

Engaging Stakeholders

Many different communication channels are employed to engage with our stakeholders, including passengers, manufacturers, suppliers, contractors, political parties, community groups, the government and members of the public.



Media and Online Communication

In 2016, we invited the media to events to strengthen communications and made increasing use of social media such as Facebook and Instagram to publicise KMB-related information. Our interaction with netizens included a number of cross-media activities that have been well received, as the number of fans of our Facebook page grew from 14,000 in July 2015 to over 40,000 in December 2016.

Alert to the potential of new-generation social media platforms, KMB Instagram accounts are provided to capitalise on the selfie trend among young people and enhance our interaction with young

passengers. The number of Instagram accounts had reached nearly 2,900 by the end of 2016.

Firm in the belief that social media platforms constitute a major communication means between the public and the company, KMB 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:

- In March and April, in celebration of its 83rd birthday, KMB organised an event via its online social media platforms Facebook and Instagram

seeking Hong Kong permanent residents with the same birthday as KMB – April 13. More than 2,800 people responded and were given a complimentary personalised bus model as a birthday gift.

- In April, as part of its birthday celebrations, KMB launched an activity on its Facebook encouraging the public to log onto a designated page to write birthday messages for relatives and friends who were born in April. The messages were broadcast across the city on ETA panels at bus stops.
- In June, KMB used the Facebook live function to introduce the new-generation Long Win Airport buses to the public.



- In September, KMB invited over 100 participants to join a light-painting activity at Kowloon Bay Depot via Facebook.

KMB's award-winning website (www.kmb.hk) serves the needs of the travelling public in a variety of ways, including Hong Kong's first map-based point-to-point bus route search function for a public bus company and the "Street View" function, which gives passengers a 360-degree photo tour of the street near their chosen bus stop. A new activity guide called "Popular places to visit" was added to promote leisure spots accessible via the KMB network, while the Bus-Bus Interchange enquiry page was upgraded to provide more detailed information on the interchange network.



Social media used to promote KMB

In 2016, we made increasing use of social media such as Facebook and Instagram to publicise KMB-related information.



A subsidiary of TIH sponsored Hong Kong Premier League team "KMB Yuen Long" in the 2016-17 season

In April 2016, the KMB website was granted the Triple Gold Award, the Most Favourite Website Award and Easiest-to-Use Website Award by the Office of the Government Chief Information Officer and the Equal Opportunities Commission in the Web Accessibility Recognition Scheme.

Engaging the Public

KMB has shared many important milestones with the people of Hong Kong since its establishment in 1933, including large influxes of population, economic ups and downs and the development of new towns. In many ways, KMB's story is the story of Hong Kong people.

In 2016, a number of events were organised to interact with the public we serve.

- On 5 March, KMB organised the event "Getting Around with KMB, Yesterday and Today" at the Hong Kong Cultural Centre Piazza in Tsim Sha Tsui, which

allowed the public to look back at the services provided by KMB in Hong Kong over the past 80-plus years, as well as updating them on the latest developments in bus services.

- On 9 April, KMB organised the event "KMB B-day@83" at its Kowloon Bay Depot, which attracted more than 20,000 visitors. In addition to celebrating KMB's birthday, the event showcased vintage buses and provided games and activities for participants. At the event, an award presentation ceremony for KMB's "Time Travel" painting competition was held.
- In June, KMB stepped up its engagement with the public via social media platforms by using the Facebook live function to explain bus topics of interest to the public.
- To bring care, love and blessing to the elderly, KMB launched a campaign in

June to distribute more than 20,000 free mooncakes to old people at various bus termini in Hong Kong, Kowloon and the New Territories.

- On 19 August, a subsidiary of TIH sponsored Yuen Long Football Club for the new Hong Kong Premier League season, renaming the team "KMB Yuen Long", thus engaging the public by promoting local football.
- On 12 November, KMB organised the "KMB Academy" event at Kowloon Bay Depot. In addition to introducing the Group's latest developments to the public, the event showcased new buses and provided games and activities for more than 22,000 people.

Passenger Liaison Group meetings

In 2016, KMB and LWB held a total of 12 Passenger Liaison Group meetings to collect customer views on a variety of

issues, including interchange schemes, environment-friendly buses, passenger facilities and network connectivity. Each company organised six meetings at bus termini across its operating area.

Customers Service Centres

KMB's eight customer service centres provide passengers with a one-stop service offering KMB 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 for those changing buses at the Interchange. To meet the needs of cross-boundary passengers, KMB operates a ticketing office at Lok Ma Chau providing Octopus services.

KMB Customer Service Hotline

The award-winning KMB customer service hotline (2745-4466) handled about 1.85 million calls in 2016, an average of 154,000 calls a month. Our hotline operator service, available daily from 7:00 a.m. to 11:00 p.m., is complemented by a 24-hour hotline system.

Hosting Visits

To increase our stakeholders' understanding of the daily operations at our bus depots, including maintenance and bus cleaning procedures, we received visitors from 62 organisations in 2016, including 27 social service organisations and 7 overseas delegations.

Memberships of Industry Associations

During 2016, KMB further strengthened its links with stakeholders via participation in the following organisations:

- Business Environment Council
- The Chartered Institute of Logistics and Transport in Hong Kong
- The Hong Kong General Chamber of Commerce
- Federation of Hong Kong Industries

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 2016, FRN's 5,000 volunteers contributed more than 24,000 hours of their time to community service. Of special note, during the year FRN volunteers, in partnership with Tung Wah Group of Hospitals, Prince of Wales Hospital, Suicide Prevention Services, Po Leung Kuk, The Boys' & Girls' Clubs Association of Hong Kong, The Hong Kong Society for the Aged and Lok Sin Tong, visited elderly people and people in need living in Cheung Sha Wan, Wong Tai Sin, Ping Shek, Kwai Chung, Sha Tin, Shau Kei Wan and Lam Tin.

Showing Care

KMB and LWB supported the "International Day of Disabled Persons" event by offering free rides on all its bus routes for people with disabilities and one accompanying carer on 13 November 2016. On 20 November, KMB supported "Senior Citizens Day" by offering free

rides to people aged 65 and over. Both events were organised by the Hong Kong Council of Social Service.

Community Sponsorship

KMB sponsors and participates in a variety of local community programmes, including the New Territories Walk for Millions, Dress Casual Day and the Corporate Challenge Half Marathon, all organised by The Community Chest of Hong Kong, as well as taking part in the Hong Kong Council of Social Service's Caring Company Patron's Club. In 2016, KMB provided bus-body advertisements for 16 non-governmental organisations ("NGOs") on 20 buses, as well as giving 11 NGOs airtime on KMB's on-bus broadcasting system.

Working with Suppliers Supply Chain Management

We believe in upstream integrated supply chain management with the emphasis on quality and logistics control. We work closely with our business partners to develop new buses and services that are well adapted to the local climatic and operational environment. We encourage fair and open competition with the aim of developing long term relationships with suppliers and sub-contractors based on mutual trust. Our supply chain activities are guided by company 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.

Policies on Managing Environmental and Social Risks in the Supply Chain

To bring vendors into line with our vision for sustainability, we require all new vendors to declare their



Members of KMB's volunteer club FRIENDS OF KMB were recognised at the KMB Academy event in November 2016 for their commitment to community service

compliance with KMB's "Environmental Care, Health and Safety of Suppliers/ Sub-contractors" guidelines. For major purchases, such as that of new buses, we incorporate "Corporate Responsibility Considerations" into the tender assessment criteria.

Operating Practices Relating to Engaging Suppliers and Sub-contractors

Our suppliers and sub-contractors' operations are expected to be conducted in a socially and environmentally responsible manner and to be in compliance with all legal and regulatory requirements.

Corporate Code of Conduct Environmental Care, Health and Safety of Suppliers/Sub-contractors

Our suppliers and their sub-contractors are expected to demonstrate their commitment to environmental care and a healthy and safe workplace by adopting the following measures:

- Continuous improvement of environmental performance:
 - Boosting employee awareness of environmental issues;
 - Encouraging energy conservation;
 - Promoting reduction of waste by appropriate measures and finding alternative uses for waste; and
 - Complying with all relevant legislations.
- Implementation and enforcement of proper health and safety procedures by:
 - Providing and maintaining a safe and risk-free operating environment by adopting good systems and equipment;
 - Enforcing appropriate procedures for the use, handling, storage and transport of materials; and
 - Complying with all relevant legislations.

Forced Labour and Child Labour

Suppliers and their sub-contractors

undertake that they will not use forced labour in any form or child labour (persons below the local minimum age or below the age of 16).

To ensure that our suppliers conduct operations with a comprehensive consideration of their environmental and social aspects, we require our tenderers to provide us with details of the following aspects of their operations. We view their performance in these areas carefully when considering the awarding of contracts:

- The tenderer's awareness of environmental care, health and safety, and policies regarding the prevention of the use of forced labour and child labour;
- Measures taken by the tenderer to check compliance of its key suppliers/ sub-contractors against its standards on Environmental Care, Health and Safety of Suppliers/Sub-contractors, and Forced Labour and Child Labour; and



- Any major social controversies, fines or settlements related to the activities of the tenderer's suppliers/sub-contractors.

Legal and Regulatory Compliance

Our suppliers are expected to fulfil all their contracts with us in a proper and lawful manner and in no way violate the laws of the HKSAR.

Prevention of Bribery and of Corrupt Practices in Procurement

We promote fair and open competition and aim to develop and secure long-term relationships with suppliers and sub-contractors based on mutual trust. We make efforts to ensure that the procurement of supplies and services is conducted to the highest ethical standards so as to ensure a high quality end product and the sustained confidence of customers, suppliers and the public. We ensure that all suppliers, sub-contractors and consultants are managed equally without prejudice, both local and overseas, and that those staff

involved in the selection of and purchase from suppliers and sub-contractors avoid misuse of authority and do not engage in actions which could interfere with their ability to make free and independent decisions in respect of purchase and procurement.

Procurement and Tendering Procedures

The criteria for the procurement and tendering of services or goods are based solely upon price, quality, need and other relevant factors, including environmental and social responsibility standards. Our procurement and tendering measures are implemented on the following principles:

- Impartial selection of capable and responsible suppliers and subcontractors;
- Fair competition;
- Selection of appropriate contract types according to needs;
- Compliance with laws, relevant regulations and contractual obligations; and
- Adoption of an effective monitoring system and management controls to detect and prevent bribery, fraud or other malpractices in procurement and tendering. Procurement and tendering protocols for implementing this policy will specifically include procedures and practices designed to detect and prevent fraudulent activities.

Suppliers are asked to declare any close personal or business relationships they may have with any of our directors, staff or handling agents. They are

also requested to make a report to the Independent Commission Against Corruption if an employee has committed any offence of corruption under the Prevention of Bribery Ordinance (Chapter 201, Laws of Hong Kong). Should a supplier or sub-contractor be found to have committed any offence of corruption under this Ordinance, we reserve the right to immediately terminate all outstanding contract(s) without allowing the supplier or sub-contractor recourse to any compensation or claim for loss.