



KWOON CHUNG BUS HOLDINGS LIMITED

(Incorporated in Bermuda with Limited Liability)

(Stock Code: 306)



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
2023/2024



CONTENTS

About this Report	2
Purpose, Reporting Scope and Period	2
Reporting Standards	2
Reporting Principles	3
Access to the Report	3
Feedback	3
About the Company	4
Vision and Mission	4
Our Approach to Sustainability	5
ESG Governance	5
ESG Risk Management	6
Stakeholder Engagement	6-7
Materiality Assessment	8-9
Safety and Quality Services	10
Our Vehicle Fleet	10
Safety Measures	10-12
Providing Great Travel Experience	12-13
Advertising and Privacy Protection	13
Protecting our Environment	14
Climate Change	15
Environmental KPIs	16-17
Energy Consumption, Air and GHG Emissions	17
Water Consumption	17
Waste Management	18
Green Operations	18-19
Nurturing our People	20
Employee Overview	20-21
Human Resources Strategy and Practices	21
Staff Benefits and Welfare	22
Occupational Health and Safety	22
Talent Development	23
Labour Standards	23
Managing our Supply Chain	24
Suppliers' Overview	24
Selection of Suppliers	24
Upholding Business Ethics	25
Caring for our Community	25
Oxfam Trailwalker 2023	25
Kwoon Chung Southern District Children's Football programme	25
Run as One Lantau Charity Race	26
The drama Thunderstorms	26
Kwoon Chung Inclusive – Love in Motion	26
Free Rides Scheme of International Day of Disabled Persons ("IDDP")	26
Free Rides for the Elderly on Senior Citizen's Day	26
Environmental, Social and Governance Reporting Guide Index	27-31

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About this Report

Purpose, Reporting Scope and Period

Kwoon Chung Bus Holdings Limited (the “Company”, together with its subsidiaries, collectively “Kwoon Chung” or the “Group” or “we” or “us”) is pleased to present the Environmental, Social and Governance (“ESG”) Report (the “Report”) for the period from 1 April 2023 to 31 March 2024 (the “Reporting Period”). The Report is intended to communicate the major strategies and performance related to the Group’s sustainable development to stakeholders.

Unless otherwise stated, the scope of this Report primarily covers our business segments in Hong Kong, which account for approximately 88.9% of the Group’s total revenue during the Reporting Period. Our operations in Hong Kong include the following areas:

- I. Provision of non-franchised bus services
- II. Provision of franchised bus and public light bus (“PLB”) services
- III. Provision of limousine services

The reporting boundary is determined based on the materiality to ESG concerns and significance to our Group.

Reporting Standards

This Report is prepared in accordance with the latest disclosure requirements under the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 (the “ESG Reporting Guide”) to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “HKEX”).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Reporting Principles

Reporting Principle	Description in the ESG Reporting Guide	Our Application of Reporting Principle
Materiality	The threshold at which ESG issues determined by the board of directors of the issuer are sufficiently important to investors and other stakeholders that they should be reported.	In the preparation of this Report, a materiality assessment was conducted to identify issues that are significant to both the Group and its stakeholders. A focused approach was employed to gather and disclose pertinent information on these critical matters.
Quantitative	Key Performance Indicators (“KPIs”) in respect of historical data need to be measurable. The issuer should set targets (which may be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate.	This Report delivers quantitative and comparative data and KPIs, with ample explanation provided where relevant.
Balance	The ESG report should provide an unbiased picture of the issuer’s performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.	This Report provides an impartial assessment of our ESG performance, outlining both accomplishments and obstacles in an objective manner.
Consistency	The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.	This Report follows a consistent methodology in its preparation and provides a clear explanation of any changes made to the methods compared to the previous year.

Access to the Report

The Report has been prepared in both English and Chinese and is available on the Group’s website at www.kcbh.com.hk. In case of discrepancy, the English version shall prevail.

Feedback

To achieve sustainable growth, the Group recognises the importance of the opinions of all stakeholders in its decision-making processes. Should you have any opinion on this Report or our sustainable development performance, please contact us at info@kcbh.com.hk.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About the Company

Vision and Mission



Kwoon Chung serves with pride and devotion. We provide safe, reliable, efficient, and environmentally friendly designated bus routes services, non-franchised and franchised bus, and other transportation services to our customers.



Throughout our operations, the Group is devoted to the following missions:

1. To adhere to a rigorous work attitude and strive to provide quality services that satisfy customer requirements.
2. To promote environmental awareness in:
 - Caring for the environment
 - Reducing the generation of pollution and waste
 - Recycling resources
3. To identify, understand, and consistently fulfil customer requirements and applicable laws and regulations.
4. To introduce a governance policy that emphasizes coordination, cooperation, and interaction, contributing to the sustainable development of society and environmental protection.



Our Approach to Sustainability

Kwoon Chung is committed to incorporating ESG considerations throughout our daily operations and decision-making processes at all levels of management. We recognise that a balance between sustainable development and business growth is essential to creating long-term value for our stakeholders. As such, we prioritise the health and safety of our employees, minimise our environmental impact, and serve the communities in which we operate. Our corporate responsibility is built around the core tenet of “We protect our people and the environment” in order to achieve sustainable growth and accelerate productivity. We believe that by adhering to ESG principles, we can create a better and greener future for the next generations.

ESG Governance

An effective sustainability governance structure is the cornerstone of our continued success. To ensure that sustainability is an integral part of our corporate agenda, we have established an ESG governance structure, wherein the board (the “Board”) of directors of the Company holds the ultimate responsibility for the Group’s ESG strategy and reporting. The Board also provides oversight of the Group’s ESG issues, including but not limited to our sustainability management approach, strategy, and initiatives, with an emphasis on the Group’s long-term development and positioning. Delegated by the Board and supported by the ESG working group, the executive management assists the Board in overseeing ESG management approach and issues to drive the planning and implementation of the Group’s ESG-related matters and advises the Board on ESG-related matters through regular meetings to ensure that the Board stays abreast of the Group’s ESG performance, risks and opportunities, as well as the implementation progress of relevant plans.

The Board	Executive Management	ESG Working Group
<ul style="list-style-type: none"> Review the ESG framework and oversee the ESG strategy and goals Monitor and manage material ESG-related risks Establish ESG-related goals and targets in relation to the businesses Review the progress made against ESG-related goals and targets 	<ul style="list-style-type: none"> Oversee policies and practices related to ESG issues Review and implement the Group’s ESG strategy Identify and review the Group’s ESG-related risks 	<ul style="list-style-type: none"> Implement ESG-related programs Regularly communicate with stakeholders Collect ESG information and data for reporting

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Risk Management

Effective ESG risk management is crucial for achieving sustained business success in today's ever-changing world. As part of the Board's role in steering the long-term sustainability direction of the Group, the Board bears the ultimate responsibility for overseeing the Group's ESG-related risk management, enabling us to remain resilient in the face of unprecedented changes and challenges.

In order to enhance our risk mitigation and response, we regularly conduct ESG-related risk assessment to identify, evaluate, prioritize and manage risks by considering their risk levels in terms of potential impact and likelihood. We implemented appropriate controls to mitigate ESG-related risks and ensure their effectiveness at the appropriate business level. The Board oversees the effectiveness of these control measures and provides suggestions, when necessary.

Stakeholder Engagement

We recognize the value of maintaining strong relationships with our stakeholders. By actively promoting open dialogue with our major stakeholders, we strive to understand the sustainability issues that most of them concern and respond to their needs and expectations. We engage with stakeholders regularly to gather a range of perspectives along the value chain. Our identified key stakeholders, the respective concerned topics and the major engagement channels are as follows:

Key Stakeholders	Concerned Topics	Major Engagement Channels
Investors, potential investors and shareholders	<ul style="list-style-type: none"> Financial performance Corporate governance Risk management Operation and strategy 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Corporate reports and announcements Meeting with investors and analysts (if applicable)
Employees	<ul style="list-style-type: none"> Welfare and benefits Working environment Training and development Occupational health and safety Self-actualisation 	<ul style="list-style-type: none"> Regular meetings Task force Training, seminars and briefing sessions Intranet and emails Annual performance appraisal
Customers	<ul style="list-style-type: none"> Safe and high-quality services Stable relationship Information transparency Integrity and business ethics 	<ul style="list-style-type: none"> Company website, brochures, corporate reports and announcements Email and customer service hotline Feedback and report Passengers Liaison Group ("PLG") meetings for Franchised Bus Division

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



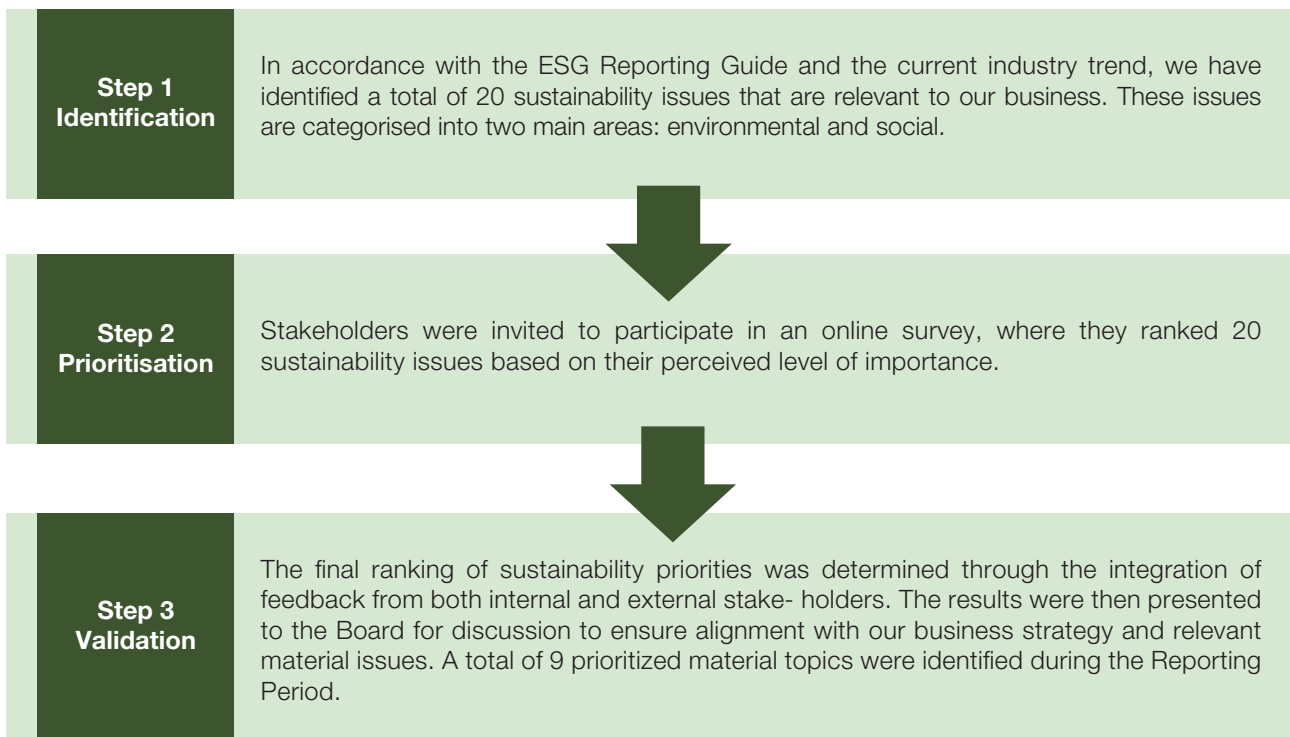
Key Stakeholders	Concerned Topics	Major Engagement Channels
Suppliers/ Sub-contractors	<ul style="list-style-type: none"> • Long-term partnership • Honest cooperation • Fair and open • Information resources sharing 	<ul style="list-style-type: none"> • Regular business meetings, supplier conference, phone calls and interviews • Supplier review and assessment • Tendering process • Emails, circulars and manuals • Company website
Government/ Regulators	<ul style="list-style-type: none"> • Taxation compliance • Regulatory compliance • Business ethics 	<ul style="list-style-type: none"> • On-site inspections and checks • Research and discussion through work conferences, work reports preparation and submission for approval • Corporate reports and announcements • Company website • Compliance control
Non-Government Organizations	<ul style="list-style-type: none"> • Social responsibilities 	<ul style="list-style-type: none"> • Voluntary work • Charity and social investment • Company website
Media	<ul style="list-style-type: none"> • Corporate Image • Social responsibilities 	<ul style="list-style-type: none"> • Company website • Company event • Charity and social investment
Peers	<ul style="list-style-type: none"> • Honest cooperation • Fair and open • Partnership opportunities 	<ul style="list-style-type: none"> • Company website • Business meetings
Industry Association	<ul style="list-style-type: none"> • Industry involvement 	<ul style="list-style-type: none"> • Industry conference • Company website
Community	<ul style="list-style-type: none"> • Community involvement • Social responsibilities • Transparent information 	<ul style="list-style-type: none"> • Voluntary work • Charity and social investment • Company website

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Materiality Assessment

We consider materiality assessment to be a critical process in identifying sustainability topics of high importance to our stakeholders and the Group. This enables us to report on the relevant material sustainability topics in accordance with the materiality reporting principle. Along with our standard communication channels, we engaged an independent consultant to aid in conducting a materiality assessment during the Reporting Period. The outcomes of the materiality assessment and relevant ESG topics are reviewed and discussed by the management and the Board. Our materiality assessment process involves identifying issues, prioritising them based on materiality ranking from survey analysis, and validating the issues.

The materiality assessment process is shown as below:

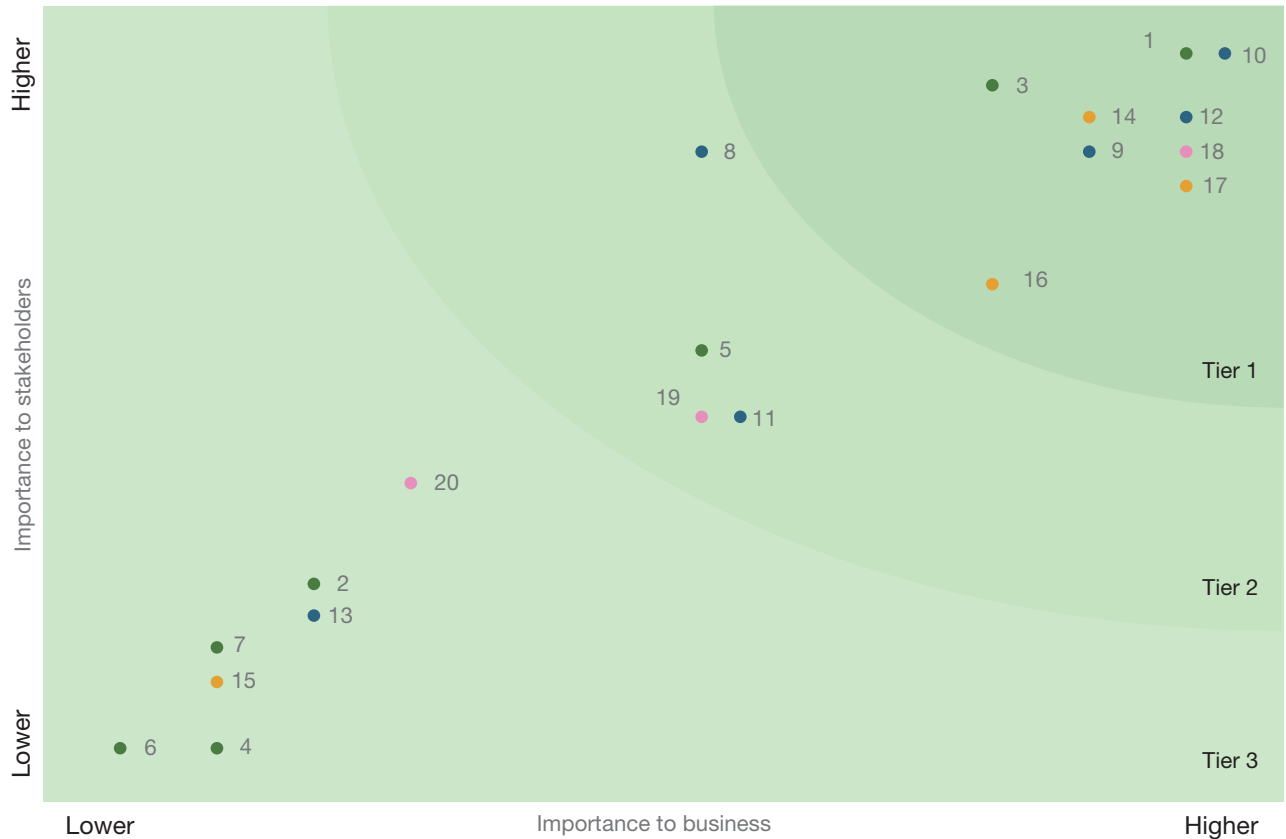


The materiality of the 20 ESG issues to our business and stakeholders is illustrated in the following materiality matrix. Based on the results of the online questionnaire, a total of 9 ESG topics were determined to be material during the Reporting Period, shown in Tier 1 of the materiality matrix. Information relevant to the 9 top material ESG topics have been addressed in the subsequent sections of this Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Materiality Matrix



- | | | | |
|----|--|----|---------------------------------------|
| 1 | Air Emissions | 14 | Customer Service |
| 2 | Waste Treatment | 15 | Marketing Promotion and Advertisement |
| 3 | Carbon Emissions and Energy Saving | 16 | Data Protection and Cyber Security |
| 4 | Water Resource Management | 17 | Anti-Fraud and Corruption |
| 5 | Climate Change and Resilience | 18 | Community Investment |
| 6 | Green Procurement | 19 | Economic Performance |
| 7 | Environmental Risks along Supply Chain Management | 20 | Business Expansion |
| 8 | Employee Welfare | | |
| 9 | Equal Opportunity, Diversity and Anti-discriminatory | | |
| 10 | Occupational Health and Safety | | |
| 11 | Employee Training and Development | | |
| 12 | Employment Compliance | | |
| 13 | Social Risks along Supply Chain Management | | |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Safety and Quality Services

Our business is built upon the foundation of quality and safety, which are critical to our customers. We continuously strive to improve our safety, reliability, and customer service, as these are key components of our overall value proposition. We believe in the philosophy of “Serving with Pride and Dedication” and aim to embed a strong safety culture, known as “Safety-We Care”, that is embraced by all employees. This culture serves as a guide for personal and organisational behaviour, reducing the Group’s risk profile on an ongoing basis.

To this end, we have launched a training, safety, and performance management department led by a team of industry professionals with strong backgrounds in the local and international public transport markets. The department adheres to industry best practices and utilises the latest technology to develop appropriate policies, provide support for line management oversight, and enhance monitoring of daily bus operations.

Our Vehicle Fleet

We conduct regular reviews of our bus specifications to ensure we meet high standards of safety, comfort, and accessibility. In particular, our double-deck buses have equipped with features, such as a straight staircase for improved access to the upper deck, priority seating, and more spacious seats. Our entire double-deck fleet also offers super-low floor access. Additionally, our coach fleet is equipped with speed limiters to enhance safety on the roads.

Safety Measures

Regular maintenance

The Group has implemented a comprehensive inspection and maintenance program to ensure that our fleet is in optimal condition and meets safety regulations. We conduct regular quality inspections on a set cycle and some vehicles undergo thorough monthly inspections, including checks on emission data, components, and braking systems. In addition, the Transport Department would assign vehicle examiners to conduct random checks.



Safety facilities

To ensure the safety of our passengers and bus captains, we have implemented the following measures:

Surveillance Cameras

- In order to ensure the safety of passengers and protect the interests of bus captains, a comprehensive surveillance system has been installed on all new buses. These cameras are capable of real-time monitoring, if necessary, and include forward-facing dashboard cameras as well as indoor cameras. This system allows the Group to more effectively monitor road conditions and the behaviour of bus captains and other road users.

Electronic Stability Programme (“ESP”)

- ESP is a crucial safety feature that prevents a bus from skidding or overturning when cornering or operating on a slippery road surface. This feature is designed to enhance the vehicle’s stability and control, reducing the risk of accidents and ensuring the safety of our passengers and bus captains.

Electronic Braking System (“EBS”)

- EBS enables optimisation of the drive and braking operations on our vehicles. It also facilitates monitoring and maintenance of the braking system.

Driver Monitoring System (“DMS”)

- DMS is an advanced safety system that assesses and monitors our bus captains’ alertness through a driver-facing camera mounted on the dashboard. The camera tracks the driver for any signs of drowsiness or other distractions, issuing warnings and alerts in real-time to ensure the driver’s attention is back on the road. This monitoring device uses image processing and advanced facial recognition technology to detect the driver’s level of alertness. Early audio alerts and vibration warnings are activated when fatigue or an abnormal situation is detected.

Geo-fencing

- By implementing and merging geo-fencing and global positioning system (“GPS”) technology as well as the road speed restriction data, our vehicles’ systems can identify the prevailing legal speed limit. Alerts and warnings can then be activated to remind the bus captains to reduce the speed in the event that reaches the speed limit at any given moment during its journey.

Safety Belts

- All seats on our new buses are equipped with safety belts, and the majority of our existing fleets have also been retrofitted with this feature. To further promote the use of safety belts among our passengers, we are implementing measures to increase awareness of their availability and benefits.

We perform monitoring of the functionality of safety belts and vehicle telematics systems regularly. In addition, bus captains are required to conduct daily pre-service inspections to ensure the safety of the buses.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Intensive staff training

To meet our commitment to delivering safe and reliable transportation services that align with our “Safety–We Care” culture, we expect all staff members, including bus/limousine captains, station assistants, school bus escorts, and control room officers, to conduct themselves in a professional manner that meets or exceeds customer expectations. To enhance safety awareness among our employees, we provide a range of training programs that utilise actual video footage of past accidents. These programs are designed to equip our employees with the necessary skills and knowledge to deliver transportation services that are both safe and reliable. The following examples illustrate training content for various staff members:

Bus/Limousine Captains 	<ul style="list-style-type: none">• Emotional management• Excellent service quality• Standard operating procedure• Concept of defensive driving• Major causes of traffic accident
School Bus Escorts 	<ul style="list-style-type: none">• Personal appearance/attitude• Children’s safety and discipline• Standard operating procedure• Emergency handling
Maintenance Staff 	<ul style="list-style-type: none">• Basic electricity theory• Safety of vehicles maintenance• Workshop safety• Training for new model buses

Providing Great Travel Experience

Listening and acting upon customers’ feedback

We consider customer feedback to be a crucial source of market intelligence that enables us to achieve continuous improvements in our service quality levels. To this end, we employ a variety of methods to collect feedback from customers, including communication channels on public platforms, meetings with corporate customers, schools, and residents associations to review service performance. During the Reporting Period, 9 PLG meetings were hosted by our Franchised Bus Division to communicate with the public. We are committed to understanding the root cause of each complaint and taking prompt and effective actions to prevent similar incidents from recurring in the future, to the extent reasonably practicable.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



During the Reporting Period, the Group received 325 complaints (2022/23: 195 complaints) and suggestions regarding franchised bus services referred by the Transport Complaints Unit of the Government's Transport Advisory Committee, which were related to the adequacy and standard of services. All complaints were thoroughly investigated and managed in accordance with the Group's internal guidelines.

During the Reporting Period, no material complaints (2022/23: Nil) were received relating to our services that have had a significant impact on the Group.

Regular internal quality inspection

We take a proactive approach to identifying and addressing areas for improvement, ensuring that we provide safe and reliable transportation services to our customers. We regularly conduct "mystery customer" programs and internal surveys in our depots (and across our operating area) to inspect and identify deficiencies. The results of these inspections and investigations are reported and tracked by management to ensure that necessary actions are taken to achieve our goal of delivering continuous improvements in service quality.

Due to our business nature, recall procedures are not applicable.

Advertising and Privacy Protection

To ensure that customers' right to know is protected, the advertisement of our services is strictly regulated to avoid misleading information.

In the course of our daily operations, we process a significant amount of private information about the Group, its customers, and other stakeholders. To protect their rights and interests, we handle this information with caution and comply with the Personal Data (Privacy) Ordinance (Cap. 486). For instance, we clear all CCTV recordings after three months to safeguard our customers' privacy. We are committed to data privacy, which ensures that we maintain the trust of our customers and stakeholders by providing them with safe and reliable transportation services.

During the Reporting Period, the Group was not aware of any material breach of applicable laws and regulations in relation to advertising and privacy protection, including but not limited to the Trade Descriptions Ordinance (Cap. 362) and the Personal Data (Privacy) Ordinance (Cap. 486).

With regard to our business nature, product labelling is not applicable to the Group and intellectual property is considered as an immaterial issue.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Protecting our Environment

The Group places great importance on environmental protection and sustainable development and considers it as one of our top priorities. As a road transport operator in Hong Kong, we are fully aware of the impact our operations have on the environment and the public.

In addition, the Group is a signatory of the Low Carbon Charter of the Business Environment Council, with the aim of contributing to Hong Kong's long-term decarbonization and achieving carbon reduction targets. Furthermore, our subsidiary, New Lantao Bus Company (1973) Limited, is an active participant in the Civic-Exchange initiated "Zero Emissions Mobility Consortium". Through collaboration with other industry players, we are working towards achieving the goal of zero emissions for Hong Kong and creating a roadmap for decarbonizing road transport within a specific timeframe.

During the Reporting Period, the Group was not aware of any material breach of environmental laws and regulations, including but not limited to:

- Air Pollution Control Ordinance (Cap. 311)
- Air Pollution Control (Construction Dust) Regulation (Cap. 311R)
- Waste Disposal Ordinance (Cap. 354)
- Waste Disposal (Chemical Waste) (General) Regulation (Cap. 354C)
- Noise Control Ordinance (Cap. 400)
- Environmental Impact Assessment Ordinance (Cap. 499)
- Buildings Energy Efficiency Ordinance (Cap. 610)
- Ozone Layer Protection Ordinance (Cap.403)



Climate Change

The Group recognizes the potentially harmful impacts of climate change, including extreme weather, on various aspects of the external environment. To address and adapt to these impacts, we have formulated and reviewed the “Climate Change Policy” in accordance with our corporate strategies and the development of climate change issues related to our business operations. We have identified climate-related risks, both physical and transition, that may pose a threat to our business operation, and we regularly assess the effectiveness of existing mitigation measures in order to enhance the resilience of our business to climate change.

Extreme weather conditions, such as typhoons, heavy rainstorms, and flooding, have the potential to adversely affect our business operations and pose a threat to our employees’ safety. As a precaution, we provide our employees with guidance to help them work under these conditions. In light of the increasingly strict laws and regulations related to climate change, as well as the growing need for transparency in ESG-related performance, we continuously review our internal policies and practices to make sure that they comply with the most recent policies of the Government, regulatory updates, and industry standards.

We are dedicated to addressing climate change and achieving our green targets, as detailed below:

Our Green Targets



Emissions

- To reduce air and greenhouse gas (“GHG”) emissions through implementing environmentally friendly measures.



Waste

- To minimise waste by promoting recycling and waste reduction at source.



Energy

- To optimise energy use efficiency and advocate for energy-saving practices.



Water

- To enhance water efficiency and advocate for water conservation by implementing water-saving practices.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental KPIs¹

	2023/24	2022/23	Unit
Air Emissions^{2,3}			
Nitrogen Oxides (“NOx”)	473.79	305.01	Tonnes
Sulphur Oxides (“SOx”)	0.43	0.27	Tonnes
Particulate Matter (“PM”)	34.89	22.89	Tonnes
GHG Emissions²			
Direct Emissions (Scope 1)	74,865.26	47,092.94	Tonnes CO ₂ e
Energy Indirect Emissions (Scope 2)	520.33	481.86	Tonnes CO ₂ e
Total GHG Emissions (Scopes 1 & 2)	75,385.58	47,574.80	Tonnes CO ₂ e
Intensity of Total GHG Emissions (Scopes 1 & 2)	40.48	39.87	Tonnes CO ₂ e/million HKD revenue
Energy Consumption⁴			
Direct Energy			
Diesel	254,292.40	167,056.33	MWh
Gasoline	16,261.85	1,855.22	MWh
Liquefied Petroleum Gas (“LPG”)	440.39	46.50	MWh
Indirect Energy			
Purchased Electricity	1,165.48	1,061.54	MWh
Total Energy Consumption (Direct and Indirect)	272,160.13	170,019.59	MWh
Intensity of Total Energy Consumption (Direct and Indirect)	146.16	142.49	MWh/million HKD revenue
Water Consumption⁵			
Total Water Consumption	26,322.60	20,778.60	m ³
Intensity of Total Water Consumption	14.14	17.41	m ³ /million HKD revenue

¹ Totals may not be the exact sum of numbers shown here due to rounding.

² Our reporting on air and GHG emissions are mainly based on the requirements in “How to prepare an ESG Report” published by the HKEX and “GHG Protocol Corporate Accounting and Reporting Standard (revised edition)” published by the World Business Council for Sustainable Development and World Resources Institute. Operational control approach is adopted when defining organizational boundary for the purpose of GHG accounting and reporting.

GHG emissions is presented in carbon dioxide equivalent (CO₂e). In accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Business Council for Sustainable Development and World Resources Institute, Scope 1 direct emissions are resulted from operations that are owned or controlled by the Group, while Scope 2 indirect emissions are resulted from the generation of purchased or acquired electricity, heating, cooling, and steam consumed within the Group.

³ The travel distance of the mobile vehicle is estimated based on Energy Consumption Indicators and Benchmarks provided by Electrical and Mechanical Services Department, using the recommended amount of mobile fuel per distance.

⁴ Our total energy consumption includes purchased electricity and non-renewable fuels consumed. The relevant conversion factors are reference from the “Technical Note: Conversion of fuel data to MWh” published by CDP.

⁵ Some of the operating premises under the Group of which the water supply was solely controlled by the respective building management which considered the provision of water consumption data or sub-meter for individual occupant not feasible. Hence, the water consumption data excluded consumption from those operating premises.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



	2023/24	2022/23	Unit
Hazardous Waste			
Liquid Waste			
Spent Lube Oil	62.40	64.20	m ³
Spent Lube Oil (Waste Water)	31.00	31.00	m ³
Spent Oil Filter	0.18	0.20	m ³
Total Hazardous Waste (Liquid)	93.58	95.40	m ³
Intensity of Total Hazardous Waste (Liquid)	0.05	0.08	m ³ /million HKD revenue
Solid Waste			
Waste Battery	9.43	10.45	Tonnes
Total Hazardous Waste (Solids)	9.43	10.45	Tonnes
Intensity of Total Hazardous Waste (Solids)	0.005	0.008	Tonnes/million HKD revenue
Non-hazardous Waste			
General Refuse	1.65	1.16	Tonnes
Tyres	44.50	30.91	Tonnes
Total Non-hazardous Waste	46.15	32.07	Tonnes
Intensity of Total Non-hazardous Waste	0.02	0.03	Tonnes/million HKD revenue

Energy Consumption, Air and GHG Emissions

Our business operations heavily rely on vehicles and electricity consumption for our offices, ticketing points, bus stations, and depots. Fuel usage and electricity consumption are our major sources of energy consumption, air, and GHG emissions. To minimize the impact on the environment, the Group has implemented internal measures to manage vehicle use and plans to achieve carbon neutrality by the Year 2050 in accordance with the Government's target. We regularly review and revise our bus routes and schedules to optimize environmental performance and have invested in new state-of-the-art bus and crew scheduling software to improve operational efficiency and eliminate unnecessary vehicle movements. We also monitor engine idling with advanced GPS tracking devices and have successfully converted some key bus routes from a high frequency single decker bus operation to a slightly lower frequency double decker bus mode, resulting in reduced noise, air emissions, and fuel consumption without compromising customer service. These measures have helped improve traffic congestion, reduce vehicular flow, and improve roadside air quality.

Water Consumption

During the Reporting Period, we did not experience any issues in sourcing water as it is provided by local suppliers in the areas where we operate, primarily in Hong Kong. However, we recognize the significance of water conservation and aim to improve water efficiency by promoting conservation efforts. To raise staff awareness and encourage water conservation, we have been posting reminders in our offices. Our commitment to water conservation reflects our dedication to sustainable development and responsible resource management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Waste Management

During our daily operation, waste oil and batteries used in our vehicle fleet are the major hazardous wastes generated. To manage and reduce hazardous wastes associated with our operations, the Group has adopted the following measures:

- Developed a “Waste Handling Policy and Guideline” for corresponding departments.
- Assigned trained technicians to perform recycling.
- Stored and handled such wastes in designated areas at bus depots (before disposal).
- Engaged with qualified and registered service-providers to collect and process such wastes in a proper way in accordance with the statutory standards.

Waste tyres, scrapped vehicles, used paper, and general refuse are the primary contributors to non-hazardous waste generation. The Group is committed to responsible recycling, storage, and disposal of waste to reduce non-hazardous waste production. Our dedication to waste reduction reflects our commitment to sustainable development and responsible resource management.

To minimise the amount of landfilled waste, the Group has adopted below measures:

- Raised staff’s environmental protection awareness by training
- Issued guidelines and reminders aimed at reducing waste at source

In addition, the Group is not involved in any use of packaging materials for finished goods.

Green Operations

Apart from the aforementioned practices, we adopted various measures to minimise our impact on the environment and natural resources, including:

Euro VI vehicles

To improve roadside air quality and protect public health, the Group plans to replace aging buses, particularly Euro IV Diesel Commercial Vehicles (“DCV”), with Euro VI or better in the coming years. During the Reporting Period, we upgraded a total of 39 buses in our fleet to ensure their engines meet the low-emissions standard of Euro VI DCV, with over 66.5 % of buses in our fleet meeting this standard as of 31 March 2024.

As compared with Euro V, the NOx and RSP (PM10) emissions of Euro VI heavy diesel vehicles are approximately 80% and 50% less respectively, and the NOx emissions of Euro VI light diesel vehicles are approximately 55% less. We believe that replacing aging buses with Euro VI DCV can enhance the environmental performance by reducing the GHG emissions of the Group.



Regular maintenance

The Group offers comprehensive vehicle maintenance programs to ensure that diesel-fuel generators, refrigeration, and air-conditioning systems in vehicles are properly maintained for energy efficiency and compliance with standards. Our repair technicians and frontline operational staff are vigilant in identifying high-emitting vehicles and carrying out repairs to restore their capacity and meet the strict exhaust emission standards set by the European Council of Environmental Ministers. Our management regularly reviews the emission inspection system to ensure compliance with regulations. This includes strengthening enforcement and enhancing testing procedures and executions to minimise errors and prevent the appearance of high-emitting vehicles.

CO₂ concentration

We strive to adhere to all legal and regulatory requirements in all aspects of our operations. In order to ensure that the levels of CO₂ concentration in our buses meet the required standards, we conduct regular random testing. Additionally, we have also engaged the services of professional third parties to perform testing on CO₂ concentration in our vehicles.

Waste water treatment

To treat effluents before discharge, our depots are equipped with sewage treatment facilities as well as grease traps. Waste is collected by eligible professional third parties regularly.

Advocating eco-friendly habits for driving

As part of our commitment to reduce our carbon footprint, we actively promote eco-friendly driving habits among our bus/limousine captains. In addition to upgrading to more environmentally friendly vehicles, we encourage our bus/limousine captains to switch off idling vehicles to minimise engine idling.

Promoting eco-friendly habits for office operation

For office operations, we have issued guidelines on electricity saving, water conservation, and the use of paper and other office supplies to reduce waste and enhance employees' environmental awareness.

Implementation of electric vehicles

To achieve the Government's carbon neutrality target by the Year 2050, we are promoting the use of electric vehicles (the "EVs") and other environmentally friendly vehicle propulsion technologies. Electric vehicles only running on electricity and have zero tailpipe emissions. Replacing conventional vehicles with EVs can help improve roadside air quality and reduce greenhouse gas emissions. A wider use of EVs also contributes to the development of environmental industries. During the Reporting Period, 10 units of electric private cars were acquired by the Group. To explore the environmental benefits of electric buses, we have been cooperating with the Government to conduct trial runs and assess their operational efficiency and performance in handling local traffic conditions in 2018. Four single-decker electric buses have entered service during the Reporting Period.

The regular repair and maintenance of EVs, as well as the repair of the charging station and high voltage portion of the electrical system, are now conducted by the electric bus manufacturer or other contractors. We will consider procuring necessary maintenance equipment and training up in-house maintenance staff to cope with the growing need for EVs in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Nurturing our People

The Group is committed to creating a safe and harmonious work environment for our employees, while also providing competitive and reasonable benefits. To protect the rights of both our employees and the Group, we strictly adhere to all relevant labour laws and regulations in our areas of operation, including but not limited to the Employment Ordinance (Cap. 57), Employees' Compensation Ordinance (Cap. 282), Minimum Wage Ordinance (Cap. 608), and Employment of Children Regulations (Cap. 57B).

During the Reporting Period, the Group was not aware of any material non-compliance of labour-related laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other welfare and benefits.

Employee Overview

As of 31 March 2024, the Group has 2,904 employees (2022/23: 2,636 employees) in Hong Kong. The distribution of employees by gender, employment type as well as age group are outlined below:

Employee Composition	2023/24 (No. of employee)	2022/23 (No. of employee)
Total number of employees	2,904	2,636
By Gender		
Male	2,157	1,923
Female	747	713
By Employment Type		
Full-time	1,828	1,969
Part-time	1,076	667
By Age Group		
30 or below	198	132
31-50	959	826
51 or above	1,747	1,678

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Dismissal and relevant compensation distribution follow the Group's code of conducts and comply with relevant labour regulations of its place of operations. The breakdown of the Hong Kong's employee turnover rate by gender and age group are as the following:

Employee Turnover Rate⁶	2023/24 (%)	2022/23 (%)
Turnover rate	31	30
By Gender		
Male	29	27
Female	35	37
By Age Group		
30 or below	46	48
31-50	32	33
51 or above	28	26

Human Resources Strategy and Practices

The Group strives to be a desirable employer by following the principles of equal opportunity, non-discrimination, and diversity in various labour-related procedures such as recruitment, compensation determination, promotion, training and development. Our selection process is solely based on work ability, and we do not consider any factors such as age, gender, race, religion, sexual orientation, or disability that may affect our selection.

To ensure a workplace free from discrimination based on personal characteristics protected by law, such as gender, sexual orientation, disability, age, race, skin colour, national or ethnic origin, and family status, we have formulated and strictly implemented the internal "Equal Opportunities Policy". Any form of workplace discrimination or harassment is not accepted.

We believe that open dialogue and feedback are essential in establishing a harmonious working environment and building a close relationship with our valuable employees. Therefore, we encourage all employees to raise any issues, concerns, grievances, or appeals through designated communication and whistle-blowing channels without fear of retaliation.

⁶ The employee turnover rate is calculated based on the total workforce at the end of the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Staff Benefits and Welfare

Creating a harmonious and dynamic working environment is vital for talent retention and enhances employees' sense of belonging to the Group. Therefore, we provide our employees with competitive remuneration packages and benefits. Our compensation and benefits include base salary, discretionary bonuses, health care plans, stock options, transportation allowances, and housing allowances (as appropriate). In addition, we ensure that our compensation packages are competitive enough by tracking relevant market information. We also regularly conduct salary assessments and promotion reviews based on the annual appraisal. The Group's leave policy is based on the standard rules set out in the Employment Ordinance (Cap. 57), which entitles employees to different kinds of leave such as annual leave, public and statutory leave, sick leave, and maternity leave. Furthermore, we have presented the "Long Service Award" to employees who have made significant contributions to the Group over an extended period of time. The award includes a commemorative gold medallion as a token of our appreciation for their dedication and commitment to the Group. During the Reporting Period, a total of 120 employees were honoured with the "Long Service Award". Among them, 65 employees received the 10-year award, 19 employees received the 20-year award, 2 employees received the 30-year award, and 34 employees received the award for retirement.

Occupational Health and Safety

Ensuring the health and safety of our employees has always been a top priority. We strive to provide our employees with appropriate occupational health and safety policy and measures in compliance with relevant laws and regulations, such as the Occupational Safety and Health Ordinance (Cap. 509). The Group provides a staff medical insurance scheme for all full-time employees. For employees aged 60 and above, the medical insurance plan offers regular medical check-ups.

To ensure the health and safety of our frontline staff, we provide helmets, safety goggles, and anti-fall safety belts, as well as appropriate assisting equipment such as mobile working platforms. We also post safety notices and reminders at the workplace in addition to personal equipment.

In addition, we have established a Safety Committee, chaired by the Operations Director, to investigate and review any injuries and accidents that occur. Our goal is to ensure that all bus services are operated safely and reliably at all times. To achieve this, we have feedback loops in place to incorporate lessons learned into our safety and risk management processes as we move forward.

In each of the past three years, including the Reporting Period, we did not record any work-related fatalities. However, a total of 2,252 working days (2022/23: 1,315 lost days) were lost due to work injuries or occupational diseases in the Reporting Period.

As part of our commitment to creating a healthy and safe work environment, we promote a culture that is free from smoking and encourage our employees to embrace it. The Group has developed a "Smoke-free Policy", along with a variety of effective measures, to ensure the safety and productivity of our employees. Through this policy, we aim to motivate smokers to quit or reduce their cigarette consumption and to raise awareness of the harmful health effects associated with smoking.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Talent Development

The Group values our employees as our most valuable assets and is committed to supporting their continuous career development. We provide our employees with ample training and promotion opportunities through a comprehensive promotion and training system that offers abundant training and development resources. To enhance employees' ability for long-term career development and personal growth within the Group, we provide training and development opportunities and encourage employees to undertake overseas training through internal and external training programs, as well as training subsidy programs.

During the Reporting Period, the training analysis is outlined as below:

Employee Training Analysis⁷	2023/24	2022/23	Unit
Total training hours	21,032	14,470	hours
Average training hours	5.54	3.85	hours/person
Percentage of employees trained by gender			
Male	79.1	82.9	%
Female	20.9	17.1	%
Percentage of employees trained by employee category			
Senior Management	0.5	0.4	%
Middle Level Management	0.5	0.4	%
General & Technical Employees	99.0	99.2	%
Average training hours by gender			
Male	7.25	5.20	hours/person
Female	0.79	0.75	hours/person
Average training hours by employee category			
Senior Management	9.00	5.93	hours/person
Middle Level Management	1.27	1.26	hours/person
General & Technical Employees	5.61	3.89	hours/person

The Group conducts annual performance appraisals to evaluate employees' qualifications, experience, technical abilities, attendance rate, and contributions to the Group. The results of these appraisals are used to assess salary and promotion eligibility, with an emphasis on performance. This practice is part of the Group's commitment to promoting employee development and recognizing their contributions to the organization.

Labour Standards

We have a zero-tolerance policy towards the use of child or forced labour in our recruitment process and daily operations. Our Human Resources department ensures that all candidates are of legal working age by verifying their personal identification documents to prevent child labour. We outline the terms of working hours, rest periods, compensation, and termination in employment contracts and other human resources policies to prevent any forced labour employment. The Group strictly adheres to the requirements of standardized labour contracts and does not tolerate any form of unfair employment relationship. If any cases of child labour or forced labour are found, the Group will take immediate action to terminate such employment, and investigations will be carried out. During the Reporting Period, the Group was not aware of any child labour or forced labour within the Group.

⁷ The calculation is based on the number of employees trained during the Reporting Period, including those employees having left the Group during the Reporting Period, in order to present a more accurate conclusion of the training resources invested by the Group.

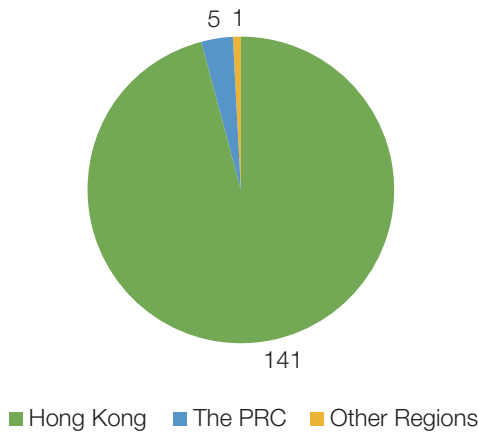
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Managing our Supply Chain

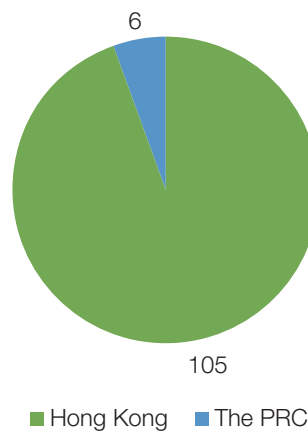
Suppliers' Overview

Our suppliers are primarily local distributors of vehicles, fuel suppliers, repair and maintenance service providers. For the year ended 31 March 2024, we engaged with 147 major suppliers (2022/23: 111)⁸. The geographical distribution of these suppliers is detailed below:

Number of Suppliers by Geographical Region 2023/24



Number of Suppliers by Geographical Region 2022/23



Selection of Suppliers

In selecting our suppliers, the Group considers various criteria, including the quality of products, prices, reputation, and credibility. To embrace sustainability within our value chain, we prioritize suppliers that are environmentally and socially responsible. The majority of our suppliers are located in Hong Kong, which allows us to minimize GHG emissions from delivery. We also promote environmentally preferable products and services during supplier selection by encouraging green procurement practices, such as using less packaging and focusing on resource-efficient products.

Our chosen bus manufacturers are mainly internationally-renowned companies that demonstrate a high standard of integrity in environmental and social responsibilities. We only select suppliers with satisfactory assessment records, and before reaching any agreement, we require suppliers and other business partners to confirm that their businesses are not in violation of any business, labour, and local environmental regulations. The supplier engagement practices are applied on all suppliers.

We conduct annual assessments of our suppliers and other service providers to ensure that the services or products received meet acceptable quality standards. We also engage in informal discussions with top management and suppliers on an as-needed basis to improve the capabilities of our suppliers and service providers going forward. In addition, we have identified, evaluated, prioritized and managed the environmental and social risks along the supply chain. These risks will be closely monitored, and appropriate mitigation measures will be taken to ensure that our operations are conducted in a responsible and sustainable manner.

⁸ Major suppliers refer to those suppliers directly contribute to our operations, such as vehicle and fuel suppliers, repair and maintenance service providers.



Upholding Business Ethics

The Group does not tolerate any form of bribery, extortion, fraud, and money laundering. We abide by relevant laws and regulations, including the Prevention of Bribery Ordinance (Cap. 201). To further reinforce our commitment, we have established internal policies such as the “Employee Handbook” and “HR-Policy – Business Ethics & Integrity” to outline the procedures for declaring interests and combating corruption. We have also implemented a whistle-blowing system that includes a hotline and e-mail box. Our directors and employees undergo frequent anti-corruption training to stay aware of compliance issues. During the Reporting Period, we distributed the “Ethical Management Guide for Cross Boundary Businessmen” issued by the Hong Kong Business Ethics Development Centre, established by the Hong Kong Independent Commission Against Corruption, to our directors and employees. The purpose was to enhance their awareness and provide guidance on anti-corruption practices. Additionally, we regularly reinforce the significance of anti-corruption measures to our directors and staff through sharing news excerpts on corruption and integrity-related sentencing, along with relevant rules and guidance to prevent such occurrences.

During the Reporting Period, we were not aware of any material non-compliance concerning bribery, extortion, fraud and money laundering. Besides, the Group or our employees did not involve in any concluded legal proceedings related to material irregularities.

Caring for our Community

Kwoon Chung recognizes that our development depends on the resources and support of all sectors of society. To give back to the communities where we operate, we have invested resources to break down barriers and better integrate ourselves within the localities we serve. Our commitment to corporate social responsibility has been recognized by the Hong Kong Council of Social Service, which has awarded us the Caring Company Logo for multiple years. This award recognizes our performance as a good corporate citizen and our commitment to prioritizing care for society, our employees, and the environment.

Kwoon Chung has been committed to develop and promote sports and culture in the community. During the Reporting Period, the Group made approximately HK\$1,890,000 of donations and sponsorships to non-governmental organizations, including but not limited to Southern District Recreation and Sports Association Limited, Aberdeen Kai-fong Welfare Association Limited, Southern District Road Safety Campaign Committee and Wheel for Oneness Limited. We actively engaged in a range of community services, sports and cultural activities, and charitable sponsorships, including but not limited to:

Oxfam Trailwalker 2023

The management of Kwoon Chung leads by example in participating in charitable and community activities. Oxfam Trailwalker 2023 was held from 24 to 26 November 2023. Mr. Wong Leung Pak, Matthew, BBS, the Chairman of the Group and Dr. Cheng King Hoi, Andrew, MH, the Head of China Business of the Group, teamed up with two friends to form “STEADY AND SURE (Team No. 0143)” for this extremely challenging and meaningful event and successfully completed the trail. It showed the vitality and team spirit of Kwoon Chung as well as our support to charitable activities.

Kwoon Chung Southern District Children’s Football programme

The programme aims to provide professional and formal football training for children aged 6 to 14 to explore their potential in football and cultivate their discipline and team spirit, thereby promoting physical and mental development of children. In addition to local children being able to participate, the programme also focuses on recruiting ethnic minorities’ children to participate. We hope to promote racial equality through this football activity to build a multi-cultural and inclusive society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Run as One Lantau Charity Race

Kwoon Chung was proud to support and sponsor Wheel for Oneness (“WFO”) in hosting the Run as One Lantau Charity Race 2023 which was held on 19 November 2023. One of the visions of WFO is to promote the integration between the physically handicapped and able-bodied. We hope to deliver the message of respect and inclusiveness and foster the social harmony through this activity.

The drama Thunderstorms

Kwoon Chung was the patron to the drama Thunderstorms, which was successfully completed from 8 to 12 November 2023 at Grand Theatre, Xiqu Centre. Thunderstorms is one of the most famous plays in modern Chinese literature which was written by Cao Yu (1910-96), the pioneer of the stage drama genre, in 1934. We were delighted to introduce this Chinese classic literature to the community and thereby supporting the growth of performing arts in Hong Kong.

Kwoon Chung Inclusive – Love in Motion

Kwoon Chung Inclusive and Accessible Transport Services Company Limited (“KCIS”) was founded in 2019 with the aim of providing accessible transportation services to those in need, in line with the principles of social harmony. KCIS currently operates 13 Feeder Service routes and 5 routes for the Weekend Recreational Rehabus Service. Feeder Service routes cater to individuals with mobility impediments (including elderly individuals) and their companions, providing flexible boarding and alighting options along the route. The Weekend Recreational Rehabus Service is designed to enable persons with disabilities to visit tourist attractions in Hong Kong on weekends and public holidays, promoting the city as a barrier-free destination. We are committed to delivering the highest quality of service and ensure that our bus captains receive extensive training, including emergency training, as well as training on emotional management and disability awareness. We have been awarded the Barrier-Free Outstanding Award by Free Guider, recognizing our dedication to creating a barrier-free community and providing accessible service.

Free Rides Scheme of International Day of Disabled Persons (“IDDP”)

Kwoon Chung supported the IDDP event in Hong Kong by providing the “Free Ride Scheme for People with Disability and one of their Accompanying Carers” on 12 November 2023. On that day, we provided free rides on all of our franchised buses (except recreational route No. 1R) to individuals who presented the Registration Card for People with Disabilities or the Personalised Octopus with “Persons with Disabilities Status”.

Free Rides for the Elderly on Senior Citizen’s Day

As a commitment to giving back to the community, to celebrate the Senior Citizen’s Day on 19 November 2023, passengers aged 65 or above were offered free rides on all of our franchised buses (except recreational route No.1R) by showing their “Senior Citizen Card” or Hong Kong I.D. Card upon boarding.



Environmental, Social and Governance Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Section	Page No.
A. Environmental			
Aspect A1: Emissions			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Protecting our Environment	P. 14
KPI A1.1	The types of emissions and respective emission data.	Environmental KPIs	P. 16
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Environmental KPIs	P. 16
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	Environmental KPIs	P. 17
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Environmental KPIs	P. 17
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Protecting our Environment	P. 15
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management	P. 18
Aspect A2: Use of Resources			
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		Protecting our Environment	P. 14
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Environmental KPIs	P. 16
KPI A2.2	Water consumption in total and intensity.	Environmental KPIs	P. 16
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protecting our Environment	P. 15
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Consumption	P. 17
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The operation of the Group did not involve in any packaging materials.	N/A

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Section	Page No.
Aspect A3: Environmental and Natural Resources			
General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.		Green Operations	P. 18
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operations	P. 18
Aspect A4: Climate Change			
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Climate Change	P. 15
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change	P. 15
B. Social			
Employment and Labour Standards			
Aspect B1: Employment			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Caring our People	P. 20
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employee Overview	P. 20
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Overview	P. 21
Aspect B2: Health and Safety			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Occupational Health and Safety	P. 22
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety	P. 22



Subject Areas, Aspects, General Disclosures and KPIs		Section	Page No.
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety	P. 22
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety	P. 22
Aspect B3: Development and Training			
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Talent Development	P. 23
KPI B3.1	The percentage of employees trained by gender and employee category.	Talent Development	P. 23
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Development	P. 23
Aspect B4: Labour Standards			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		Labour Standards	P. 23
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards	P. 23
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards	P. 23
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure Policies on managing environmental and social risks of the supply chain.		Managing our Supply Chain	P. 24
KPI B5.1	Number of suppliers by geographical region.	Suppliers' Overview	P. 24
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Selection of Suppliers	P. 24
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Selection of Suppliers	P. 24
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Selection of Suppliers	P. 24

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Section	Page No.
Aspect B6: Product Responsibility			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		Safety and Quality Services	P. 10
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to our business nature, we do not have products sold or shipped subject to recalls for safety and health reasons.	N/A
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Providing Great Travel Experience	P. 13
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Due to our business nature, we do not consider intellectual property rights to be a material issue to the Group.	N/A
KPI B6.4	Description of quality assurance process and recall procedures.	Providing Great Travel Experience	P. 13
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Advertising and Privacy Protection	P. 13
Aspect B7: Anti-Corruption			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Upholding Business Ethics	P. 25
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Upholding Business Ethics	P. 25
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Upholding Business Ethics	P. 25
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Upholding Business Ethics	P. 25

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Subject Areas, Aspects, General Disclosures and KPIs		Section	Page No.
Community			
Aspect B8: Community Investment			
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		Caring for our Community	P. 25
KPI B8.1	Focus areas of contribution.	Caring for our Community	P. 25
KPI B8.2	Resources contributed to the focus area.	Caring for our Community	P. 25