Sustainability Report



Care for Customers

We are dedicated to meeting our customers' needs and providing them with the best possible service so that they may enjoy safe and comfortable journeys. This commitment is in line with the goal we have pursued since we first began operating 80 years ago: to deliver high quality services to our customers and thus contribute to the growth of Hong Kong.

OCTOPUS BUS-BUS INTERCHANGE SCHEMES ("OCTOPUS BBI SCHEMES")

At the end of 2012, KMB operated 81 Octopus BBI Schemes covering 264 routes, while LWB had six Octopus BBI Schemes covering 12 routes, including those serving Hong Kong Disneyland and AsiaWorld-Expo. The Octopus BBI Schemes not only broaden our network coverage but also provide our passengers with fare discounts on the second leg of journeys.

BBI Schemes contribute towards a cleaner environment by improving bus utilisation and reducing traffic congestion. We will continue to explore ways of further enhancing our Octopus BBI coverage, both on the KMB and LWB networks and through inter-modal schemes operated with other public transport operators.

TUEN MUN ROAD BUS INTERCHANGE

Phase I of the Tuen Mun Road Bus-Bus Interchange came into operation on 26 December 2012, serving passengers heading from Tuen Mun towards Kowloon. To tie in with the opening, KMB launched an interchange scheme involving eight Tuen Mun-based short-haul routes and five long-haul routes to provide local residents with time- and money-saving services. KMB also introduced the pioneering Estimated Time of Arrival System ("ETA System") at this interchange. The ETA System, through its LED display panels, notifies passengers of the arrival time of the next bus.

BUS FARE DISCOUNT SCHEME

Under a discount scheme introduced on 28 January 2006 and expiring on 4 August 2012, KMB and LWB offered Sunday and public holiday fare discounts for passengers aged 65 and over paying by Octopus card. These passengers travelled at a flat fare of HK\$2.00 or half fare, whichever was lower, on Sundays and public holidays on all KMB and LWB routes, excluding Airport "A" and racecourse routes. Starting from 5 August 2012, KMB and LWB rolled out the Government's Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities. These passengers enjoy a flat fare of HK\$2.00

Our goal since we first began operating 80 years ago is to deliver high quality services to our customers and contribute to the growth of Hong Kong.

or the current applicable fare, whichever is lower, for each passenger trip on every day of the week. The concessionary fare applies to all KMB routes (except racecourse routes) and all LWB routes (except Airport "A" routes).

THE OCTOPUS SMART CARD

Introduced in 1997, the electronic Octopus Smart Card System is widely used by public transport users in Hong Kong. It is now the world's leading contactless smart card system, with the highest penetration rate, the highest transaction volume and the widest range of applications. The Group is one of the largest corporate users of Octopus cards in Hong Kong in terms of both value and number of transactions. In 2012, more than 90% of our franchised bus fare revenue was collected via Octopus cards, which are both convenient for passengers and cost-efficient for the Group in respect of cash collection and administration.

LUMINOUS CRYSTAL BUS STOP POLES

In 2012, KMB added 90 new luminous crystal bus stop poles in busy urban areas, raising the total number of such poles to around 200. The pole's multi-sided, 360-degree rotating route information panel gives passengers access to route information quickly and easily. Designed for clarity and readability, the pole features a rectangular crystal bus-stop sign showcasing the traditional KMB red circular pattern. As well as relevant route numbers, the sign gives bus stop names in English and Chinese in larger fonts than traditional bus stop poles. The environment-friendly pole's pollution-free LED lighting is powered by a silicon rechargeable battery and has treble the lifespan and over six times the electricity-saving capacity of fluorescent tubes. A timer is installed to regulate the lighting operating time to further save energy.

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BUS SHELTERS

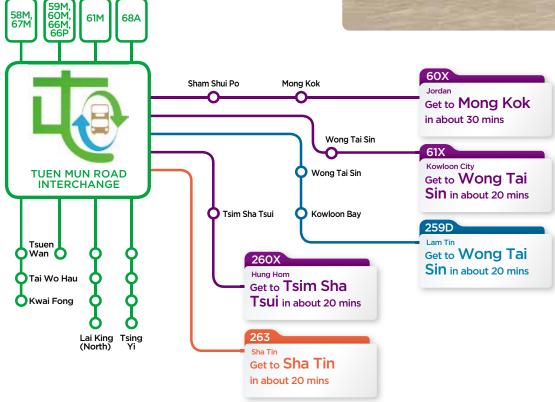
We aim to make the environment more pleasant for our passengers while waiting for buses through our bus shelter improvement programme. In 2012, KMB added 20 new bus shelters, raising the total to 2,443, while LWB added one new bus shelter, raising the total to 31. With 2,650 advertising panels installed, the bus shelters not only provide convenience to our passengers but also generate advertising income for our franchised bus operations.

CUSTOMER SERVICE CENTRES

KMB's eight customer service centres, situated at public transport interchange hubs in Tsim Sha Tsui, Hung Hom, Lam Tin, Mei Foo, Tsuen Wan, Sha Tin, Tuen Mun and Tin Shui Wai, provide a convenient one-stop service to passengers. Bus route information may be obtained from our customer service ambassadors. Octopus card services and KMB souvenirs are also available from the centres.

By using the Digital Map Passenger Enquiry System in the centres' multimedia kiosks, customers can make route searches that show landmarks on routes of their choice on a three-dimensional map. A simplified Chinese version of the system has been developed to meet the needs of the growing number of Mainland visitors. Customers may also use the multimedia kiosks to browse the KMB website.







The Tuen Mun Road Bus-Bus Interchange offers local residents savings in terms of time and money

LWB's customer service and ticketing office at the airport provides a one-stop centre for ticketing, customer enquiries and lost property handling.

CUSTOMER SERVICE HOTLINES

KMB's award-winning customer service hotline (2745 4466) continues to prove to be a popular channel for our customers to communicate with us. In 2012, it handled more than 2.9 million calls, an average of about 242,000 calls a month. A hotline operator service is available every day from 7:00 a.m. to 11:00 p.m., and is complemented by a trilingual 24-hour hotline system which provides bus route information, service updates and traffic news in Cantonese, English and Putonghua, as well as a voicemail service. KMB is the first local transport operator to send bus route information via SMS and digital maps of bus stop locations to customers' mobile phones.

LWB's customer service helpline (2261 2791) dealt with a total of 17,934 calls in 2012, an average of 1,495 calls a month. In addition to responding to passengers' enquiries, comments and suggestions, the helpline handles lost and found enquiries.

INFORMATION FACILITIES AT BUS TERMINI

In 2012, KMB improved information facilities at one major bus termini and one bus-bus interchange, introducing large information boards which help passengers who are unfamiliar with the location find their desired bus stops by means of an enlarged floor plan. Accompanying route information tables provide bilingual destination names, grid reference codes, platform numbers and fares. A total of 22 termini and interchanges are now equipped with this feature.

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SAFETY POLICY

KMB is committed to providing safe, reliable and quality bus services for all of its passengers. The Safety Policy is predicated on a commitment made by all members of staff to providing a safe and healthy environment for everyone who may be affected by our bus operations and work activities with the aim of minimising the risk of injury and ill health. We recognise that safety is everyone's responsibility and such recognition is embedded in everything that we do. It is the duty of staff members at all levels to ensure that all legal requirements and other requirements applicable to our bus operations and work activities are complied with.

As a world-class public bus operator, we accord top priority to safety in our daily operations to meet or exceed our customers' expectations. We promote the adoption of a Plan-Do-Check-Act ("PDCA") framework for safety and health management. We also strive for continual improvement in safety performance in all aspects of our business.

Our Safety Policy is reviewed regularly to ensure its appropriateness for sustaining our operational excellence.



KMB's ISO-certified maintenance procedures keep its fleet in tip-top condition

SAFETY MANAGEMENT SYSTEM

KMB has a well-structured safety governance framework which ensures that the highest levels of safety performance and sustainable operations are achieved in line with international standards.

To provide a good foundation for a safety culture, a strategic plan is in place for developing, implementing and reviewing a safety management system that goes beyond legal and statutory requirements. In January 2012, KMB fully implemented a fit-for-purpose safety management system based on Occupational Health and Safety Assessment Series ("OHSAS") 18001 requirements, which is compatible with ISO 9001 (quality) and ISO 14001 (environmental) management system standards. In pursuit of the highest achievable safety standards, KMB's (PDCA) approach seeks continual improvements in the safety performance and sustained operational excellence of all aspects of its business, as well as enhancement of frontline staff's awareness of occupational health and safety issues. To this end, a series of safety management training courses have been provided to inform staff of safety management strategy and procedures.

Recognising that taking a proactive approach to risk management is key to all safety management activities, KMB has executed effective risk management measures based on OHSAS 18001 in the areas of bus operations and maintenance activities. We plan further to implement an effective risk control system which ensures that safety risks are controlled to levels appropriate to the nature of our operations.

On 1 August 2012, KMB's Operations Division was awarded the Occupational Health and Safety Assessment Series (OHSAS) 18001 Certificate by the Hong Kong Quality Assurance Agency, the first franchised bus company in Hong Kong to receive the certification.

SAFE DRIVING CULTURE

Bus Design and Maintenance

KMB's engineers continue to co-develop with leading manufacturers new bus types that are specially suited to Hong Kong's climate and operating environment. New KMB double-deck buses are equipped with the three-in-one integrated safety monitoring system, allowing bus captains

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to monitor the upper deck, keep an eye on objects behind the bus when reversing and observe alighting passengers. As an extension of this system and to improve safety on our buses, prototypes of an on-board image-recording system covering the entrance and exit, the driver's cabin, the lower and upper decks and the staircase are being trialled. Various technological measures to improve safety, including speed limiting devices, which limit the speed of buses to 70 km/h, and electronic tachographs, which record vehicle speed and other operational information, are installed across our fleets. At the end of 2012, 3,819 KMB buses and 165 LWB buses were equipped with electronic tachographs.

All buses in the KMB and LWB bus fleets are subject to an ISO-certified maintenance regime, consisting of daily, monthly, half-yearly and annual road-worthiness inspections carried out at our depots. The rigour of our maintenance procedures results in mechanical reliability standards that our passengers can trust. Our franchised buses are subject to regular random checks by the Transport Department of the HKSAR Government.

Bus Captain Training and Development

To safeguard passenger safety and enable the provision of reliable bus services, we are dedicated to bus captain training. KMB's Bus Captain Training School at Sha Tin Depot provides new and existing bus captains with comprehensive training and improvement training programmes to ensure that our bus captains give top priority to safe driving. The Training School is equipped with a state-of-the-art Driving Simulator Studio, which recreates real-world driving environments that enable bus captains to improve their overall driving skills and in particular their response to difficult situations. We also organise a number of safety awards and competitions which promote the concept of excellence in driving to our bus captains.

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To heighten bus captains' awareness of safe driving and reinforce our safe driving messages, bus captains are provided with driving aids which contain driving regulations and safety notes relevant to a bus captain's daily work, including the "Bus Captain Safe Driving Handbook", the "Safe Driving Card" and "Driving Tips". To enhance bus captains' defensive driving skills and awareness, a 90-minute training programme has been developed to remind bus captains to pay special attention to road situations and to maintain safe driving practices. Bus captains are also required to comply with the Bus Captain Working Procedures, as well as the procedures relating to Bus Terminus Safety Operations and Traffic Accident Handling.

Incentive schemes, including the Route Safety Performance Award and the Route Safety Improvement Award, were introduced in 2011 as part of our continuous effort to enhance safe driving performance. To encourage our bus captains to uphold the principle of traffic safety, these award schemes continued to be run in 2012 to promote the importance of safe driving.

In pursuit of continuous improvement in delivering high quality services, KMB has put a great deal of effort into building up a team of professional and safety-oriented bus captains committed to providing service excellence.

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DRIVING TIPS DATABASE FOR BUS CAPTAINS

A database of "Driving Tips in Special Attention Areas" is available on our staff website to help bus captains drive more smoothly and safely. The first of its kind in Hong Kong, the database provides bus captains with practical driving tips and suggestions in special attention areas across KMB's operating area. To promote bus captains' awareness of safe driving, the relevant bus routes are listed in the database, supplemented by photos and clear layout drawings. Providing structured instructions and tips on best driving practices enables the expertise and knowledge of experienced bus captains to be shared with their colleagues.

To enhance communications between bus captains and management, a Frontline Operations Support Team has been established. The team encourages two-way communication on various topics, including safety and ideas for service improvement. In addition, the staff website provides a channel for bus captains to give any suggestions they might have on driving tips. This allows the database to be continuously fine-tuned and updated in conjunction with the ongoing study of the routes involved so that the most up-to-date and accurate information is made available to bus captains. All these measures are geared towards providing our passengers with pleasant and safe journeys, as well as supporting our bus captains in safe driving.

CARE FOR ELDERLY PASSENGERS

In line with its policy of providing passengers, especially the elderly, with safe bus journeys, KMB disseminates its safety messages to the elderly through many channels, including



The "Priority Seat" Scheme encourages passengers to offer their seat to those in need

leaflets and the bus stop announcement system. In 2012, frontline staff, in collaboration with police representatives, distributed safety leaflets and environment-friendly bags bearing the "Hold the Handrail - Safety First" message to elderly passengers at bus stops frequently used by senior citizens. This provided an effective platform for reminding elderly passengers to raise their safety awareness when taking the bus.

PROMOTION OF PRIORITY SEATS

We launched the "Priority Seats" scheme in March 2012 to encourage passengers to express their concern for passengers in need by giving their seat to the elderly, the disabled, pregnant women and passengers with infants. Four priority seats with eye-catching headrests have been set aside near the exit door on the lower deck of around 3,500 double-deck buses. Messages reminding passengers to offer their seat to passengers in need are also broadcast on the bus stop announcement system.