

Managing Director's Message



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With Fortitude, We Aspire

2019 was an unusual year for Hong Kong, with a volatile global landscape and the social situation in Hong Kong having an impact on every industry. Public transport services bore the brunt of the troubles. In addition to the COVID-19 pandemic has led to an extensive shutdown of Hong Kong, causing rapid economic contraction and taking a heavy toll on transport demand. In the face of adversity, maintaining bus services as well as the city's "heartbeat", while safeguarding the employment and health of over 10,000 employees and the livelihood of their families, has been an unprecedented challenge to

me and my management team. Even though we may not be sure when the economy will rebound, we are committed to leading the company with fortitude and assuming responsibility for staff members as we serve the broader society.

Reflecting on my five years as Managing Director, I am convinced that, besides curiosity and observation, courage and determination are keys to facing difficulties, solving problems and driving innovations. In the Confucian classic *Record of Music*, courage means taking resolute action in times of change, standing firm and refusing to back off. The Group's commitment to innovation and search for new

solutions in operations and facilities are firmly founded on our sense of responsibility for delivering caring bus services to passengers, maintaining stable jobs for employees, promoting social inclusion and bringing stable returns to shareholders.

The KMB and LWB mobile app App1933, with over 5 million downloads, and the value-for-money KMB Monthly Pass, were aligned in July when the KMB Monthly Pass purchase function was added to the app. In addition to bringing convenience to passengers, who can buy the Monthly Pass anytime, anywhere, this has established a wider point-of-sales network. The Group has also taken the initiative to

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leverage the trend for different types of e-payment, with LWB installing multiple payment systems on its fleet, providing passengers with alternatives to Octopus. KMB and LWB have also worked with banks to offer further discounts on the Monthly Pass to bring passengers more comfortable and convenient bus services.

With safety our top priority, from the third quarter of 2018, many safety features have been installed as standard on new buses, including the speed retarding device, the Electronic Stability Programme and seat belts on both decks. Additional resources have been allocated to strengthen driving safety, including the Drowsiness Monitoring System and the Advanced Driver Assistance System.

To further promote safety awareness and enhance public education, KMB and LWB introduced the Smart Indicator System, whereby the LED route display panel at the back of the bus will display the message "Give Way to Bus" when the indicator is engaged. KMB has installed parking sensors on some buses to alert bus captains to the surrounding environment and the presence of any obstacles. We have also placed flashing LED lights and buzzers in selected bus termini to remind pedestrians to be aware of road conditions. We will continue to explore the latest technology so as to further enhance driving safety.

As an industry leader, we have installed Bluetooth positioning devices at 2,000 bus stops across Hong Kong, which in tandem with App1933 allow users to receive various types of useful

bus information, including latest route updates, important notices and terminus maps.

One of my responsibilities is to provide staff members with a stable work environment and good prospects. Even at a time when the economic outlook is unpredictable, as part of a people-orientated policy to make employees feel valued by the company we continue to support the career planning of our staff with comprehensive welfare facilities and training. Last year, we organised around 20 spring receptions for staff members to share the joy with colleagues. We are also setting up new leisure rooms, called Club1933, at our four main depots. While the facilities at Kowloon Bay and Lai Chi Kok have been completed, those at Tuen Mun and Sha Tin will open soon.

With a strong sense of community at the root of our service, the Group seeks to promote community affairs development in different ways. The Donation of Used and Retired Bus Programme is an initiative which benefits many schools and students. As at the end of 2019, a total of 29 schools had received retired buses. To a bus company, a retired bus may be just scrap metal, but for students, it is a whole new space in which to unleash their creative potential. We hope the Programme will continue to benefit more schools and inspire more new ideas.

Last year, besides using App1933 to help people find missing elderly relatives, we worked with different social service organisations to hire

mentally handicapped and deaf people to help build a more caring and inclusive society. KMB set up a KMB Fare Saver Scheme in tertiary institutions to provide passengers with discounts on bus rides, and the total number of campuses with Fare Savers kiosks rose to 17 during the year, benefiting more teachers and students. Taken together, these modernising measures and innovations in daily bus services demonstrate our commitment to the community and to corporate social responsibility in line with the core values of the Group.

Bus services are closely related to the daily lives of Hong Kong people. With its deeply rooted foundations in the city, KMB has been going through thick and thin with them for over eighty years. Looking to the future, we will continue to stand fast to serve Hong Kong. As the ancient Chinese poem puts it, "Resolution, courage and hard work from day to night bring you to the gateway of success." Let us work hard together and overcome together.

Roger LEE Chak Cheong

Managing Director

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