kowloon Bay Depot, our staff leisure area Club 1933 was opened at Lai Chi Kok Depot, where a pool table, an air hockey table and a table football are available.



Members of KMB and LWB senior management have visited bus termini to give support and appreciation to our frontline colleagues



We offer seasonal flu vaccination discount to staff members



KMB and LWB have organised a training in psychology and counseling for staff to enhance the capability in handling incidents

Skills Development and Training

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 to improve employees' communication skills from a psychological perspective and alleviate the negative emotions of employees when handling accidental incidents.

Technical and Apprentice Training

Since 1973, the Technical Training School has been responsible for training our bus maintenance staff to keep up with the latest bus technologies. In 2020, 148 in-house training sessions were run for 819 skilled workers, while three training sessions were organised in collaboration with our manufacturers for 29 engineers, supervisors and foremen.

To ensure a continuous stream of skilled workers to provide maintenance for the KMB and LWB bus fleets, the school runs a four-year apprenticeship training programme for young people who are interested in bus maintenance. The total number of graduates since the school was established stands at 2,513. At the end of 2020, 66 apprentices were enrolled in the School's programme. The quality of our apprentice training was once again recognised in 2020 when a KMB apprentice was awarded the Third Runner-up in the Vocational Training Council's Best Apprentice in the Automobile Trade Competition.

A two-year technical trainee programme was launched to strengthen our professional team and nurture young people who aspire to a career in bus maintenance. Trainees who complete the programme will receive a Completion Certificate from bus manufacturers.

A two-year technical trainee programme is launched to nurture talents in bus maintenance





Star Bus Captains are recognised for their outstanding performance in safe driving and customer care. Besides, we make use of social media platform under the situation of COVID-19 to organise an online staff concert



Psychological Support

KMB and LWB have engaged the Christian Family Service Centre to provide a counselling hotline service for staff members including bus captains who need assistance. In 2020, the hotline extended its service to 24 hours a day, 7 days a week, and broadened its coverage to include family members.

Recognition for Service Excellence

In 2020, 271 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 49 employees received the 35-year award and a gold medal, 70 and 227 employees received the 30-year and 20-year awards respectively with a plaque and a pin, and 275 employees with 10 years' service received a certificate of appreciation. Including the Retirement Awards, over 1,300 employees were awarded in appreciation of their loyal and outstanding service.

Sports and Leisure Activities

To promote work-life balance, KMB and LWB staff members are encouraged to participate in sports and leisure activities as well as voluntary work. As at the end of 2020, nine interest clubs were available for staff interested in singing, photography, basketball, table tennis, badminton, soccer, running, chess and dragon boat racing. Various activities, training and competitions were organised to promote a healthy work-life balance and to boost the team spirit.

TIH Retiree Association

The TIH Retiree Association was formed to maintain close contacts with retired colleagues through various activities. Owing to the outbreak of COVID-19, regular activities such as afternoon tea gatherings and festive gift distribution have been suspended. We have thus utilised the Facebook page and set up a KMB retiree website to share activity photos, so as to enhance the communication channel with retirees and promote mutual support among them.



We have set up the TIH Retiree Association to maintain close contacts with retired colleagues

Grooming Talents for the Future

Nurture Management Leaders : Management Trainee Programme



To nurture professional talents, KMB has developed the Management Trainee Programme and the Engineering Graduate Programme.

The Management Trainee Programme provides a comprehensive platform for young employees, allowing them to rotate across major departments during a three-year training period. Besides giving a better understanding of the franchised bus industry, the trainees will be equipped with techniques and knowledge in different aspects, such as personnel management, law and corporate communications, as well as accumulated practical working experience to develop into multi-talented management.

During the period, on-the-job training and guidance from supervisory management will enable the trainee to unleash their full potential and take on a managerial position in the future.



“ I always have a keen interest in public transport affairs. I obtained a bachelor’s degree in sociology and a master degree in management in the United Kingdom. When I lived there, I came to learn more about the operation of local bus companies, which later helped me bring new ideas to KMB. After joining the company, I had the opportunity to understand the operations of different departments. I realised that bus operations rely on the cooperation and team spirit of all departments. The new technique and professional knowledge learnt also broadened my horizons. ”

Jethro Chow, Management Trainee

Acquire Professional Qualifications: Engineering Graduate Programme

The Engineering Graduate Programme aims to develop a group of professional engineers with specific skills and experience to fit in the local bus industry. The engineering graduates will get to work at various depots and departments to learn about bus parts and systems. They will also have the opportunity to participate in bus design projects.

Spanning a minimum period of 24 months, the Programme, once completed, represents qualification for the Scheme “A” Graduate Training of the Hong Kong Institution of Engineers. They could gradually promote to assistant engineers, engineers, senior engineers, and management.



“Joining KMB allowed me to work closely with different parts of the bus, learning more about the mechanical structure and operation. I participated in a project led by an experienced mentor, which laid a solid foundation for my future career. From the gearbox, the engine to seats and handrails, every detail is crucial to a bus. I joined a project which involved adding an edge guard to the electronic screen. This provides additional protection to passengers, especially users of the priority seat. I was delighted with the completion of the project.”

Philip Lai, Engineering Graduate

Engaging Stakeholders

We are committed to supporting various initiatives to enhance the well-being of the community and engaging our stakeholders through effective communication channels.





KMB runs pop-up stores at different shopping malls and has a Shop1933 at Manhattan Mid-town to interact with the public



Engaging the Public

In 2020, a number of events were organised to interact with the public we serve:

- › In January, KMB operated three Lunar New Year stalls at Tai Po Mega Mall, Tseung Kwan O East Point City and Tai Po Lam Tsuen;
- › In October and November, KMB ran pop-up stores at Sham Shui Po V walk and Tseung Kwan O East Point City. The stores allowed the public to understand more about KMB's services, showcasing bus models and providing various games and photo opportunities related to bus services; and
- › KMB and LWB held a total of 12 Passenger Liaison Group meetings at bus termini across their operating areas to collect customer views on a variety of issues, including interchange schemes, environment-friendly buses, passenger facilities and network connectivity.

Media and Online Communication

In 2020, we invited the media to our events to strengthen communication and made increasing use of social media platforms such as Facebook and Instagram to publicise KMB and LWB-related information. Our interaction with netizens included a number of cross-media activities. These activities proved popular, as the number of fans of our Facebook page grew from over 151,000 in January to over 170,000 at the end of December. Likewise, the KMB Instagram account had reached more than 230,000 netizens since it launched.

Firm in the belief that social media platforms constitute a major communication means between the public and the Group, we will continue to make good use of online communication platforms to strengthen its ties with the public.

The following activities were organised via online social media platforms:

- › Throughout the year, KMB Facebook has promoted different events with images, GIFs and videos, especially for safety measures against COVID-19 and bus services; and
- › In December, KMB organised Christmas give-away events to KMB fans through Facebook and Instagram.



App1933 has a “Missing Person Notice Function” to help find missing elderly

App1933

KMB has further launched the “Missing Person Notice Function” on App1933 to strengthen assistance in locating missing elderly people by their Octopus numbers. Passengers received the notice through App1933 to help find missing elderly. Meanwhile, when a missing person boarded the bus and tapped the card, the system will alert the bus captain to identify the elderly person.

Websites

The KMB and LWB websites (www.kmb.hk and www.lwb.hk), as corporate information portals, provide corporate news, promotion information and a customer enquiry service. The websites also serve our passengers by providing a map-based point-to-point bus route search function, LiveChat and “Octopus Refund Enquiry” functions.

Customer Service Centres

Our Customer Service Centres provide passengers with a one-stop service offering KMB and LWB souvenirs, Octopus Card add-value services and the provision of bus route information, while the Tai Lam Interchange Customer Service Kiosk similarly provides a wide range of services. The kiosk provides cash withdrawal and free Wi-Fi services, as well as a range of convenience goods, providing a handy one-stop service. Tuen Mun Road Bus-Bus Interchange Customer Service Centre provides an air-conditioned waiting area for passengers to enjoy a comfortable environment. The customer service kiosk at Hong Kong International Airport’s Ground Transportation Centre provides a passenger enquiry service and Airbus ticket sales.



The new opening of Tuen Mun Road Bus-bus Interchange Customer Service Centre (Kowloon-bound) provides a comfortable waiting area for passengers

Customer Service Hotline

The KMB customer service hotline (2745 4466) and LWB customer service hotline (2261 2791) handled about 0.98 million and 20,000 calls in 2020 respectively, an average of 81,250 and 1,600 calls a month, with a hotline operator service available daily from 7:00 a.m. to 11:00 p.m. being complemented by a 24-hour hotline system. Shortcut keys to get through to a live operator are available for prompt reporting of illegal parking that affects bus service and for providing assistance in finding lost elderly people.

LiveChat for Enquiries

To provide more channels for passenger enquiries, KMB and LWB have set up a LiveChat channel on their websites and App1933 to provide instant responses to customer enquiries, offering a daily service from 7:00 a.m. to 11:00 p.m.

Customer Feedback

KMB and LWB place great emphasis on providing quality services for customers and welcome customers who wish to express their views on bus service. All customer feedback is handled with due care. KMB and LWB treat substantive feedback as a reference for continuous service improvement and future service development.

Hosting Visits

To increase our stakeholders' understanding of the daily operations at our bus depots, we received visitors from three organisations in the reporting period, including social service organisations and overseas delegations. We have also engaged schools and non-government organisations through a depot visit programme to promote good manners and safety awareness on the bus, especially for students and the elderly. We hosted two delegations in 2020.

Membership of Associations and Advocacy

During the reporting period, we further strengthened the connection with stakeholders via participation in the following organisations:

- › Business Environment Council;
- › Employers' Federation of Hong Kong;
- › Federation of Hong Kong Industries;
- › The Chartered Institute of Logistics and Transport in Hong Kong; and
- › The Hong Kong General Chamber of Commerce.

Serving the Community

We 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 elderly people and nurturing youth development.

To support the elderly and passengers in need, each year KMB and LWB participate in the International Day of Disabled Persons event organised by The Hong Kong Council of Social Service, offering free rides on all bus routes to people with disabilities and one accompanying carer. KMB and LWB also supported the annual Senior Citizens Day by offering free rides to people aged 65 and over.

We sponsor and participate in a variety of local community programmes, including The Community Chest of Hong Kong's Dress Casual Day and Suicide Prevention Services' Virtual Charity Walk, as well as taking part in The Hong Kong Council of Social Service Caring Company Patron's Club. In 2020, KMB provided bus body advertisements for 13 non-governmental organisations ("NGOs") on 23 buses. We donated two tailor-made bus stop poles to Caritas Harold H.W. Lee Care and Attention Home and Caritas Jockey Club Integrated Day Services Centre for the Elderly to help prevent elderly people with dementia from missing and assist them in receiving treatment.



Customer Service Centres provide passengers with a one-stop service



KMB staff and FRN have participated in Suicide Prevention Services' Virtual Charity Walk



KMB has provided resting areas at three bus termini for the public having meal during the restrictions on dine-in services at all times



The Donation of Used and Retired Bus Programme has donated 34 buses to schools since 2016

Donation of Used and Retired Bus Programme

To nurture the next generation and show our support for sustainability and recycling, KMB launched the Donation of Used and Retired Bus Programme in 2016 to donate used and retired buses to schools and non-profit organisations. The buses can be regenerated explicitly to meet the creative learning needs of the schools or non-profit organisations. By the end of 2020, 34 retired buses had been donated.

The list of beneficiary schools/non-profit organisations that received donated bus in 2020 is as follows:

- › Si Yuan School of the Precious Blood;
- › Holy Cross Lutheran School;
- › Shun Lee Catholic Secondary School;
- › Conservative Baptist Lui Ming Choi Primary School; and
- › Tin Shui Wai Methodist Primary School.

FRIENDS OF KMB

KMB’s volunteer club FRIENDS OF KMB (“FRN”) has promoted environmental protection, civic education and social service activities since it was formed in 1995. In the reporting period, FRN comprised 2,100 members, including passengers and KMB and LWB staff and their dependents.

During the reporting period, FRN volunteers participated in regular home visits and made care calls to elderly people who were suffering from depression. The programme was organised by the Suicide Prevention Service, with whom FRN has built up a partnership since 2013. FRN also assisted Food for Good Community Kitchen in packing hot meals for elderly people and underprivileged families weekly. In recognition of our contributions to the community, FRN received the Award of 10,000 Hours for Volunteer Service, Honour Award in the Highest Service Hour Award (Private Organisations – Best Customers Participation) and Merit in the Highest Service Hour Award (Private Organisations) from the Social Welfare Department.



FRN assists Food for Good Community Kitchen in packing hot meals for elderly and underprivileged families

Caring for Senior Citizens with Wise Use of Resources

Donating “Caring Bus Stop Pole” to Help Prevent Elderly People From Going Missing

To support the development of an age-friendly community, we made the first donation of the Caring Bus Stop Pole to the care homes for the elderly in Hong Kong, which allows the elderly with Dementia waiting at the bus stop to prevent them from wandering off. Two bus stop poles named by the care homes were tailor-made for two beneficiary organisations, the Caritas Harold H.W. Lee Care and Attention Home and Caritas Integrated Day Services Centre for the Elderly to assist the elderly in receiving treatment as well.

To help missing elderly people reunite with their families, a shortcut was added to the KMB Customer Service Hotline. When family members press “8” after dialing the hotline, they can contact a person dedicated to providing relevant information. After receiving the request for assistance, KMB will use the Octopus card number to locate the missing elderly through our powerful bus fleet while publishing a tracing notice on App1933 in order to increase the chance of finding the missing elderly.



“ We had a case of an elderly absconding from the care and attention home and getting on a bus. Therefore, we set up a simulated bus stop in our place to prevent the elderly from going missing. Many elderly people are able to recall bus stops. When they see something they are familiar with, their emotional instability may be reduced. They also tend to “wait” for the bus at the pole, which helps minimise the probability of elderly people getting lost. I would like to express my gratitude to KMB for its donation and assistance. We hope more corporations will consider the needs of elderly people in their services or facilities. ”

KWAN Siu Ling, Tanny, Senior Social Work Supervisor (Service for the Elderly), Caritas Hong Kong

Performance Statistics

from 1 January to 31 December 2020

	Unit	2020	2019	Year-on-year change
Environment				
Emissions				
GHG Emissions of Bus (Scope I)	tCO ₂ e	506,886	566,360 ⁺	-10.50%
GHG Emissions of Bus (Scope I) Intensity	tCO ₂ e per million km	1,770	1,781 ⁺	-0.62%
GHG Emissions of Electricity (Scope II) ¹	tCO ₂ e	12,852	14,281 ⁺	-10.01%
GHG Emissions of Electricity (Scope II) Intensity	tCO ₂ e per m ²	0.033	0.037 ⁺	-10.81%
Nitrogen Oxides (NOx) ²	Tonnes	1,635	1,862	-12.19%
Sulphur Oxides (SOx) ²	Tonnes	3.09	3.46 ⁺	-10.69%
Particulate Matter (PM) ²	Tonnes	118	134	-11.94%
Consumption				
Diesel Oil Consumption	Gigajoules (GJ)	7,415,428	8,285,315	-10.50%
Diesel Oil Consumption Intensity	GJ per million km	25,901	26,048	-0.56%
Water Consumption ³	m ³	339,724	309,232 ⁺	+9.86%
Water Consumption Intensity ³	m ³ per bus	80	71 ⁺	+12.68%
Electricity Consumption ³	kWh	25,703,619	28,001,154 ⁺	-8.21%
Electricity Consumption Intensity ³	kWh per m ²	66	72 ⁺	-8.33%
Waste				
Hazardous Waste				
Solid Chemical Waste	Kilograms (kg)	1,453,020	1,587,940 ⁺	-8.50%
Solid Chemical Waste Intensity	Kilograms (kg) per million km	5,075	4,992 ⁺	+1.66%
Tyres	Kilograms (kg)	1,063,800	1,197,000 ⁺	-11.13%
Fluorescent Tubes	Kilograms (kg)	900	2,200 ⁺	-59.09%
Waste Oil	Kilograms (kg)	583,060	625,780 ⁺	-6.83%
Battery ⁴	Kilograms (kg)	166,000	118,320	+40.30%
Non-hazardous Waste				
Metal ⁵	Kilograms (kg)	829,449	796,562 ⁺	+4.13%
Metal Intensity ⁵	Kilograms (kg) per million km	2,897	2,504 ⁺	+15.69%

¹ The emission factors of greenhouse gas emissions due to electricity consumption were obtained from the Sustainability Reports of CLP Power: 0.51 kg CO₂e/kWh in 2019 and 0.50 kg CO₂e/kWh in 2020.

² The emission factors were taken from "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.

³ The electricity consumption and water consumption in all KMB and LWB premises, excluding tenants, were taken into account.

⁴ In enhancing bus safety performance, additional safety features on buses were installed, leading to a shorter lifecycle of the battery.

⁵ A sufficient amount of metal was disposed of in cleaning up some areas in a depot.

⁺ Refer to GRI Standards 102-48, Restatements of information

	Unit	2020	2019	Year-on-year change
Employee				
Total Workforce	No. of employees	13,582	13,457	+0.93%
By Gender				
Female	No. of employees	1,172	1,177	-0.42%
Male	No. of employees	12,410	12,280	+1.06%
By Age Group				
Below 40 year old	No. of employees	3,027	3,017	+0.33%
40-50 years old	No. of employees	4,011	4,054	-1.06%
Over 50 years old	No. of employees	6,544	6,386	+2.47%
By Employment Category				
Senior level	No. of employees	30	24	+25.00%
Middle level	No. of employees	285	277	+2.89%
Entry level	No. of employees	13,267	13,156	+0.84%
By Employment Type by Gender				
Full Time Female	No. of employees	1,039	1,050	-1.05%
Full Time Male	No. of employees	11,807	11,514	+2.54%
Part Time Female	No. of employees	133	127	+4.72%
Part Time Male	No. of employees	603	766	-21.28%
By Employment Contract by Region				
Permanent in Hong Kong	No. of employees	12,452	12,120	+2.74%
Permanent in Other Region	No. of employees	0	0	N.A.
Temporary in Hong Kong	No. of employees	1,130	1,337	-15.48%
Temporary in Other Region	No. of employees	0	0	N.A.
By Employment Contract by Gender				
Permanent Female	No. of employees	1,025	1,031	-0.58%
Permanent Male	No. of employees	11,427	11,089	+3.05%
Temporary Female	No. of employees	147	146	+0.68%
Temporary Male	No. of employees	983	1,191	-17.46%
Total Training Hours ⁶	No. of hours	232,024	550,970	-57.89%
Average Training Hours by Gender ⁶				
Female	No. of hours	11	18	-38.89%
Male	No. of hours	18	43	-58.14%
Average Training Hours by Employment Category ⁶				
Senior Level	No. of hours	1	2	-50.00%
Middle Level	No. of hours	6	7	-14.29%
Entry Level	No. of hours	17	42	-59.52%

⁶ Owing to the COVID-19 pandemic, most of the external and internal training courses were suspended to help maintain social distancing.

Reporting Content Index Tables

TIH has developed this report in accordance with the Core Option of the Global Reporting Initiative Standards (“GRI”) Sustainability Reporting Guidelines and the Environmental, Social and Governance Reporting Guide (“ESG” Guide) issued by the Hong Kong Exchanges and Clearing Limited (“HKEX”). 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.

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/ Reason for omission	Page(s) ^: refer to TIH 2020 Annual Report
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016				
Organisation Profile				
	102-1	Name of the organisation	Group Profile	2-3 [^]
	102-2	Activities, brands, products, and services	Group Profile Business at a Glance Key Franchised Bus Network in Hong Kong	2-3 [^] 4-5 [^] 6-7 [^]
	102-3	Location of headquarters	Property Holdings and Development	38-39 [^]
	102-4	Location of operations	Business at a Glance	4-5 [^]
	102-5	Ownership and legal form	Business at a Glance	4-5 [^]
	102-6	Markets served	Business at a Glance	4-5 [^]
	102-7	Scale of the organisation	Business at a Glance Key Franchised Bus Network in Hong Kong Financial and Operational Highlights Care for Employees	4-5 [^] 6-7 [^] 8-9 [^] 72-79
B1.1	102-8	Information on employees and other workers	Care for Employees Performance Statistics	72-79 86-87
B5 General Disclosure, B5.1	102-9	Supply chain	Supply Chain Management	44
	102-10	Significant changes to the organisation and its supply chain	About the Report	40-47
	102-11	Precautionary Principle or approach	Sustainability Governance Corporate Governance Report	43 110-131 [^]

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/ Reason for omission	Page(s) ^: refer to TIH 2020 Annual Report
	102-12	External initiatives	Group Profile Management Discussion and Analysis About the Report Safety First	2-3^ 18-19^ 40-47 48-59
	102-13	Membership of associations	Engaging Stakeholders	80-85
Strategy				
	102-14	Statement from senior decision-maker	Chairman's Letter Managing Director's Message	12-15^ 16-17^
	102-15	Key impacts, risks, and opportunities	Chairman's Letter Managing Director's Message	12-15^ 16-17^
Ethics and Integrity				
B7 General Disclosure	102-16	Values, principles, standards, and norms of behavior	Group Profile Legal and Regulatory Compliance Supply Chain Management Procurement and Tendering Procedures Safety First Care for Customers Care for the Environment Care for Employees Corporate Governance Report	2-3^ 44 44 45 48-59 60-65 66-71 72-79 110-131^
B7.2	102-17	Mechanisms for advice and concerns about ethics	Legal and Regulatory Compliance	44
Governance				
	102-18	Governance structure	Sustainability Governance Safety First Corporate Governance Report	43 48-59 110-131^
Stakeholder Engagement				
	102-40	List of stakeholder groups	Stakeholders Engagement and Materiality Assessment	45
	102-41	Collective bargaining agreements	Care for Employees	72-79
	102-42	Identifying and selecting stakeholders	Stakeholders Engagement and Materiality Assessment	45
	102-43	Approach to stakeholder engagement	Stakeholders Engagement and Materiality Assessment Engaging Stakeholders	45 80-85
	102-44	Key topics and concerns raised	Stakeholders Engagement and Materiality Assessment	45-47
Report Profile				
	102-45	Entities included in the consolidated financial statements	Financial and Operational Highlights Reporting Focus	8-9^ 41
	102-46	Defining report content and topic Boundaries	Reporting Principles Stakeholders Engagement and Materiality Assessment	41 45-47

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/ Reason for omission	Page(s) ^: refer to TIH 2020 Annual Report
	102-47	List of material topics	Stakeholders Engagement and Materiality Assessment	45-47
	102-48	Restatements of information	Total Water Consumption of KMB & LWB Performance Statistics	70 86-87
	102-49	Changes in reporting	Stakeholder Engagement and Materiality Assessment	45-47
	102-50	Reporting period	Reporting Focus	41
	102-51	Date of most recent report	* April 2020	–
	102-52	Reporting cycle	* Annual	–
	102-53	Contact point for questions regarding the report	Reporting Principles	41
	102-54	Claims of reporting in accordance with the GRI Standards	Reporting Principles	41
	102-55	GRI content index	Reporting Content Index Tables	88-93
	102-56	External assurance	* This report was not externally assured.	–
Material Topics				
GRI 201: Economic Performance 2016				
	103-1 103-2 103-3 Management Approach		Financial Review	94-109 [^]
	201-1	Direct economic value generated and distributed	Financial Review	94-109 [^]
GRI 204: Procurement Practices 2016				
B5 General Disclosure, B5.2, B5.3, B5.4	103-1 103-2 103-3 Management Approach		Supply Chain Management	44
	204-1	Proportion of spending on local suppliers	Supply Chain Management	44
B5.1		Number of suppliers by geographical region	Supply Chain Management	44
GRI 205: Anti-corruption 2016				
	103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance ^ Anti-corruption is not considered a material topic.	44
B7 General Disclosure, B7.1	205-3	Confirmed incidents of corruption and actions taken	Legal and Regulatory Compliance	44
GRI 301: Materials 2016				
	103-1 103-2 103-3 Management Approach		^ Materials is not considered a material topic.	–
A2.5	301-1	Materials used by weight or volume	^ Quantitative data of total packaging materials are not available as they are not applicable to KMB & LWB's business.	–

GRI 302: Energy 2016			
A2 General Disclosure, A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care for Customers Care of the Environment 60-65 66-71
A2.1	302-1	Energy consumption within the organisation	Performance Statistics 86-87
A2.3	302-4	Reduction of energy consumption	Performance Statistics 86-87
A2.3	302-5	Reductions in energy requirements of products and services	Care for the Environment 66-71
GRI 303: Water and Effluents 2018			
A2 General Disclosure, A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care for the Environment ® Water and Effluents is not considered a material topic. 66-71
A2.4	303-1	Interactions with water as a shared resource	* 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. –
	303-2	Management of water discharge-related impacts	Care for the Environment * We ensure water discharge to drainage systems and water bodies were in compliance with local government requirements. 66-71
A2.2	303-5	Water consumption	Care for the Environment Performance Statistics * No specific regions are water stressed in Hong Kong. 66-71 86-87
GRI 305: Emissions 2016			
A1 General Disclosure, A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care for the Environment 66-71
A1.2	305-1	Direct (Scope 1) GHG emissions	Performance Statistics 86-87
A1.2	305-2	Energy indirect (Scope 2) GHG emissions	Performance Statistics 86-87
A1.2	305-4	GHG emissions intensity	Performance Statistics 86-87
A1.5	305-5	Reduction of GHG emissions	Performance Statistics 86-87
A1.1	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Performance Statistics 86-87

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/ ®Reason for omission	Page(s) ^: refer to TIH 2020 Annual Report
GRI 306: Waste 2020				
A1 General Disclosure, A1.6, A3 General Disclosure, A3.1	103-1 103-2 103-3	Management Approach	Care for the Environment ® Waste is not considered a material topic.	66-71
A1.3 A1.4	306-3	Waste generated	Care for the Environment Performance Statistics	66-71 86-87
GRI 307: Environmental Compliance 2016				
A1 General Disclosure	103-1 103-2 103-3	Management Approach	Supply Chain Management Care for the Environment ® Environmental Compliance is not considered a material topic.	44 66-71
A1 General Disclosure	307-1	Non-compliance with environmental laws and regulations	* There was no non-compliance with local environmental laws and regulations in 2020.	–
GRI: 401 Employment 2016				
B1 General Disclosure, B1.1, B4, General Disclosure	103-1 103-2 103-3	Management Approach	Legal and Regulatory Compliance Care for Employees	44 72-79
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Care for Employees	72-79
GRI 403: Occupational Health and Safety 2018				
B2 General Disclosure, B2.3	103-1 103-2 103-3	Management Approach	Safety First Care for Employees	48-59 72-79
B2.3	403-1	Occupational health and safety management system	Safety First	48-59
	403-2	Hazard identification, risk assessment, and incident investigation	Safety First	48-59
	403-3	Occupational health services	Care for Employees	72-79
	403-4	Worker participation, consultation, and communication on occupational health and safety	Safety First Care for Employees	48-59 72-79
	403-5	Worker training on occupational health and safety	Safety First Care for Employees	48-59 72-79
	403-6	Promotion of worker health	Care for Employees	72-79
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety First	48-59
	403-8	Workers covered by an occupational health and safety management system	Safety First	48-59

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/ ®Reason for omission	Page(s) ^: refer to TIH 2020 Annual Report
GRI 404: Training and Education 2016				
B3 General Disclosure	103-1 103-2 103-3	Management Approach	Safety First Care for Employees	48-59 72-79
B3.1 B3.2	404-1	Average hours of training per year per employee	Performance Statistics	86-87
GRI 408: Child Labour 2016				
B4 General Disclosure, B4.1, B4.2	103-1 103-2 103-3	Management Approach	Legal and Regulatory Compliance ® Child and forced labour is not considered a material topic.	44
GRI 413: Local Communities 2016				
B8 General Disclosure	103-1 103-2 103-3	Management Approach	Engaging Stakeholders	80-85
B8.1 B8.2	413-1	Operations with local community engagement, impact assessments, and development programs	Engaging Stakeholders	80-85
GRI 416: Customer Health and Safety 2016				
B6 General Disclosure, B6.1, B6.3, B6.4	103-1 103-2 103-3	Management Approach	Safety First Engaging Stakeholders * Products sold or shipped and intellectual property rights are not material to KMB and LWB's business nature.	48-59 80-85
	416-1	Assessment of the health and safety impacts of product and service categories	Safety First Care for the Environment	48-59 66-71
GRI 417: Marketing and Labelling 2016				
	103-1 103-2 103-3	Management Approach	Engaging Stakeholders	80-85
	417-3	Incidents of non-compliance concerning marketing communications	* There was no non-compliance with local marketing communications laws and regulations in 2020.	
GRI 418: Customer Privacy 2016				
B6 General Disclosure, B6.5	103-1 103-2 103-3	Management Approach	Safety First ® Customer Privacy is not considered a material topic.	48-59
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safety First Care for Employees Engaging Stakeholders * There were no significant incidents of non-compliance concerning laws and regulations during the reporting period.	48-59 72-79 80-85



載通國際
Transport International

Transport International Holdings Limited

15/F, 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong

Telephone : (852) 2786 8888

Facsimile : (852) 2745 0300

www.tih.hk

Stock Code: 62



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