

Reporting Content Index Tables

TIH has developed the Report in accordance with the Core Option of the Global Reporting Initiative Standards (“GRI”) Sustainability Reporting Guidelines and the Environmental, Social and Governance Reporting Guide (“ESG” Guide) issued by the Stock Exchange. The following content index table presents the associated disclosures either by cross-referring relevant section(s) in the Report and/or by providing direct remarks.

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016				
Organisation Profile				
	102-1	Name of the organisation	Group Profile	2-3 [^]
	102-2	Activities, brands, products, and services	Group Profile Business at a Glance Key Franchised Bus Network in Hong Kong	2-3 [^] 4-5 [^] 6-7 [^]
	102-3	Location of headquarters	Property Holdings and Development	38-39 [^]
	102-4	Location of operations	Business at a Glance	4-5 [^]
	102-5	Ownership and legal form	Business at a Glance	4-5 [^]
	102-6	Markets served	Business at a Glance	4-5 [^]
	102-7	Scale of the organisation	Business at a Glance Key Franchised Bus Network in Hong Kong Financial and Operational Highlights Care for Employees	4-5 [^] 6-7 [^] 8-9 [^] 68-73
B1.1	102-8	Information on employees and other workers	Care for Employees Performance Statistics	68-73 81-83
B5 General Disclosure, B5.1	102-9	Supply chain	Supply Chain Management Performance Statistics	47 81-83
	102-10	Significant changes to the organisation and its supply chain	About the Report	40-41
	102-11	Precautionary principle or approach	Sustainability Governance Corporate Governance Report	43 108-129 [^]
	102-12	External initiatives	Group Profile Management Discussion and Analysis About the Report Safety First Stakeholders Engagement	2-3 [^] 18-19 [^] 40-41 48-53 74-79
	102-13	Membership of associations	Stakeholders Engagement	74-79
Strategy				
	102-14	Statement from senior decision-maker	Chairman’s Letter Managing Director’s Message	12-15 [^] 16-17 [^]

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
	102-15	Key impacts, risks, and opportunities	Chairman's Letter Managing Director's Message	12-15^ 16-17^
Ethics and Integrity				
B7 General Disclosure	102-16	Values, principles, standards, and norms of behaviour	Group Profile Legal and Regulatory Compliance Supply Chain Management Safety First Care for the Environment Care for Customers Care for Employees Corporate Governance Report	2-3^ 43 47 48-53 54-61 62-67 68-73 108-129^
B7.2	102-17	Mechanisms for advice and concerns about ethics	Legal and Regulatory Compliance	43
Governance				
	102-18	Governance structure	Sustainability Governance Safety First Corporate Governance Report	43 48-53 108-129^
Stakeholder Engagement				
	102-40	List of stakeholder groups	Stakeholders Engagement and Materiality Assessment	44-46
	102-41	Collective bargaining agreements	Care for Employees	68-73
	102-42	Identifying and selecting stakeholders	Stakeholders Engagement and Materiality Assessment	44-46
	102-43	Approach to stakeholder engagement	Stakeholders Engagement and Materiality Assessment Stakeholders Engagement	44-46 74-79
	102-44	Key topics and concerns raised	Stakeholders Engagement and Materiality Assessment	44-46
Report Profile				
	102-45	Entities included in the consolidated financial statements	Financial and Operational Highlights Reporting Focus	8-9^ 41
	102-46	Defining report content and topic Boundaries	Reporting Principles Stakeholders Engagement and Materiality Assessment	41 44-46
	102-47	List of material topics	Stakeholders Engagement and Materiality Assessment	44-46
	102-48	Restatements of information	* There was no restatement of information provided in the previous report.	-
	102-49	Changes in reporting	Stakeholder Engagement and Materiality Assessment	44-46
	102-50	Reporting period	Reporting Focus	41
	102-51	Date of most recent Report	* April 2021	-
	102-52	Reporting cycle	* Annual	-
	102-53	Contact point for questions regarding the Report	Reporting Principles	41
	102-54	Claims of reporting in accordance with the GRI Standards	Reporting Principles	41

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HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
	102-55	GRI content index	Reporting Content Index Tables	84-91
	102-56	External assurance	* The Report was not externally assured.	-
Material Topics				
GRI 201: Economic Performance 2016				
	103-1 103-2 103-3 Management Approach		Financial Review	92-107 [^]
	201-1	Direct economic value generated and distributed	Financial Review	92-107 [^]
A4.1	201-2	Financial implications and other risks and opportunities due to climate change	Care for the Environment	54-61
GRI 204: Procurement Practices 2016				
B5 General Disclosure, B5.2, B5.3, B5.4	103-1 103-2 103-3 Management Approach		Supply Chain Management	47
	204-1	Proportion of spending on local suppliers	Supply Chain Management	47
B5.1	102-9	Number of suppliers by geographical region	Supply Chain Management	47
GRI 205: Anti-corruption 2016				
B7 General Disclosure	102-29 103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance	43
B7.1	205-3	Confirmed incidents of corruption and actions taken	Legal and Regulatory Compliance Performance Statistics	43 81-83
B7.3	205-2	Description of anti-corruption training provided to directors and staff	Legal and Regulatory Compliance	43
GRI 301: Materials 2016				
	103-1 103-2 103-3 Management Approach		+ Materials is not considered a material topic.	-
A2.5	301-1	Materials used by weight or volume	+ Quantitative data of total packaging materials are not available as they are not applicable to KMB & LWB's business.	-
GRI 302: Energy 2016				
A2 General Disclosure, A2.3 A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care of the Environment	54-61

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
A2.1	302-1	Energy consumption within the organisation	Care for the Environment Performance Statistics	54-61 81-83
A2.1	302-3	Energy intensity	Performance Statistics	81-83
A2.3	302-4	Reduction of energy consumption	Care for the Environment Performance Statistics	54-61 81-83
A2.3	302-5	Reductions in energy requirements of products and services	Care for the Environment Performance Statistics	54-61 81-83
GRI 303: Water and Effluents 2018				
A2 General Disclosure, A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care for the Environment	54-61
A2.4 A3.1	303-1	Interactions with water as a shared resource	Care for the Environment * All water used at KMB and LWB offices and depots was sourced from municipal water supplies. No major issue concerning sourcing water and water-related impacts has been encountered.	54-61
	303-2	Management of water discharge-related impacts	Care for the Environment * We ensure water discharge to drainage systems and water bodies were in compliance with local government requirements.	54-61
A2.2	303-5	Water consumption	Care for the Environment Performance Statistics * No specific regions are water stressed in Hong Kong.	54-61 81-83
GRI 305: Emissions 2016				
A1 General Disclosure, A3 General Disclosure, A3.1 A4 General Disclosure	103-1 103-2 103-3 Management Approach		Care for the Environment	54-61
A1.1 A1.2	305-1	Direct (Scope 1) GHG emissions	Care for the Environment Performance Statistics	54-61 81-83
A1.1 A1.2	305-2	Energy indirect (Scope 2) GHG emissions	Care for the Environment Performance Statistics	54-61 81-83
A1.2	305-4	GHG emissions intensity	Care for the Environment Performance Statistics	54-61 81-83
A1.5	305-5	Reduction of GHG emissions	Care for the Environment Performance Statistics	54-61 81-83
A1.1	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Care for the Environment Performance Statistics	54-61 81-83

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HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
GRI 306: Waste 2020				
A1 General Disclosure, A1.6, A3 General Disclosure, A3.1	103-1 103-2 103-3 Management Approach		Care for the Environment	54-61
A3.1	306-1	Waste generation and significant waste-related impacts	Care for the Environment	54-61
A3.1	306-2	Management of significant waste-related impacts	Care for the Environment	54-61
A1.3 A1.4	306-3	Waste generated	Care for the Environment Performance Statistics	54-61 81-83
A1.6	306-4	Waste diverted from disposal	Care for the Environment Performance Statistics	54-61 81-83
A1.6	306-5	Waste directed to disposal	Care for the Environment Performance Statistics	54-61 81-83
GRI 307: Environmental Compliance 2016				
A1 General Disclosure	103-1 103-2 103-3 Management Approach		Supply Chain Management Care for the Environment	47 54-61
A1 General Disclosure	307-1	Non-compliance with environmental laws and regulations	* There was no non-compliance with local environmental laws and regulations in 2021.	-
GRI: 401 Employment 2016				
B1 General Disclosure, B1.1, B4 General Disclosure	103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance Care for Employees Performance Statistics	43 68-73 81-83
B1.2	401-1(b)	Total number and rate of employee turnover during the reporting period, by age group, gender and region	Performance Statistics	81-83
	401-2	Benefits provided for full-time employees that are not provided for temporary or part-time employees	Care for Employees	68-73
GRI 403: Occupational Health and Safety 2018				
B2 General Disclosure, B2.3	103-1 103-2 103-3 Management Approach		Safety First Care for Employees	48-53 68-73
B2.3	403-1	Occupational health and safety management system	Safety First	48-53
	403-2	Hazard identification, risk assessment, and incident investigation	Safety First	48-53
B2.3	403-3	Occupational health services	Care for Employees	68-73

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
	403-4	Worker participation, consultation, and communication on occupational health and safety	Safety First Care for Employees	48-53 68-73
B2.3	403-5	Worker training on occupational health and safety	Safety First Care for Employees	48-53 68-73
	403-6	Promotion of worker health	Care for Employees	68-73
B2.3	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety First	48-53
	403-8	Workers covered by an occupational health and safety management system	Safety First	48-53
B2.1	403-9	Work-related injuries	Performance Statistics	81-83
B2.2	Not directly covered by the GRI Standards.		Performance Statistics	81-83
GRI 404: Training and Education 2016				
B3 General Disclosure	103-1 103-2 103-3 Management Approach		Safety First Care for Employees	48-53 68-73
B3.1	Not covered by the GRI Standards.		Performance Statistics	81-83
B3.2	404-1	Average hours of training per year per employee	Performance Statistics	81-83
B3 General Disclosure	404-2(a)	Type and scope of programs implemented and assistance provided to upgrade employee skills	Care for Employees	68-73
GRI 405: Diversity and Equal Opportunity 2016				
B1 General Disclosure	103-1 103-2 103-3 Management Approach		Care for Employees	68-73
B1.1	405-1(b)	Percentage of employees per employee category in each of the following diversity categories: ii. Age group: under 30 years old, 30-50 years old, over 50 years old;	Performance Statistics	81-83
GRI 406: Non-discrimination 2016				
B1 General Disclosure	103-1 103-2 103-3 Management Approach		Care for Employees	68-73
GRI 408: Child Labour 2016				
B4 General Disclosure	103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance	43

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HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
B4.1 B4.2	408-1(c)	Operations and suppliers at significant risk for incidents of child labour. Measures taken by the organisation in the reporting period intended to contribute to the effective abolition of child labour	Legal and Regulatory Compliance Supply Chain Management	43 47
GRI 409: Forced or Compulsory Labour 2016				
B4 General Disclosure	103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance	43
B4.1 B4.2	409-1(b)	Measures taken by the organisation in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labour	Legal and Regulatory Compliance	43
GRI 413: Local Communities 2016				
B8 General Disclosure	103-1 103-2 103-3 Management Approach		Stakeholders Engagement	74-79
B8.1 B8.2	413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholders Engagement	74-79
GRI 414: Supplier Social Assessment 2016				
B5 General Disclosure	103-1 103-2 103-3 Management Approach		Supply Chain Management	47
B5.2 B5.3	414-1	New suppliers that were screened using social criteria	Supply Chain Management	47
B5.2 B5.3	414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	47
GRI 416: Customer Health and Safety 2016				
B6 General Disclosure, B6.1, B6.2, B6.3, B6.4	103-1 103-2 103-3 Management Approach		Safety First Stakeholders Engagement Performance Statistics * Products sold or shipped and intellectual property rights are not material to KMB and LWB's business nature.	48-53 74-79 81-83
	416-1	Assessment of the health and safety impacts of product and service categories	Safety First Care for the Environment	48-53 54-61

HKEX ESG Reporting Guide (General Disclosures and KPIs)	GRI Standards	GRI Disclosures	Reference/*Direct Answer/*Reason for omission	Page(s) ^: refer to TIH 2021 Annual Report
GRI 417: Marketing and Labelling 2016				
B6 General Disclosure	103-1 103-2 103-3 Management Approach		Stakeholders Engagement	74-79
GRI 418: Customer Privacy 2016				
B6 General Disclosure, B6.5	103-1 103-2 103-3 Management Approach		Safety First Care for Customer	48-53 62-67
B6 General Disclosure B6.2	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safety First Care for our employee Stakeholders Engagement Performance Statistics * There were no significant incidents of non-compliance concerning laws and regulations during the reporting period.	48-53 68-73 74-79 81-83
GRI 419: Socioeconomic Compliance 2016				
B2 General Disclosure, B4 General Disclosure, B6 General Disclosure, B7 General Disclosure	103-1 103-2 103-3 Management Approach		Legal and Regulatory Compliance Safety First Care for Employees	43 48-53 68-73
B2 General Disclosure, B4 General Disclosure, B6 General Disclosure, B7 General Disclosure	419-1	Non-compliance with laws and regulations in the social and economic area	Legal and Regulatory Compliance Safety First Care for Employees	43 48-53 68-73

FINANCIAL REVIEW

The Group

Summary of Financial Performance

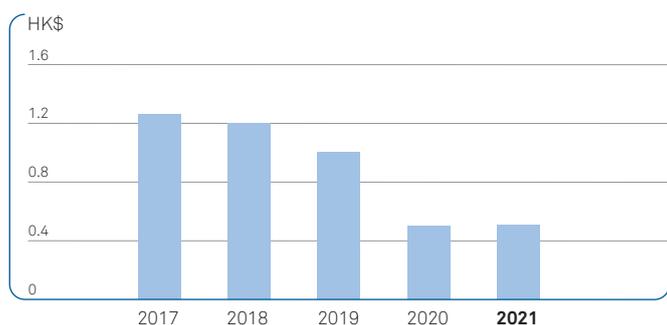
	2021 HK\$ million	2020 HK\$ million	Favourable/(Unfavourable) Change	
			HK\$ million	%
Revenue	7,202.0	6,190.9	1,011.1	16.3
Other income	254.0	1,249.6	(995.6)	(79.7)
Operating expenses	(7,197.4)	(7,193.5)	(3.9)	(0.1)
Profit from operations	258.6	247.0	11.6	4.7
Finance costs	(14.4)	(26.9)	12.5	46.5
Gain on disposal of a subsidiary	–	1,495.5	(1,495.5)	(100.0)
Share of profits of associates	19.6	6.5	13.1	201.5
Share of profit of joint venture	8.3	–	8.3	N/A
Profit before taxation	272.1	1,722.1	(1,450.0)	(84.2)
Income tax (expense)/credit	(27.1)	182.0	(209.1)	(114.9)
Profit for the year	245.0	1,904.1	(1,659.1)	(87.1)
Earnings per share (HK\$)	0.53	4.21	(3.68)	(87.4)

Review of 2021 Financial Performance

The Group's Results for the Year

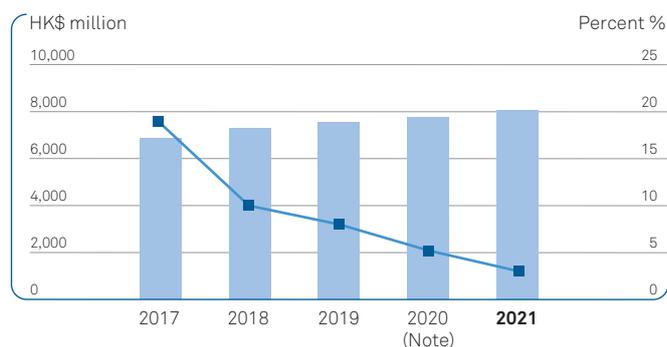
The Group's profit attributable to equity shareholders for the year ended 31 December 2021 was HK\$245.0 million (2020: HK\$1,904.1 million), representing a decrease of HK\$1,659.1 million compared with 2020. The decline was mainly due to the one-off non-recurring net gain of HK\$1,495.5 million in 2020. Total revenue increased by 16.3% from HK\$6,190.9 million in 2020 to HK\$7,202.0 million in 2021 due to a rebound in patronage. Profit from operations improved by 4.7% from HK\$247.0 million in 2020 to HK\$258.6 million in 2021. Earnings per share decreased correspondingly from HK\$4.21 for 2020 to HK\$0.53 for 2021.

Dividends per Share



Return on Average Net Fixed Asset Employed

(exclude property development)



■ Average net fixed asset
■ Return on average net fixed asset

Note: Excluding a non-recurring net gain amounting to HK\$1,495.5 million arising from the revaluation and disposal of 50% equity interest in TM Properties Investment Limited

The revenue and underlying profit generated by the Group's five Divisions for the year ended 31 December 2021 are shown below:

HK\$ million	Revenue		Profit before taxation	
	2021	2020	2021	2020
Franchised Public Bus Operations Division	6,940.1	5,909.7	94.3	34.5
Non-franchised Transport Operations Division	212.6	208.3	11.2	42.2
Property Holdings and Development Division	49.3	72.9	55.8	63.0
Financial Services Division	–	–	68.6	66.3
China Mainland Transport Operations Division	–	–	19.6	6.5
	7,202.0	6,190.9	249.5	212.5
Finance costs			(14.4)	(26.9)
Unallocated net operating income			37.0	41.0
Gain on disposal of a subsidiary			–	1,495.5
Profit before taxation			272.1	1,722.1
Income tax (expense)/credit			(27.1)	182.0
Profit for the year			245.0	1,904.1

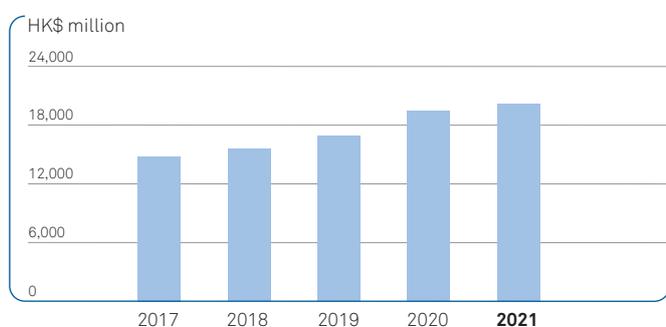
Segment information on the Group's main businesses is set out in note 12 to the financial statements on pages 195 to 197 of this Annual Report.

Key Changes to the Group's Revenue, Other Income and Operating Expenses

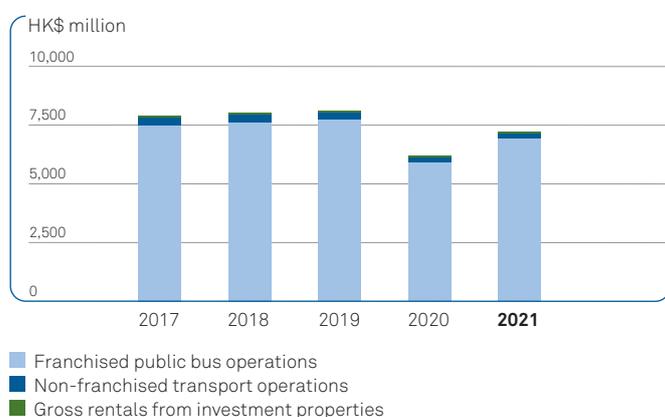
Revenue for 2021 amounted to HK\$7,202.0 million, an increase of HK\$1,011.1 million or 16.3% compared with HK\$6,190.9 million for 2020. The increase was mainly due to (i) the increase in revenue from the Group's franchised public bus operations of HK\$1,030.4 million, primarily as a result of patronage increase and fare increase with effect from 4 April 2021; and (ii) the increase in revenue from the Group's non-franchised transport operations of HK\$4.3 million, which was partly offset by the decrease in rental income arising from the Group's investment properties of HK\$23.6 million.

Other income decreased by HK\$995.6 million from HK\$1,249.6 million in 2020 to HK\$254.0 million in 2021. The decrease was mainly due to the decrease in government subsidies of HK\$1,008.5 million from various support schemes rolled out by the Government under the Anti-epidemic Fund to provide financial support to the public transport sector in 2020. The breakdown of other income is set out in note 4 to the financial statements on page 187 of this Annual Report.

Total Assets at 31 December



Group Revenue



■ Franchised public bus operations
■ Non-franchised transport operations
■ Gross rentals from investment properties