

CORPORATE CULTURE

Customer Service



Customer satisfaction remains at the heart of KMB's business philosophy

Across all aspects of our operations, our corporate culture is built around the provision of quality customer service and an awareness of community needs. Whether we are devising new routes, developing new fare structures, designing bus shelters or handling operational issues which may have social or environmental impacts, we take a meticulous approach to our decisions.

Bus Fare Discount Schemes

Over the past year, we have reviewed fare concessions offered by both KMB and LWB to Octopus card users in the wake of the economic downturn, especially after the SARS crisis. The following three fare concession schemes, first implemented for a period of 12 consecutive months from 1 October 2003, were extended to 28 February 2005. The first and second of these schemes were subsequently extended further to 31 May 2005.

	Discount rates	Exceptions
1. Passengers aged 65 or above	Flat fare of HK\$1 on Sundays and public holidays on all KMB and LWB routes	Airport "A" and racecourse routes
2. Fares at or above HK\$15	10% on all KMB and LWB routes	Airport "A" and recreation routes
3. Fares between HK\$10 and HK\$14.9	5% on all KMB and LWB routes	Airport "A" and recreation routes

The "Octopus" Smart Card

The electronic Octopus Smart Card System, a fleet-wide feature, is being adopted by an increasing number of passengers for fare payment. In December 2004, about 84.2% and 85.3% of KMB's and LWB's fare revenue respectively was paid by Octopus cards, compared with the corresponding ratios of 81.5% and 82.1% in December 2003. Passengers can board buses quickly using the Octopus cards instead of coins to pay fares. Journey times are shortened and there is a significant cost saving in terms of cash collection and administration. Today, the Group is the largest corporate user of Octopus cards in Hong Kong in terms of the number of card payment transactions.

The expansion of the Octopus Bus-bus/Bus-rail Interchange Schemes ("Octopus BBI/BRI Schemes"), both within the KMB route network and joint inter-modal schemes with other public transport operators, offers more fare discounts to our passengers. At the same time, these schemes improve network coverage, save resources and

relieve traffic congestion on busy corridors. By the end of 2004, KMB had 47 Octopus BBI Schemes covering over 204 bus routes and an Octopus BRI Scheme operating between KMB and KCRC's West Rail which covered 18 feeder routes and three West Rail stations.

LWB has two Octopus BBI Schemes at Tsing Ma Control Area and a joint-operator BBI Scheme at Tung Chung Town Centre. The joint-operator Octopus BBI Scheme at Tin Shui Wai Town Centre was discontinued in January 2004 following the opening of the West Rail.

Electronic Bus-stop Announcement System

Passengers have welcomed the on-board electronic bus-stop announcement system which was introduced on KMB buses since 1998. The system delivers voice announcements and shows upcoming bus stops on light emitting diode ("LED") displays. During 2004, KMB extended the system to 952 buses of its fleet, bringing the total number of buses with this system to 3,605. KMB intends to make it standard equipment on its entire fleet in the near future. The same system has also been installed on all 136 LWB double-deck buses operating on Airbus and North Lantau external routes. Electronic fare display machines installed on KMB and LWB buses also provide clear information on full and concessionary fares.

Bus Service Information

We are constantly looking at improvements to when and how service information is made available to passengers. Integrated Bus Service Information Display Systems ("IBSID Systems") are the foundation of our information dissemination programmes and new systems were commissioned at Tsz Wan Shan (Central) and Sheung Shui Termini in 2004, bringing the total number of termini equipped with these systems to 19. In most cases, large LED or plasma display panels have been positioned at the centre of the termini to provide information on bus route destinations, departure times and fares. Emergency messages such as major traffic disruptions can also be shown. The closed circuit television systems allow monitoring of local traffic and operating conditions at the terminus supervisor's office and at KMB headquarters. At other termini, smaller LED display boards are positioned at individual passenger waiting platforms showing routes, departure times and fares. Similar IBSID Systems will be

installed at three additional termini in 2005 and progressively at all other major termini in the years ahead.

The earlier generation of IBSID Systems is being upgraded and will incorporate an Electronic Terminus Management System which has been developed in-house. This system facilitates the use of personal data assistants ("PDA") by terminus supervisors to record bus arrival and departure times, speeding up the transmission of information from termini to bus depots and relevant departments for faster operational decision-making. By the end of 2004, upgrades at 13 termini had been completed.

Cyber Bus Stops and Waiting Shelters

Tourists in particular are finding KMB's new cyber bus stops at the Star Ferry, on Canton Road and Nathan Road outside Grand Tower useful. Three LED panels at cyber bus stops display route information, local and international news and weather information. The public address system issues route information in Cantonese, English and Putonghua and there is access to the KMB website for point-to-point route search and service information.

During the year, KMB built 100 new shelters to improve the waiting environment for passengers. The company now has 2,258 bus shelters and has installed a total of 2,300 advertising panels at these bus shelters to generate further advertising revenue. LWB has constructed one new bus shelter, bringing the total number of bus shelters along its routes to 21.

Customer Service Centres

A new customer service centre was opened for service at Tin Heng Bus Terminus in 2004, bringing the total number of customer service centres to eight. The Tin Heng Bus Terminus Centre, in Tin Shui Wai, provides a

convenient one-stop service to public transport users across the northwestern New Territories. With bus route information, KMB homepage browsing facilities, souvenir sales and Octopus card services as well as assistance from the customer service ambassadors, the centres offer passengers a trouble free KMB experience. Other customer service centres are located at transport interchange hubs at Tsim Sha Tsui, Hung Hom, Sha Tin, Mei Foo, Tsuen Wan, Lam Tin and Tuen Mun.

At the Ground Transportation Centre of the Hong Kong International Airport, LWB's customer service centre and ticketing office strengthened their services on handling passenger enquiries and ticket sales in 2004. LWB aims to attract more passengers by improving customer service.

Bus Terminus Upgrading

KMB has refurbished bus termini at Lai Kok, Cheung Wang, MTR Kowloon Station, Lam Tin (Kwong Tin Estate), Kwun Tong MTR, Ngau Tau Kok, Kam Ying Court, Sui Wo Court, Sha Tin Wai, Tin Tsz Estate, Wah Ming and Fu Heng over the past year. This programme will continue in 2005 with a goal of a further of 12 termini refurbishments.

Enquiry Hotlines and Websites

The KMB customer service hotline continues to provide a rapid response to customer enquiries. Last year it received 4.6 million calls — an average of 385,000 calls per month. The 24-hour hotline system operates in Cantonese, English and Putonghua, providing bus route information, traffic news, fax-on-demand services, bus service updates and voice mail recording. An operator service on the hotline is available from 7:00 a.m. to 11:00 p.m. daily. LWB's customer service helpline at the Hong Kong International Airport's customer service centre handled over 15,000 calls in 2004, an average of 1,250 calls per month. The helpline also collates customer opinions and handles lost and found enquiries.

The KMB website continues to provide a wide range of information about KMB, LWB and other companies in the Group. A new version with simplified Chinese characters was added at the beginning of 2004. A PDA version of the popular route search function was also launched to give customers access to route information, whenever and wherever they need it. The website's popularity was reflected in the average daily hit rate of 4.2 million in December 2004.



Interactive facilities provide bus route and fare information



Customer Service Ambassadors

Understanding Passenger Needs

We recognise that to maintain our leadership role, we need to tap into public opinion and identify customer needs. Our Passenger Opinion Cabin, a modified single-deck bus, visited 12 areas to collect passengers' opinions on KMB's services. More than 100 opinions and suggestions were received from members of the public during 2004. To further ensure that we understand passenger needs and expectations, six Passenger Liaison Group sessions ("PLGs") were held to gather feedback on bus services and public expectations. Participants came from throughout Hong Kong, with university lecturers serving as moderators, and representatives from the HKSAR Government's Transport Department acting as observers. In October 2004, the results were published in four Hong Kong newspapers. In general, our passengers are satisfied with KMB's services. Some service adjustments have been made in the wake of collated opinion data.

Six PLGs held by LWB during the year received a similarly satisfactory response to discussions which focused on challenges and opportunities for LWB.

Information Publications

An updated edition of the KMB Bus Guide was published in September 2004 providing comprehensive route information in Chinese. Available from newsstands, bookstores, convenience stores and KMB's customer service centres, all proceeds from sales of this guidebook were donated to The Community Chest of Hong Kong. Newspaper advertisements and supplements as well as in-bus and in-store posters boosted sales.

Publicity material on LWB services was distributed throughout the year. The "Airbus Card", with detailed routing and departure information, was popular with time-conscious air-bound passengers.

Marketing and Public Relations

In an initiative to assist visitors to Hong Kong, particularly those from the Mainland, KMB produced Tourist Kits which contained gift cameras, guidebooks and information on our comprehensive bus network. The Tourist Kits were made available through KMB customer service centres and China Travel (HK & Macau Tour) Management Hong Kong Ltd.

Other marketing and community programmes initiated during the year included a series of 10-second civic education television advertisements to promote the importance of proper conduct on buses. Supplementary advertisements were printed on bus bodies and posters were placed in bus shelters to support the campaign. The series of commercials won the Citation for Outstanding TV Campaign at the HKMA/TVB Awards for Marketing Excellence 2004.

Continuing the Group's emphasis on supporting Hong Kong's visitors, a booklet entitled "Enjoy the Hong Kong Experience with KMB" was published in traditional Chinese characters, simplified Chinese characters and English to provide information on tourist sites in Hong Kong along with KMB access details.

KMB won silver awards from the China International Public Relations Association in the 6th China Golden Awards for Excellence in Public Relations (2004) in three categories:

- Brand Management: Sales of KMB Bus Guide
- Community Relations: Interviews with Chairmen of District Council Traffic & Transport Committees
- Others: KMB Website Revamp

The Group's proactive stance in ensuring it continues to operate in the interests of stakeholders was recognised during the year through a number of other awards. The China International Public Relations Association selected the "Interviews with Chairmen of District Council Traffic & Transport Committees" and "KMB Website Revamp" as case studies. KMB also won the "Certificate of Recognition in the Golden World Awards for Excellence" in three categories including "Recovery from Crisis", "Customer Marketing – New Product or Service" and "Special Events". The International Public Relations Association organised these prestigious awards.

Safety and Training



All buses are maintained to the highest standards by our trained mechanics

Safety has always been the Group's number one priority. A great deal of effort has been made to enhance the safety of our bus operations through the strengthening of bus captain training and performance monitoring as well as improvements in the design of our buses and their maintenance. As a result of our commitment to safety and the effectiveness of existing safety measures, KMB's average number of bus accidents involving personal injuries and deaths per million vehicle-kilometres has declined steadily over the years. The number of accidents reduced from 2.80 per million vehicle-kilometres in 2000 to 2.71 per million vehicle-kilometres in 2004.

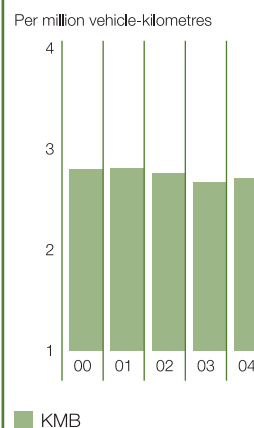
Driver Training

The KMB Bus Driver Training School (the "School") is responsible for training new bus captains and providing enhancement courses for existing bus captains. For newly recruited bus captains, the School provides comprehensive courses with the use of Hong Kong's first and only indoor bus simulator. In addition to the HKSAR Government driving examinations, stringent internal assessments are made to ensure that bus captains are well qualified and capable of handling the responsibility of their positions. For experienced bus captains, driving enhancement training courses reinforce their safety awareness and sensitivity to passenger comfort. These courses, which include both classroom lectures and road practice, also cover defensive driving and highway driving techniques, service enhancement and emergency handling procedures. Bus captains also undergo route-training courses before they are assigned to drive on unfamiliar routes.



Training through our bus simulator ensures in-depth understanding among bus captains of the advanced driving cab of our buses

Average number of bus accidents involving personal injuries and deaths



Monitoring Performance

A specialised KMB team closely monitors the performance of bus captains through a systematic performance assessment mechanism. Bus captains whose performance is not up to acceptable standards are required to attend remedial training courses. The Disciplinary and Monitoring Team monitors the performance of each retrained bus captain and disciplinary action is taken in the case of poor performers. Bus captains who demonstrate above average performance are recognised with various awards and bonuses.

Bus Design and Maintenance

The design and maintenance of buses is critical to ensuring safe operations. We have been collaborating with major bus manufacturers in designing buses to ensure new models are compatible with Hong Kong's unique operating environment. Standard equipment such as speed limiting devices and electronic tachographs that record bus-operating information are used to monitor and ensure safe operations.

Under our current ISO certified maintenance programmes, KMB and LWB buses are subject to daily, monthly and annual inspections and examinations in our depots. In addition, Transport Department of the HKSAR Government carries out spot checks on our buses on a random basis.

Our People



九巴服務 日日進步



Staff are committed to quality operations and service

Our ethos is “Caring for People”. The result is a staff force of more than 13,000 people who are committed to the Group, its operations and its culture of quality service. We train, motivate and reward our staff in an environment that values performance and instills a sense of responsibility, not just to the Group, but also to the community at large.

The table below tabulates the number of staff in each of the divisions of the Group at the year-end of 2004 and 2003 respectively:

Division	2004	2003
Franchised Public Bus Operations		
• KMB	12,499	12,569
• LWB	407	399
Non-franchised Transport Operations	557	536
Media Sales Business #	132	127
Mainland Transport Operations*	6	5
Total	13,601	13,636

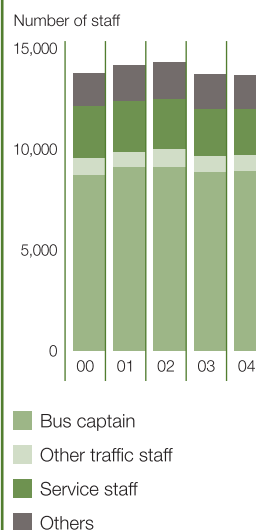
including the employees of the Group's subsidiary companies on the Mainland

* excluding the employees of the Group's joint venture companies on the Mainland

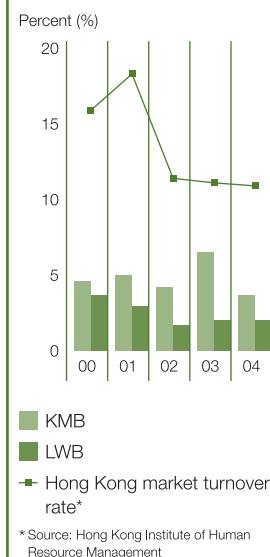
Staff Communications

Communication is at the heart of our staff relations policies. The six Joint Consultative Committees in place provide a constructive and proactive channel for management and employee representatives to discuss matters that affect our daily bus operations. The Committee meets monthly at KMB and bi-monthly at LWB and looks at the working environment, safety and operating procedures, and welfare. A homepage is maintained exclusively for KMB and LWB staff with information on management announcements, real-time weather reports, details of upcoming activities and reports of staff events. It also incorporates on-line orientation training courses and e-learning programmes. Periodic video compact discs and a monthly in-house magazine are published to keep field staff informed of developments within both the Group and the industry.

Number of staff in the Group at 31 December



Staff turnover rate



Outstanding Service Award

During 2004, KMB organised the “Outstanding Service Award” to promote our quality service culture. A total of 61 staff members were recognised for their excellent performances. In addition, the following awards were also presented to KMB's and LWB's staff in appreciation of their dedication and contribution:

2004 Good Service and Safe Driving Annual Bonus for bus captains

Number of Bus Captains	KMB	LWB	Total
Good Service Annual Bonus	6,707	200	6,907
Safe Driving Annual Bonus	4,332	185	4,517

2004 Safe Driving Award for bus captains

Number of Bus Captains	KMB	LWB	Total
15-year accident free	60	2	62
10-year accident free	167	3	170
5-year accident free	596	36	632

2004 Good Service and Attendance Award for terminus supervisors/assistant terminus supervisors/customer service assistants

Number of employees	KMB	LWB	Total
Good Service Award	453	16	469
Attendance Award	298	7	305

General Training

Training programmes are a major human resource investment. In 2004, KMB continued to provide training programmes across various grades of staff to maintain and upgrade the quality of human resource skills. Training sessions focused on computer software applications, Putonghua, English and Chinese business writing skills, leadership skills, communication and presentation skills, media skills workshops and a workshop for managing complaints and stress in the workplace. A comprehensive staff survey was conducted and a course was organised for bus maintenance supervisors to enhance their management skills.

Technical and Apprentice Training

The KMB Technical Training School provides training for all maintenance staff in the latest bus transportation technology. During 2004, a total of 200 in-house training sessions were held for 1,553 skilled workers and 17 sessions were organised for engineers, supervisors and foremen in conjunction with our vehicle manufacturers.

A four-year apprentice-training scheme ensures we have an adequate supply of skilled maintenance workers. A total

of 29 apprentices graduated from the KMB Technical Training School in 2004, bringing the number of graduates since 1973 to 2,071. At the end of 2004, there were 74 apprentices in training. The Vocational Training Council of the HKSAR Government has acknowledged the high standards of these apprentice-training programmes through its annual "Best Apprentice Competition".

Skills and Awards

The Bus Captain of the Year Competition is a great opportunity for KMB and LWB bus captains to demonstrate their driving skills. The event is also a recreational event for employees and the public and includes bus displays and game booths. The 2004 event held at our Sha Tin Depot received overwhelming support with an attendance of some 21,000 members of the public. From more than 8,500 bus captains, 45 were selected as finalists based on their driving skills, work performance and knowledge of passenger safety and traffic regulations. The "Bus Captain of the Year" prize was presented to the overall winner.

Staff Welfare and Recreational Activities

A variety of internal and external team building activities involving a range of sporting events, hobbies and interests proved popular. Our staff members are community spirited people and over the year they have participated in a range of events including the Community Chest Corporate Challenge, the Standard Chartered Hong Kong Marathon 2004 and Green Power Hike.



Bus Captain of the Year Awards ceremony

Concern for the Environment



Caring for the environment is an investment for the future

Globally, transport operators have a clear and increasing responsibility to the environment. The Group takes this responsibility seriously and is dedicated to conducting its business in a manner that minimises and mitigates environmental impacts across the spectrum of its operations. We are a socially responsible corporate citizen - not just in words, but also in practice.

Environment-friendly Buses

We continuously upgrade our fleet to ensure that both KMB and LWB buses comply with, and in many aspects exceed, internationally recognised environmental standards. Using innovative techniques and equipment, we are now industry leaders in terms of initiating environmental enhancements to buses.

Ultra Low Sulphur Diesel ("ULSD")

All KMB and LWB buses have been using ULSD since January 2001. At present, the Group has the largest bus fleet in the Asia-Pacific region using ULSD. The use of ULSD has resulted in a significant reduction in exhaust emission levels of sulphur oxides, nitrous oxides and particulates.

Euro Engines

At the end of 2004, all KMB's and LWB's buses were equipped with environment-friendly engines which meet the stringent exhaust emission standards of the European Council of Environmental Ministers. During the year, 177 buses with emission standards equivalent to Euro III standard were introduced to the fleet, bringing the total number of buses equipped with such engines to 880 at the end of 2004.

Based on the specification of the Euro engines, catalytic converters and exhaust soot filters have been retrofitted to the fleet to further enhance the emission standards of the buses.

Catalytic converters are installed on all of KMB's 1,780 buses with pre-Euro I or Euro I engines and LWB's nine single-deck air-conditioned buses with pre-Euro engines. With the catalytic converters, the exhaust emissions of pre-Euro I and Euro I buses are brought up to the standards of Euro I and Euro II engines respectively in terms of particulate matters.

Buses equipped with Continuous Regeneration Traps ("CRTs") can achieve a significant reduction of particulate matters and reduce smoke levels to virtually zero. The exhaust emission quality in terms of particulate matters also meets Euro IV engine standards. At the end of 2004, KMB had a total of 473 Euro III-engined buses equipped with CRTs plus an exhaust gas recirculation device, enabling them to meet emission standards at a level very close to Euro IV engine standards.

The numbers of KMB's and LWB's buses that met the respective emission standards as at 31 December 2004 are tabulated below:

Emission Standards	Number of buses meeting such standards	
	KMB	LWB
Euro I	839	9
Euro II	2,431	136
Euro III	880	—
Total	4,150	145

Air Foam Filter

At year-end 2004, the entire fleet of KMB and LWB buses was using air foam engine filters to replace the conventional paper filters. After numerous tests, the air foam filter proved to be successful in extending its service interval to six times the life span for a conventional one without compromising its performance. Further, solid waste associated with used filters has been largely reduced.

Eco-Driveline

The pioneering Eco-Driveline on buses was developed by KMB by integrating an engine with a high torque, six-speed double overdrive gearbox, an optimised final drive ratio axle and a sophisticated electronic control gear-shift programme. This system provides passengers with a smoother ride and also reduces fuel consumption and exhaust emissions by 6% to 10% respectively. The Eco-Driveline concept has been a standard feature for all new buses from 2004 onwards.

Synthetic Transmission Oil

The use of synthetic transmission oil extends the oil drain interval substantially from 30,000 km to 100,000 km resulting in a 70% reduction in waste oil when compared with traditional mineral oil. Following detailed testing in 2003, all the gearboxes of KMB's and LWB's double-deck buses have been using synthetic oil since 2004.

Mileage-Based Engine Oil Change Scheme

With the mileage-based engine oil change scheme, which is evaluated by computer-aided programs, KMB achieved a 40% reduction in engine oil consumption and oil waste.

Revolutionary Diesel-Electric Hybrid Buses

Park Island Transport Company Limited operates three environment-friendly diesel-electric hybrid air-conditioned super-low floor single-deck buses which are powered by rechargeable batteries with an energy-regenerating function while braking and moving down slopes. Their small and newly designed micro-turbines only use diesel once the batteries have run down to a pre-set level.

Environment-friendly Non-franchised Buses

The SBH Group and New Hong Kong Bus Company Limited's bus fleets are equipped with environment-friendly engines. Over 20% of the fleet operates with the latest commercially available Euro III engines.

Environmental Report

KMB publishes reports on its environmental protection initiatives from time to time to keep the public informed of our efforts and achievements. The latest report published in early 2004 entitled "KMB Efforts in Environmental Protection" contains our environmental policy, detailed description of our breakthrough in ensuring an environment-friendly bus operation, as well as acknowledgements from Government and various prominent environment protection organisations. The report is available on KMB's website.

Bus Depots and Offices

In the design, construction and operation of bus depots, environmental protection and energy conservation are paramount concerns. All depots are equipped with wastewater treatment systems, water recycling facilities and environment-friendly fire service systems. In addition, the lighting, air-conditioning and ventilation systems are installed with energy saving features.

The "Green Office" concept has been applied to the design and renovation of our headquarters. This involves using pre-set timers to switch off lighting when it is not needed or when light from outside is strong enough. Temperature control devices are installed to keep the office temperature within a comfortable range while minimising the use of electricity. Our headquarters was awarded the Indoor Air Quality Certificate by the Environmental Protection Department in recognition of the building's hygienic work environment.

Waste Treatment

Waste Water

Waste water from our operations is treated according to regulatory standards before it is discharged into the public sewage system. In 2004, KMB maintained 11 automatic wastewater treatment systems for its fleet and depots with a total daily treatment capacity of 804 cubic metres.

Waste Oil and Chemical Waste

Approximately 1,023,000 litres of consumed lubricating oil from our bus maintenance programme were delivered to a registered waste oil recycling agent for treatment and 344,000 kilograms of solid chemical waste went to authorised landfills.

Tyre Retreading and Recycling of Scrap Tyres

To alleviate the pollution problem caused by industrial waste and to fully utilise resources, 33,000 tyres were retreaded in the KMB tyre retreading plant in 2004. Approximately 216 tonnes of tyre chips were collected and used to manufacture playground flooring.

Working with Communities



Working with the communities, for the communities

Our concern extends beyond our companies to the districts and neighbourhoods where each of our companies operates. For many years, the Group has actively participated in a wide range of community programmes and charitable activities. As a responsible corporate citizen, we continue to support the youth, the elderly, the handicapped and people in need through sponsorship of many community activities organised by the HKSAR Government, professional bodies and charitable organisations. In 2004, KMB was named the Fifth Top Donor of the Year by The Community Chest of Hong Kong and was also named a "Caring Company" by the Hong Kong Council of Social Service.

FRIENDS OF KMB

Our passengers are not simply customers – they are our partners, fellow citizens and friends with similar concerns and aspirations. KMB's passenger club, FRIENDS OF KMB, actively participates in community building, civic, education, environmental protection and social activities. By the end of 2004, membership stood at 2,400 and 6,500 hours of community work were contributed during the year. This work involved voluntary visits to centres for the elderly, a children's home and a narcotics recovery centre, as well as assistance in charity walks, raffle ticket sales, carnivals and environmental protection activities. The club received recognition for its service to the community from the Social Welfare Department of the HKSAR Government and the Steering Committee on Promotion of Volunteer Service.

The Community Chest of Hong Kong and other Non-profit-making Organisations

KMB has been a long-term supporter of The Community Chest of Hong Kong. In recognition of the company-wide support it has received, The Community Chest of Hong Kong named KMB as its "Fifth Top Donor". This award recognises the contribution our Group and our staff have made to Community Chest programmes including the Corporate and Employee Contribution programme, Dress Casual Day, the New Territories Walk for Millions, the Community Chest Charity Walk and the Community Chest Corporate Challenge Half Marathon. Our staff also participated in the Christmas Greetings for the Chest and the Community Chest Green Day.

KMB's community sponsorship over the year has extended to the arts and to campaigns that focus on industry improvement and social awareness. Involvement in these areas covered the Hong Kong Awards for Industry, the Hong Kong Awards for Services, the Hong Kong Management Association Quality Award, the China AIDS Initiative TV gala, the Hong Kong Arts Festival and World Environment Day.

In April, KMB sponsored the Hoi Ha Wan Charity Walk which attracted more than 1,300 participants. Hoi Ha Wan is a marine reserve in the New Territories and the walk, organised by the World Wide Fund for Nature was aimed at spreading understanding among Hong Kong's population of both the beauty and the protection of the coral and marine life that is being regenerated in the area. For the second successive year, KMB provided transport between Sai Kung and Wong Shek Pier for all participants in the walk.

This broad-based commitment to the community in which we operate, ensures our staff have a clear empathy with social concerns and improvements.

"KMB and You, Heading for a Brighter Future" Award Scheme

One of the Group's key education schemes is the "KMB and You, Heading for a Brighter Future" Award which rewards candidates who receive Grade A in ten subjects in the Hong Kong Certificate of Education Examination. The 11 successful candidates in 2004 each received free KMB/LWB bus-travel passes for one year. Over the coming years, we look forward to strengthening our commitment to Hong Kong's young people.

Assisting Those with Special Needs

In November 2004, KMB and LWB both offered free bus rides to different categories of passengers. 21 November was declared "Elderly Day" across Hong Kong and, to support this event, our two franchised bus companies offered free rides to people aged 65 and above. A week later on 28 November, both companies actively supported "International Day of Disabled Persons" by offering free rides on all routes to disabled people and their escorts.