

Sustainability Report

Care for Employees



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



Sustainability Report — ○ — Care for Employees

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, 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 make use of their position to solicit or receive any advantage from the public.

From time to time, we remind our employees to comply with the 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. Serious disciplinary action, including summary dismissal, will be instigated for any violation.

Staff Benefits

To help attract and retain talented staff, competitive benefit 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 benefit package of full-time employees by:

- Increasing the entitlement of Inspector to 12 days of double overtime pay every year;
- Enhancing the promotion path by adding a position of senior bus terminus supervisor;
- Enhancing the overnight allowance of monthly-paid Operations staff; and
- Enhancing the salary scale of monthly-paid Maintenance staff.

We extend our care for employees to their families. We provide a scholarship programme for the children of staff with satisfactory academic performance to support their tertiary education. At 31 December 2019, 259 children of KMB and LWB staff members had received scholarships. We brought festive joy to our staff at traditional festivals. At Lunar New Year, we distributed Chinese New Year gifts to our staff, while at Dragon Boat Festival and Mid-Autumn Festival, we distributed rice dumplings and mooncakes respectively. In addition to festive gatherings at Lunar New Year, 18 spring gatherings were held for all KMB and LWB staff in February 2019, the first time all staff have been catered for in this way. Senior corporate executives and managerial staff joined the gatherings and shared the festive joy with around 7,000 staff and retirees.

KMB and LWB aim to be an employer of choice by establishing a supportive and respectful working environment



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○ In line with KMB and LWB's commitment to upgrading the working environment for staff, Club 1933, the Company's first leisure area, was opened at Kowloon Bay Depot

Staff Communication

To strengthen bilateral communications and staff welfare, a new department was established to enhance staff relations and welfare services. Five KMB and one LWB Joint Consultative Committees, which comprise management and staff representatives representing around 90% of KMB and LWB's total workforce, hold meetings monthly and bi-monthly respectively. 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.

Senior Management Visits

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

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 is being introduced. To further raise the safety awareness of our frontline staff, 22 Safety Forums and 17 Safety Talks were conducted in 2019 at different bus termini, at which Driving Instructors discussed accidents and incidents with bus captains and shared suggestions on safety measures with frontline staff, as well as focusing on a particular topic.

KMB and LWB have organised fire warden training sessions to promote fire safety, updating knowledge of fire extinguisher and hose reel use, enhancing understanding of the role and responsibilities of fire wardens and familiarising them with emergency preparedness within depots.

In October 2019, KMB and LWB launched a series of health-related activities, including a health talk, body check session, Chinese medical consultation, stretching exercise

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class and a weight loss campaign, to promote a healthy lifestyle.

Improved Working Environment

KMB and LWB have continued to renovate and upgrade the working environment for staff, especially frontline staff, providing improved places to rest before working. The leisure area, Club1933, was first furnished and opened at KMB's Kowloon Bay Depot, where a pool table, an air hockey table and table football are provided for staff. KMB has also retrofitted a retired bus with facilities such as chairs, TVs, refrigerators and microwave ovens as a rest station for staff.

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 levels of staff to keep them abreast of the latest industry trends, knowledge and work skills. For instance, we arranged training courses that focused on emotion management and inspirational empathy communication skills. Some training courses were held for accident investigators to enhance their knowledge of the causes of traffic accidents, as well as relevant regulations and laws.

Technical and Apprentice Training

The Technical Training School has been responsible for training our bus maintenance staff in the latest bus technologies since 1973. In 2019, 126 in-house training sessions were run for 798 skilled workers, while 13 training sessions were organised in collaboration with our manufacturers for 143 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 youngsters who are interested in bus maintenance. The total number of graduates since the school was established stands at 2,473. At the end of 2019, 115 apprentices were enrolled in the School's programme. The quality of our apprentice training was once again recognised in 2019 when a KMB apprentice was awarded the Outstanding Contestant in the Vocational Training Council's Best Apprentice in the Automobile Trade Competition. The apprentice was invited to visit a motor plant in Germany. Another apprentice was recognised for Excellent Performance in the Outstanding Apprentice/Trainee of the Year Competition organised by the Vocational Training Council.

A new 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.



○ KMB and LWB care for the health and career development of employees, attracting talents with a multi-pronged approach

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○ KMB and LWB care for the needs of employees, their families and retirees to increase their sense of belonging

Psychological Support

KMB and LWB have engaged the Christian Family Service Centre to provide a counselling hotline service to staff members including bus captains who need assistance. In 2019, the hotline service 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 2019, 254 Star Bus Captains were recognised for their outstanding performance in safe driving and customer care. To recognise the loyal service of our staff, the Annual Award Presentation Ceremony was held. 70 KMB and LWB staff received the 35-year award and a gold medal,

121 employees received the 30-year award with a plaque and a pin, 182 employees received the 20-year award with a plaque and a pin, and 244 employees with 10 years' service received a certificate of appreciation.

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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 undertake voluntary work. As at the end of 2019, nine interest clubs were available, focusing on singing, photography, basketball, table tennis, badminton, soccer, running, chess and dragon boat racing. The interest clubs arranged different activities or competitions. Interest Clubs

encourage employees to take part in periodic training, matches with other companies and recreational activities to benefit from healthy work-life balance.

TIH Retiree Association

The TIH Retiree Association was formed so that close contacts could be maintained with retired colleagues through various activities, such as picnics and gatherings. In 2019, the Association held four gatherings to celebrate the Chinese New Year and

Mid-Autumn Festival, attended by around 1,500 retirees. To maintain close contacts, we arranged afternoon tea sessions on a monthly basis. To share the festive joy with retirees, we distributed red packets, Chinese sausages, rice dumplings, and mooncakes during the traditional festivals. We have also enhanced the communication channel with retirees by setting up a KMB retiree website to share activity information and photos.



○ Board members attended the Annual Awards Presentation Ceremony to recognise the loyal service and outstanding performance of staff



○ To enhance morale, KMB and LWB distributed festive gifts and drinks to staff

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Workforce

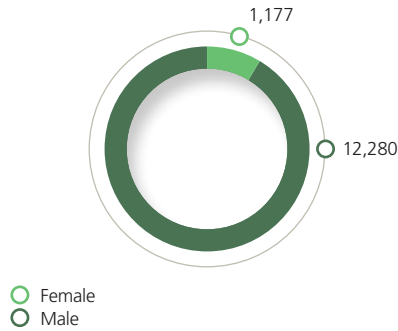
(as at 31 December 2019)



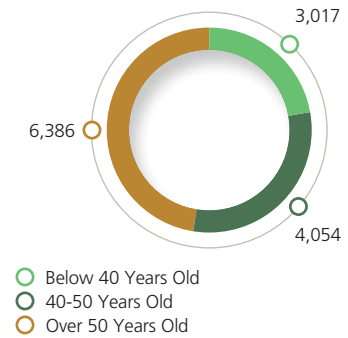
KMB and LWB
Total Workforce:

13,457

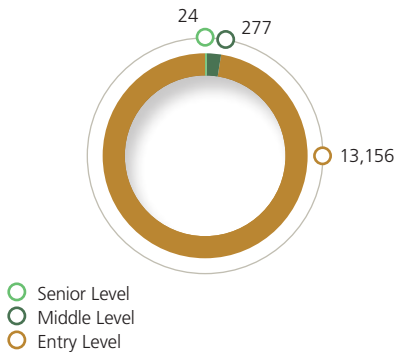
By Gender



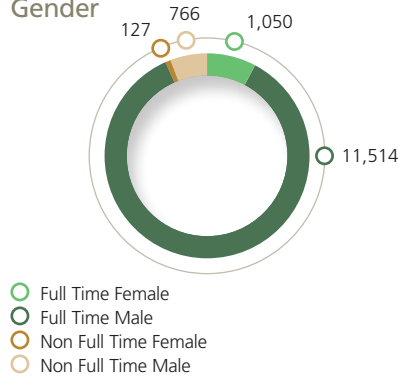
By Age Group



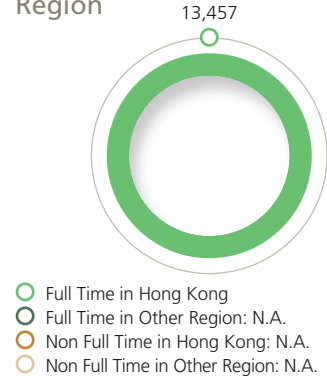
By Employment Category



By Employment Contract by Gender



By Employment Contract by Region



Training Statistics

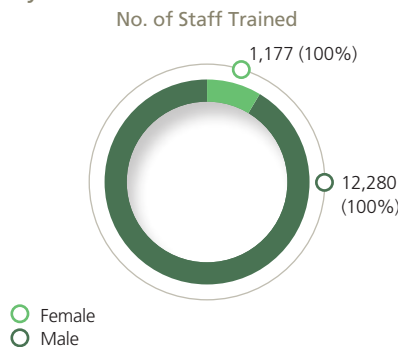
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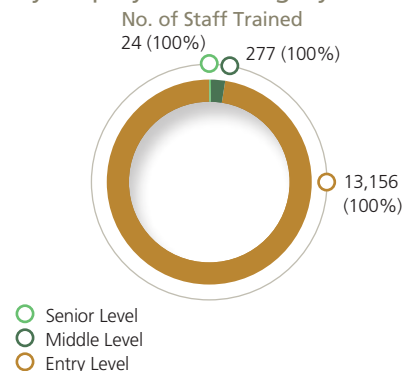
KMB and LWB
Total Training Hours:

550,970 hrs

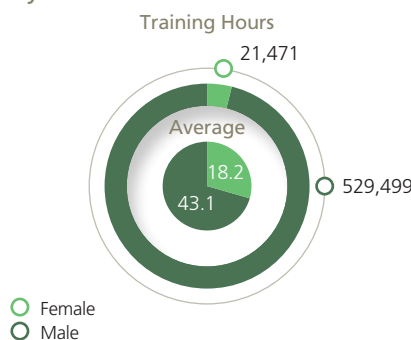
By Gender



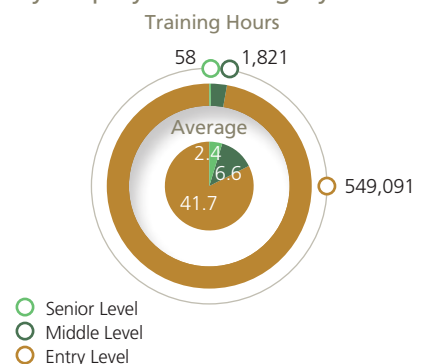
By Employment Category



By Gender



By Employment Category



Nurturing Talent

Attracting Talent with a Solid Career Path and Upgrading Facilities

The KMB Bus Captain Training School – the first of its kind in Hong Kong – is the largest bus captain training school in Hong Kong, providing comprehensive training to all new and in-service bus captains. To nurture more drivers in the industry, the Company renovated the Bus Captain Training School in Sha Tin Depot. The school provides a more comfortable learning environment for trainees and a pleasant working environment for trainers. The Company has always attached great importance to educational resources. Therefore, the school adopts updated bus models for training so that the trainees are able to obtain up-to-date experience and knowledge with the bus models.

After passing the written and oral test of the Transport Department and finishing an internal professional training course and passing an internal assessment, the trainee will qualify to drive for KMB or LWB. KMB offers a solid career path for bus captains with experience and a good performance record. They have the opportunity to be promoted as bus captain trainers who impart not only skills but also safety knowledge to later cohorts.



“ Having worked as a KMB bus captain with a zero-accident record for 17 years, I was delighted to switch my career path and take a promotion to become a bus captain trainer. I share my experience with new bus captains to help them improve their safety awareness. I derive satisfaction from seeing my trainees become qualified as bus captains and start serving customers. The Company provides me with excellent career prospects and personal development opportunities. Working as a bus captain is a stable career, and I enjoy life as part of the KMB family and the friendship between colleagues. The Company cares about our families and us, providing free-ride bus passes and distributing festive gifts. Over the years, the Company has improved our benefits, staff welfare and the working environment, including working hours and rest stations. ”

Mr Lam Hiu Cheung

KMB Bus Captain Trainer



○ To nurture more professional and quality bus captains in the industry, KMB and LWB continue to enhance the learning facilities and environment of the Bus Captain Training School, while upgrading the training quality



○ The KMB Bus Captain Training School provides comprehensive training to all new and in-service bus captains