

Keep Cities Moving Sustainably



SOCIAL
INCLUSION



GREENHOUSE
GAS EMISSIONS



ADVANCEMENT
& OPPORTUNITIES

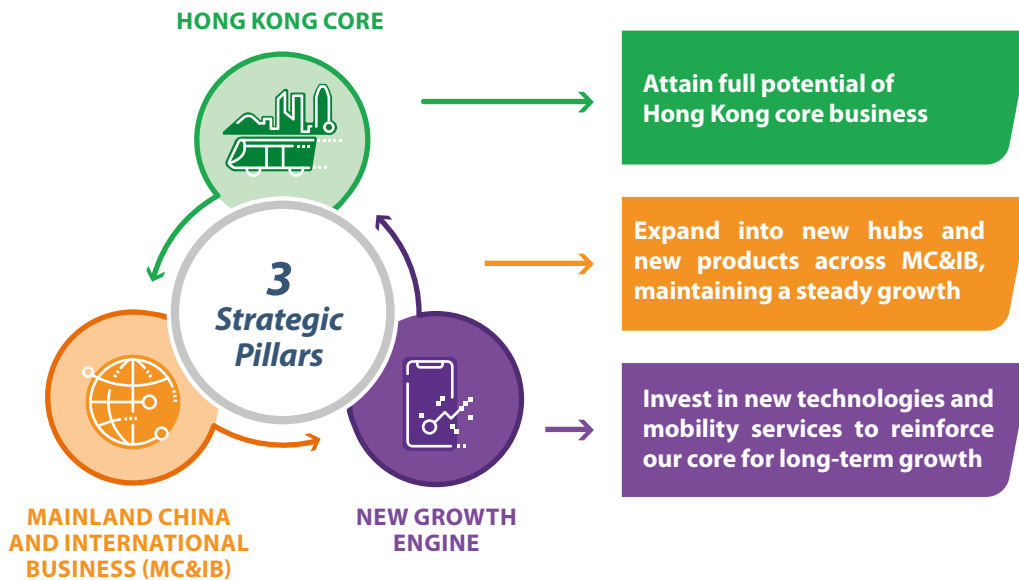
Sustainability Report 2020



NEW CORPORATE STRATEGY

In mid-2020, we formulated a visionary new Corporate Strategy to support our future growth and deliver shareholder and stakeholder value by emphasising innovation and sustainability.

Our Corporate Strategy, “Transforming the Future”, establishes clear business and social goals under a robust environmental, social and governance framework, driving the sustainability of our business and creating healthy, long-term, symbiotic relationships with the communities where we operate. With the purpose to “keep cities moving”, our Corporate Strategy defines a more fit-for-future organisation with a strengthened Hong Kong core, steady growth in Mainland China and International outreach and powerful new growth engines – our three strategic pillars as our strategy to stay competitive in a fast-changing business environment.



Our new Corporate Strategy also sees the embedding of MTR’s Social Objectives into our operation and management approaches. Our aspiration is to

KEEP CITIES MOVING SUSTAINABLY

By committing to managing our business sustainably with best-in-class governance, we aim to help individuals and communities thrive, while contributing to the fight against climate change.



SOCIAL INCLUSION

providing inclusive mobility and promoting greater diversity in our work environment



GREENHOUSE GAS EMISSIONS

operating a low-carbon transport network and further reducing our greenhouse gas emissions



ADVANCEMENT & OPPORTUNITIES

fostering social mobility, empowering individuals and supporting the growth of communities

We have already been implementing various initiatives under the three Social Objectives. Icons representing each priority are shown next to the relevant initiatives in this Report.

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CHAIRMAN'S MESSAGE



Year 2020 was an unprecedented year to all of us. The COVID-19 pandemic brought commerce to a halt, closed schools and made employees to work from home, substantially reducing daily commutes. Despite this challenging time, our 50,000 employees demonstrated high agility and continued to connect and support communities with caring, innovative and sustainable services whilst safeguarding the safety of our passengers.

Our purpose is to “keep cities moving” and we have been doing our best to ensure safe, reliable and affordable transport for our communities. In face of the pandemic, we stepped up cleaning of our trains and railway facilities and deployed innovative sanitisation technologies to safeguard public health. We provided financial aids such as fare rebates for passengers and rental concessions for mall and station tenants. Our Board and Executive Directorate donated HK\$4.3 million of their remuneration to non-governmental and charity organisations to help those in need. In an effort to defend public health and safety, the Corporation donated 100,000 surgical masks at a time when supply was tight.

Most importantly, we took care of our staff by providing them with appropriate personal protective equipment and guidance in their daily operations, especially frontline staff facing high foot traffic.

The Corporation operates in a fast-changing environment affected by a number of emerging risks and opportunities, where stakeholders are expecting a more robust environmental, social and governance (ESG) regime. In June 2020, the MTR Board completed a strategic review on the Corporation’s future development direction. Entitled “Transforming the Future”, the strategy charts a path for continuous business growth for the Corporation that is underpinned by a fit-for-future organisation with three strategic pillars. We shall continue to strengthen our core business in Hong Kong, maintain a steady growth of our business on the Mainland of China and international markets, while exploring new growth engines especially in the areas related to smart communities and mobility. ESG principles have always played a key part in our operations and the strategy affirms the further embedding of ESG in guiding and defining the path to our future growth.

This is our first time to elevate ESG to the level of our corporate strategy, introducing clearly defined social objectives and strengthened governance featuring strong second and third lines of defence. We support social inclusion by ensuring that all individuals regardless of their age, ability or socioeconomic status are accessible to our services. We combat climate change and aim for contributing to a carbon-neutral future by continuously reducing greenhouse gas emissions across our operations. We are also committed to promoting advancement and opportunities to empower our staff, supply chain and communities as we continue to grow and expand our networks. These are common topics of concerns for Hong Kong and, in fact, the many communities we serve.

We believe including social objectives in the core of our business development can help us achieve business sustainability and enhancement as well as fulfilling our corporate responsibility. In August 2020, we issued a Green Bond under our new Sustainable Finance Framework to support the Corporation’s sustainable development. The US\$1.2 billion 10-year bond was issued to fund projects that conserve energy, protect the environment and enhance and expand low-carbon railway services. It was the largest single tranche green bond for corporates in Asia Pacific. The issuance won Hong Kong’s “Best Green Bond” Award and, being at the forefront of raising sustainable financing, the Corporation was also named the “Best Issuer for Sustainable Finance” in Hong Kong in The Asset Triple A Country Awards 2020. Besides, we are delighted to receive the “15 Years Plus Caring Company Logo” from the Hong Kong Council of Social Service in recognition of our persistent care for the community, the environment and our staff.

Our long-term success relies on the commitments and dedication of our staff as we transform the Corporation. With the new Corporate Strategy and Social Objectives in place, we will continue to grow alongside our communities and work with our stakeholders to build a more sustainable and inclusive future, making us an internationally-recognised company that connects and grows communities with caring, innovative and sustainable services.

Dr Rex Auyeung Pak-kuen

Chairman
Hong Kong

CEO'S MESSAGE



2020 was an extraordinary year. As cities were locked down and people's daily lives completely disrupted due to the COVID-19 pandemic, the world also saw some remarkable moves by enterprises and individuals in adapting to the "new normal" with resilience. Nevertheless, there were steep declines in retail, catering, tourism and a number of other industries. Our business has also been greatly affected. Despite the difficult circumstances, our dedicated staff worked unwaveringly to keep cities moving by delivering safe and reliable services and caring for the communities.

At the onset of the pandemic, we quickly implemented contingency plans to safeguard the health of our passengers and staff. We increased the frequency and extent of our cleansing routines, enhanced ventilation, employed sanitising robots to disinfect railway stations and trains, and applied technology such as Photo Catalyst Coating and touch-free buttons at passenger lifts to further enhance the hygiene of public-facing facilities at stations. We launched our own face mask production lines to secure a steady supply for our staff. In addition, we offered fare

rebates for commuters and rental concessions to most of our mall and station shop tenants.

Last year, despite the challenges, we successfully commenced service on Phase 1 of the Tuen Ma Line in Hong Kong, and a number of new lines in the Mainland of China as well as opened The LOHAS – a new attraction for shopping, dining and leisure in Hong Kong. We also made good progress in existing and new projects. In August 2020, we issued a new US\$1.2 billion 10-year Green Bond, the largest single-tranche green bond for corporates in Asia-Pacific, to fund railway-related conservation and energy efficiency projects. This year also concluded the Government's inquiry into the issues surrounding the Shatin to Central Link construction works. The findings reconfirm that the new structure of the Hung Hom Station is safe and fit for purpose with the completion of the suitable measures. We will continue to strengthen our management process to provide the high quality services expected by our stakeholders.

For the long-term prospects of the Corporation, we recently formulated a visionary new Corporate Strategy to support our

future growth and deliver stakeholder value by emphasising innovation and sustainability. Our new Corporate Strategy, "Transforming the Future", establishes clear business priorities and social goals, maintaining competitiveness and driving the sustainability of our business as well as creating healthy, long-term symbiotic relationships with the communities where we operate. The new Corporate Strategy has three core pillars: (1) continue to realise the full potential of our Hong Kong Core business; (2) maintain steady growth on the Mainland of China and international business markets; and (3) explore new growth engines by investing in new technologies and mobility services for long-term growth. In the next decade, we will invest around HK\$100 billion to build new railway lines in Hong Kong and develop a new community atop Siu Ho Wan Depot.

Reflecting on our commitment to long-term growth in response to societal needs, we have redefined our Social Objectives under the new Corporate Strategy, which include three priority areas: fostering social inclusion, reducing greenhouse gas emissions and providing opportunities to empower people and communities. We could manifest inclusion with services that are accessible to all regardless of age or ability. We will also provide convenient, efficient transport in a low carbon manner and nurture young generations and local enterprises to grow and thrive.

Moving forward, we will continue to work towards the future development of the city's transport and urban infrastructure. We have already embarked upon a consultancy study to help us develop a long-term carbon reduction roadmap and, to this end, to launch a comprehensive programme in 2021. We are devoted to making our network a low carbon transport option connecting the communities. This is very much in line with the Government's pledge to make Hong Kong a carbon neutral city by 2050.

The challenges imposed by COVID-19 have continued much longer than we all expected. As we look to the next year with hope and optimism, I am confident to keep the cities we serve moving safely and sustainably with our new Corporate Strategy and Social Objectives and with the support of our 50,000 agile and resilient colleagues worldwide.

Dr Jacob Kam Chak-pui

Chief Executive Officer
Hong Kong

KEEP CITIES MOVING SAFELY

The Coronavirus Disease 2019 (“COVID-19”) outbreak has been a difficult time for all of us. As we worked tirelessly to keep the city moving, our thoughts remained with those who have been hit by the pandemic. Through these difficult times, we never ceased to be inspired by the outpouring of support, compassion and kindness from the people of Hong Kong. Together, we are united in fighting the virus.

MTR Corporation Limited (“MTR” or the “Corporation”) has held the safety and the health of our customers, employees and contractors as our top priority throughout our response to this pandemic. Amidst the uncertainties surrounding COVID-19, we understand the concerns and anxiety of our partners and stakeholders, and the enormous changes the pandemic has brought to their daily routines. It has taken a toll on every one of us. As a leading mass transit carrier, MTR is committed to operating a safe and hygienic railway network despite the challenges of the pandemic.

Our Health and Hygiene Committee (“HHC”) has been monitoring the COVID-19 situation closely and formulated response measures to tackle and mitigate its impact on our operations in Hong Kong. To track the development of the outbreak closely, we established an Infectious Disease Management Team (“IDMT”) in accordance with our Corporate Infectious Disease Business Continuity Plan to direct rapid responses across business functions and monitor COVID-19 cases. Led by two Directors, IDMT also helped develop timely internal responses such as human resources policies, case management, rules for entry to premises and special work arrangements to ensure business continuity.

MTR has a strong sense of togetherness and responsibility to the communities where we operate. We are committed to serving the people of Hong Kong and will continue to act swiftly in response to the latest developments and follow the advice of healthcare authorities and experts as we continue to keep our cities moving safely.

FIGHTING THE VIRUS

Our focus is to keep our operations safe and hygienic. This is an important foundation for us to continue to deliver a reliable and efficient service to the communities we serve.

Aside from stepping up the frequency of our cleansing and disinfection procedures, we have implemented a wide range of measures at our stations and on trains to safeguard our passengers during their daily journey with us. At our stations, we have increased filter cleansing and air intake frequency for better air flow and ventilation as well as set up multiple sanitisation points for our passengers to practise hand hygiene. We have also installed contactless proximity sensor buttons in more than 100 lifts across our stations and facilities to reduce indirect physical contact. At our properties, we have stepped up cleansing and disinfection of escalators, lifts, and other common facilities and provided hand sanitisers for visitors and shoppers. We have also requested all frontline staff on duty, including stations and property management, to always wear surgical masks and suitable personal protective equipment and check their body temperature daily before reporting to work.



Disinfection points have been set up in all stations

Inside our train compartments, we have deployed a new “Vapourised Hydrogen Peroxide Robot” (“VHP Robot”) to conduct deep cleansing and decontamination as required. The VHP Robot releases a hydrogen peroxide spray which thoroughly cleans all surfaces and penetrates areas which cannot be reached by the cleaning crews. This innovative technology was made possible through collaborative efforts between the Corporation and a local biotechnology company.



VHP Robot has been deployed to conduct deep cleansing in our trains

SUPPORTING THE COMMUNITY

At the onset of the pandemic outbreak in early 2020, everyone took proactive measures to protect themselves against potential airborne transmission. With supply chain disruptions, the stock of face masks in Hong Kong and around the world quickly dwindled and many individuals, organisations and even our government partners encountered difficulties in acquiring enough face masks for a sustained period of time. After securing enough supply for our own employees, we donated 100,000 face masks to vulnerable members of the community through the Hong Kong Council of Social Service (“HKCSS”) in February 2020.



We donated 100,000 face masks to vulnerable members of the community

Funded by the remunerations of Board Members and Executive Directors, about HK\$4.3 million was donated to six charity organisations including Food Angel, Gingko House Love Project, Heep Hong Society, Hong Kong Family Welfare Society (“HKFWS”), ImpactHK and The Community Chest of Hong Kong to provide more than 40,000 hot meals and food coupons, as well as temporary shelters and learning support for over 50,000 beneficiaries.

COVID-19 spread across the world and caused severe social and economic impacts. As a responsible corporate citizen, MTR launched a range of special relief measures to support our passengers and tenants. We offered fare rebates to passengers and provided rent relief for our tenants at MTR stations and MTR Malls, particularly those of small to medium operation scale.

Besides the relief measures, many of our staff are eager to support the community and those in need. Volunteers from the Corporation’s More Time Reaching Community Scheme have organised various volunteer activities to help those more vulnerable to the impacts of the pandemic. Our volunteers partnered with HKCSS and several non-governmental organisations (“NGOs”) to offer a helping hand and ease the burden for some low-income households and the elderly. Our volunteers donated, packed and delivered food packs and other pandemic supplies to 13 NGOs across the city.



Volunteers from the Corporation’s More Time Reaching Community Scheme offered a helping hand to those in need

The social gathering restrictions have affected us in different ways. In response to school closures, many charity organisations have launched support programmes to minimise the impact on students. MTR has reached out to give our full support to these organisations through donations and staff volunteers. To assist children with their home learning, we helped pack and



We worked with Heep Hong Society to pack learning kits for students with special educational needs

deliver learning kits to students with special educational needs and donated e-learning devices to students from low-income families. From August to September 2020, the Corporation donated 200 tablet devices to low-income families through HKFWS. Volunteers from the Corporation's More Time Reaching Community Scheme together with HKFWS distributed these tablets to children at family service centres and schools across Hong Kong. Our volunteers also assisted Heep Hong Society in packing learning kits for students with special educational needs. Aside from these learning materials, we also donated hundreds of MTR Board Game sets through the People On Board Social Enterprise and various NGO partners to bring some joy into homes.

To support and express our gratitude to healthcare workers at the forefront of the fight against the pandemic, the Corporation has been providing free Airport Express tickets to on-duty healthcare workers since March 2020 for their travel between the Community Treatment Facility near AsiaWorld-Expo Station and the urban centres.

In September 2020, we organised the "Keep Hong Kong Moving" Drawing Activity and invited children from Caritas Hong Kong, Heep Hong Society, Hong Chi Association, and HKFWS to express their creativity, love and encouragement through their drawings. Almost 50 children's drawings were displayed at various MTR stations from mid-October to late-November 2020, bringing positive energy to passengers and encouraging them to fight the pandemic together.

To facilitate the Government's Enhanced Laboratory Surveillance Programme for the public to easily access the COVID-19 testing service, vending machines to dispense COVID-19 specimen collection packs were set up at 20 MTR stations. We implemented social distancing at the collection points and installed UV light air purifiers at locations near the vending machines to provide extra protection for passengers. Cleansing and disinfection of the relevant stations were enhanced considering the increase in foot traffic.



About 50 drawings collected from community partners were displayed at MTR stations to bring positive energy to passengers

OVERSEAS HIGHLIGHTS

MTR Nordic

MTR Nordic has supported Stockholm City Mission through yearly donations of cash found across the commuting system since 2011, donating a total of SEK 222,972 (over HK\$200,000) in 2020. Recognising the increasing need for financial support under the pandemic, MTR Nordic donated another SEK 300,000 (over HK\$280,000), amounting to an ultimate financial contribution of SEK 522,972 (over HK\$490,000) to Stockholm City Mission in 2020.

Metro Trains Melbourne

Metro Trains Melbourne has supported the community through Metro Cares Community Grants, and 30 grants of A \$1,500 (over HK\$8,000) each were provided for grassroots community organisations in March 2020. An additional five grants of A\$5,000 (over HK\$ 29,000) were provided for charities supporting the COVID-19 response in November 2020.

CARING FOR OUR STAFF AND CONTRACTORS

As a responsible employer, we strive to protect jobs and be resilient in ensuring our business sustainability. In view of the prolonged difficult business environment, we have exercised prudent financial management and proactive cost containment measures to maintain our fiscal health.

We are proud of our employees who are dedicated to keeping our business and our cities moving despite this difficult time. To safeguard their health and put passengers at ease amid the pandemic, we have provided sufficient and appropriate personal protective equipment for them and implemented a range of precautionary measures in our workplace. In addition to stepping up the cleansing routines in our offices, we have provided all staff with surgical masks, reminded them to maintain good personal hygiene and required them to check their body temperature before reporting to work every day. Staff are required to consult a doctor promptly if they feel unwell. We have also set up designated temperature screening stations at the entrance of our office buildings to better monitor the health status of employees and individuals who enter our premises. A strict visitor policy is applied to reduce the number of visits to an essential minimum. Hand sanitiser dispensers have been installed in public areas to make hand disinfection an easy routine when their hands do not have visible soil and are far from washing facilities. In response to the Government's call to minimise social contact, we have adopted split team or work from home arrangements for office staff. For frontline staff, additional laundry allowances were granted encouraging colleagues to wash their uniforms more often to maintain a higher level of personal hygiene. Since the outbreak, we have stayed in close communication with our employees to provide them with situation updates and useful health advice, and to address concerns from staff bodies.

As a result of the multi-pronged measures, only a small number of confirmed COVID-19 cases were recorded among employees. The Corporation promptly disinfected workplaces and proactively arranged for identified close contacts to stay home for the government's follow-up actions. The Corporation has established a prudent case reporting and management process to minimise the risk of virus transmission in the workplace. The HHC, with assistance from the department or section's Infectious Disease Response Coordinators, regularly updated our employees on the latest COVID-19 situation, the measures undertaken by the Corporation, and other information that helps our employees protect themselves.

As our fight against COVID-19 persisted, we sought to secure a reliable source of face masks for our employees without heightening the demand in the market. In September, MTR launched a face mask production line at Siu Ho Wan Depot, with a production capacity of over 300,000 masks per month. Each MTR face mask is made with nanofibers developed by experts at the Hong Kong Polytechnic University and have passed laboratory tests meeting ASTM Level 2 protection connoting a high protection efficiency. The cleanroom for face mask production was certified to meet Class 8 sterilisation requirements under the ISO 14644-1 international standard,



MTR launched a face mask production line at Siu Ho Wan Depot to secure a reliable source of face masks for employees

which covers specifications on air cleanliness in cleanrooms and other associated controlled environments. Our popular mascot "T-Chai" has been embossed on the face masks along with the phrase "Keep HK Moving" to encourage us to look ahead through this challenging time. To increase face mask production, the Corporation has launched a second production line at the end of 2020.

The Corporation supports the Construction Industry Council and Hong Kong Construction Association's initiative urging the construction industry to implement compulsory COVID-19 testing. We have requested contractors working at MTR construction sites to participate in this testing initiative and require all site staff to present negative COVID-19 test results from within the past 14 days before entering construction sites. Moreover, MTR staff who work on MTR or external construction sites for more than 2 hours a day (either at single site or at multiple sites in aggregate) are also required to take a COVID-19 test 14 days prior to entering the construction sites.

We have also stipulated other control measures to mitigate the risk of transmission at our construction sites including:

- Body temperatures are measured before workers enter the site;
- Mandatory facemasks on construction sites;
- Hand sanitation stations are available for all workers;
- Area designated for lunch are set up to maintain social distancing;
- Talks and briefings are conducted outdoors as much as possible; and
- Contact tracing is implemented for confirmed and suspected cases to mitigate the risk of transmission.

OVERSEAS HIGHLIGHTS

MTR ELIZABETH LINE

During the pandemic, MTR Elizabeth line worked in partnership with our recognised Trade Unions on matters affecting health and safety, wellbeing, illness and the annual leave arrangements of our staff. Working groups have been set up with our union representatives and colleagues from across our business to provide suggestions and recommendations for employee wellbeing focusing on potentially vulnerable colleagues. In view of the uncertainty amidst the pandemic, MTR Elizabeth line has developed a Wellbeing Strategy in response to COVID-19 to guide our approach to adapting our workplace to this challenging time.

At our stations and trains, we increased the frequency of our deep cleansing procedures with a focus on high volume touchpoints such as handrails, gate lines and lift buttons and introduced a Hygiene Steward Team to our daily cleansing regime. Social distancing measures were also implemented across our operations. For instance, signage and floor markings were used to reinforce the 2-metre social distancing interval, and our colleagues were trained to interact with customers with minimal contact to maintain social distancing. All frontline colleagues were also provided with appropriate personal protective equipment including gloves, aprons, hand sanitisers and face masks.

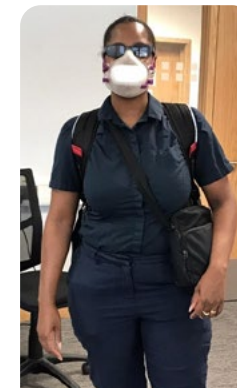
Internally, we provided each colleague with a personal face mask together with 30 interchangeable filters. The masks are sustainable, reusable, and most importantly, proven to be safe. This initiative assisted employees in adapting to the new normal whilst being mindful of our impact on the environment.



All frontline colleagues were provided with appropriate personal protective equipment

Staff at Headquarters were requested to work from home (“WFH”) and were provided with suitable IT equipment. All employees working from home were also advised to assess their seating arrangements and to take standing breaks at regular intervals to prevent muscular-skeletal injuries. In view of the “new normal”, we have committed to a review of our flexible working policy and family friendly policy, as some of our staff have indicated their preferences for WFH arrangements after the pandemic to better support their families.

Aside from physical health, MTR Elizabeth line has also placed a heavy emphasis on ensuring the mental and emotional wellbeing of our employees. Through Yammer, an online portal for staff communication, we have provided regular updates to our colleagues and engaged them in quizzes and competitions to keep morale high. To check on the wellbeing of our colleagues and to foster a supportive environment, managers have been encouraged to arrange regular one-on-one conversations with their teams either through telephone calls, video calls or in person whilst social distancing. Moreover, two online modules on mental health were launched in April 2020 through our learning management station to provide better support.



Each colleague was provided with a personal face mask and interchangeable filters

We recognise the financial impacts the pandemic may have brought about on our colleagues and their families. To help ease the burden, we organised two virtual seminars on financial health for colleagues. We also arranged experienced personal bankers to conduct a 30-minute personal Financial Health Check for colleagues in need.

ABOUT THIS REPORT



On MTR Sustainability Website:

Read our Management Approach

- > [Reporting Framework](#)
- > [Stakeholder Engagement](#)
- > [Materiality Assessment](#)

On MTR Corporate Website:

- > [MTR Financial Highlights and Annual Reports](#)

In This Chapter:

GRI: 102-40, 102-42, 102-43, 102-44, 102-46, 102-47, 102-49, 102-50, 102-53, 102-54, 102-56

We take a combined approach to provide effective and transparent disclosure of our sustainability journey. Long standing information such as our sustainability strategy, management approach and frameworks, and on-going efforts that remain relevant are available on the [Sustainability Website](#) (the "Website"). Annual updates on sustainability-related highlights, initiatives, performance and challenges are found in our annual Sustainability Report (the "Report").

The Website and the Report together communicate how material sustainability issues are managed as an integral part of our business. They complement information available from other publicly accessible sources such as our [Annual Report](#). For a complete list of disclosures and sources, please refer to our [Hong Kong Stock Exchange and GRI Content Indices](#) for Sustainability Reporting Guidelines.

This year, with our purpose to keep cities moving sustainably, we redefined our Social Objectives to further align our efforts with three priority areas, namely 1) Social Inclusion, 2) Greenhouse Gas Emissions and 3) Advancement & Opportunities. Please refer to the [About MTR](#) section for more details.

We value your feedback on our sustainability performance and disclosures. Please send us your views and comments to [sdmng@mtr.com.hk](mailto:sdmngr@mtr.com.hk) or via [MTR website](#).

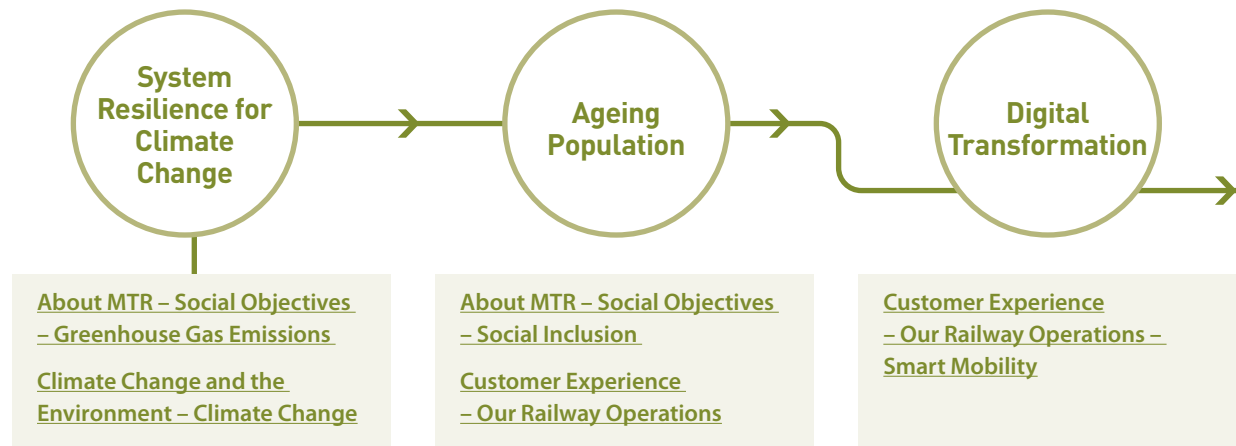
REPORTING FRAMEWORKS

As a publicly listed corporation, MTR abides by the listing rules of Hong Kong Exchanges and Clearing Limited ("HKEx") including Appendix 27 Environmental, Social and Governance Reporting Guide ("ESG Guide"). Our disclosure is in accordance with the Global Reporting Initiative ("GRI") Standards: Core option and also makes reference to internationally recognised

reporting guidelines such as the United Nations Sustainable Development Goals ("SDGs"), the International Association of Public Transport ("UITP") Sustainability Charter Reporting Guide 1.0 and ISO 26000 Guidance on Social Responsibility. We also disclose climate-related information in line with the framework recommended by the Taskforce for Climate-related Financial Disclosures ("TCFD").

As a global citizen, we leverage our expertise and resources to contribute to the global sustainable development agenda. We have identified and notified the SDG Secretariat of our overall support for SDGs 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure) and 11 (Sustainable Cities and Communities) as those most relevant to the development of sustainable urban infrastructure in our operating locations. We also support a number of other SDGs through our diverse operations. Our efforts to support different SDGs are shown in this Report.

This Report also presents our response to the following three megatrends that bring along both opportunities and challenges to our operations:



Please refer to our [Website](#) for details on our disclosure approach, reporting frameworks, SDGs commitments and the three megatrends.

REPORT SCOPE

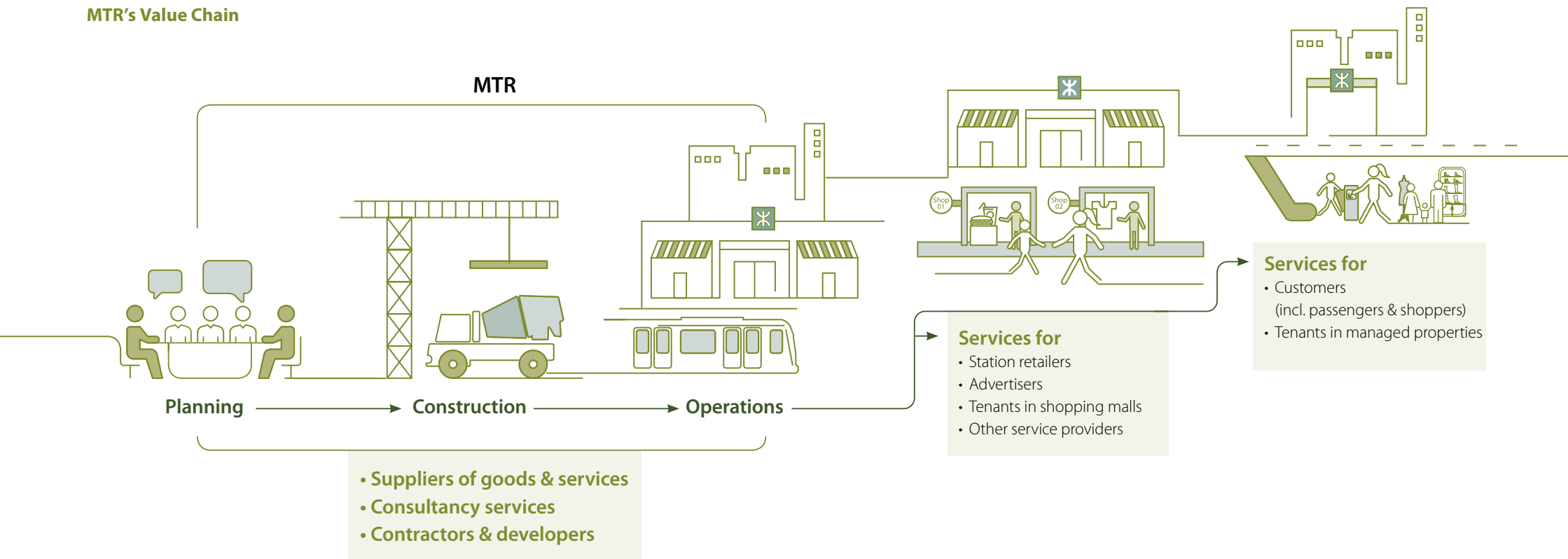
The Report discloses details of issues material to the Corporation covering the period from 1 January to 31 December 2020. Headquartered in Hong Kong, the Corporation has extensive railway-related projects and operations internationally with a presence in the United Kingdom, Australia, Sweden, Macao and the Mainland of China. MTR's property development and management services are based in Hong Kong and the Mainland of China. The scope of this Report has been expanded to include our operations in Sydney and Macao, and includes data from all operations, including wholly or majority-owned subsidiaries where the Corporation exercises management control. However, quantitative data from Macao is not disclosed in this Report as the Corporation is not the sole owner of the data under the O&M service contract with the client in Macao. Subject to the disclosure arrangement which will be reviewed from time to time, we may include such data in future reports. Please refer to the [Performance Metrics](#) section for our performance data. Key quantitative data disclosed in this Report has been independently assured by Ernst & Young Advisory Services Limited. Please refer to the [independent assurance report](#) for details.

Our Annual Report provides further details on our operations in Hong Kong and worldwide. Please also refer to the sustainability reports of our overseas subsidiaries, [MTR Nordic](#) and [Metro Trains Melbourne](#), for more details on their performance and latest initiatives.

STAKEHOLDER ENGAGEMENT

Our ongoing and two-way stakeholder engagement process enables us to gather views, priorities and expectations from a wide range of stakeholders along our value chain. Through different engagement channels, we identify possible risks and opportunities, balance different interests and make informed decisions. We also leverage this opportunity to gain valuable feedback on our initiatives in pursuit of operational excellence. For details on our stakeholder list, engagement approach and engagement channels, please refer to our [Website](#).

MTR's Value Chain



EXTERNAL REVIEW PANEL

Every year, we invite professionals in sustainability fields to provide advice on our reporting approach and strategy, and to review the content of our Website and Report. Their valuable feedback helps us enhance the quality of our sustainability disclosures. Members of this year's External Review Panel include:



Shirlee Algire
Executive Manager,
Sustainability,
Hong Kong Jockey Club



Mike Kilburn
Former Head of Sustainability,
Airport Authority Hong Kong



Robert Gibson
Fellow, Civic Exchange and
Adjunct Professor,
Hong Kong University of
Science and Technology



Calvin Lee Kwan
Head - Sustainability
Link REIT



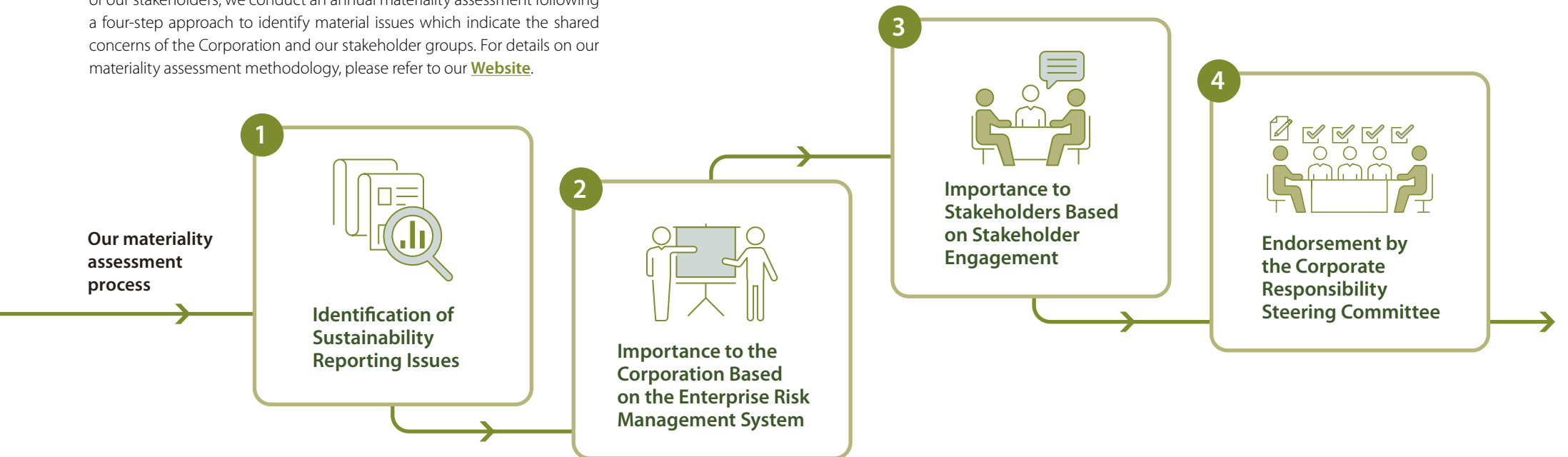
Agnes Tai
Director,
Great Glory Investment
Corporation



SK Wu
Risk Manager,
Alliance Construction
Materials Limited

MATERIALITY ASSESSMENT

To identify issues which are material to MTR's economic, environmental and social aspects, or substantively influential to the assessments and decisions of our stakeholders, we conduct an annual materiality assessment following a four-step approach to identify material issues which indicate the shared concerns of the Corporation and our stakeholder groups. For details on our materiality assessment methodology, please refer to our [Website](#).



MATERIALITY MATRIX

Our materiality assessment results are presented in the following matrix.



The top right quadrant lists out highly material issues, while the least material issues are shown at the bottom left. The results were commented by the External Review Panel and have been validated by the Corporate Responsibility Steering Committee.

This year through our internal assessment, the importance of item 36 “Community health” to our business increased given the pandemic. It also increased for item 16 “Diversity and equal opportunity” and item 33 “Employment creation and skills development” in line with our commitment to our new social objectives to foster social inclusion and promote advancement and opportunities in the communities we serve.

I. GOVERNANCE

- 1 Organisational governance structure and process
- 2 Fair operating practices (Ethical dealings with other organisations)
- 3 Anti-corruption
- 4 Responsible political involvement
- 5 Fair competition

II. CUSTOMERS

- 6 Fair marketing (factual and unbiased information & fair contractual practices)
- 7 Customer education
- 8 Customers’ health & safety
- 9 Sustainable products & services
- 10 Customer service, support, and complaint handling
- 11 Customer data protection & privacy
- 12 Access to essential services (incl avoidance of service disruption)

III. EMPLOYEES

- 13 Human rights risks assessment
- 14 Human rights risk issues
- 15 Human rights grievances mechanism
- 16 Diversity and equal opportunity
- 17 Fundamental principles & rights at work
- 18 Protection of civil & political rights of staff
- 19 Employment practices

- 20 Conditions of work & social protection
- 21 Staff consultation and engagement (incl freedom of association and collective bargaining)
- 22 Employee and contractor health & safety
- 23 Employee development & training

IV. ENVIRONMENT

- 24 Prevention of pollution (air, water & waste)
- 25 Sustainable resource use (resource efficiency & water use)
- 26 Climate change
- 27 Biodiversity

V. SUPPLY CHAIN

- 28 Supply chain human rights risk
- 29 Promoting social responsibility in the value chain

VI. COMMUNITY

- 30 Payment from government / tax payment
- 31 Community involvement and development (engagement)
- 32 Education and culture
- 33 Employment creation and skills development
- 34 Technology development and access
- 35 Wealth and income creation
- 36 Community health
- 37 Community investment

SDGs, Highly Material Issues and Our Responses

We also take the SDGs into account as part of our materiality assessment process to align our business strategies and disclosures with global sustainability priorities. The linkages between our three committed SDGs, other SDGs which we support through our diverse operations, our highly material issues and associated responses are illustrated below.

Cross Referencing SDGs to Highly Material Issues, and to Sections of the Report covering these Issues

Highly Material Issues	Committed Sustainable Development Goals			Other Sustainable Development Goals								
	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND
Sustainable products and services		●	●							●		
Customer health and safety			●	●								
Employee and contractor safety	●			●								
Conditions of work and social protection	●											
Customer education										●		
Customer service, support and complaint handling			●									
Biodiversity												●
Climate Change			●					●			●	
Prevention of pollution		●	●				●	●		●		
Sustainable resource use	●	●	●				●	●		●		●
Diversity and equal opportunity									●			
Access to essential services		●	●									
Community involvement and development	●				●	●						

Cross Referencing SDGs to Highly Material Issues, and to Sections of the Report covering these Issues

Highly Material Issues	Sections of the Report covering the Highly Material Issues and the SDGs						
	About MTR section on Financial Sustainability	Safety First	Customer Experience	Climate Change and the Environment	Inclusion and Our Human Capital	Advancing with the Community	Responsible Procurement
Sustainable products and services	●			●			●
Customer health and safety		●					
Employee and contractor safety		●					
Conditions of work and social protection		●			●		
Customer education			●				
Customer service, support and complaint handling			●				
Biodiversity				●			
Climate Change				●			
Prevention of pollution				●			●
Sustainable resource use				●			●
Diversity and equal opportunity					●	●	
Access to essential services						●	
Community involvement and development						●	

ABOUT MTR



On MTR Sustainability Website:

Read our Management Approach

- › [Corporate Governance](#)
- › [Risk Management](#)
- › [Financial Sustainability](#)
- › [Sustainable Investment](#)

Our Policies and Guidelines

- › [Board Diversity Policy](#)
- › [Code of Conduct](#)
- › [Corporate Responsibility Policy](#)
- › [MTR Modern Slavery and Human Trafficking Statement](#)
- › [Sustainable Finance Framework](#)
- › [Whistle-blowing Policy](#)

In this Chapter:

GRI: 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-11, 102-16, 102-18, 201-1, 205-3, 206-1

HKEx KPI: GD-A1, GD-A2, GD-B7, B7.2, B7.3 GD-B1, GD-B8



Hong Kong

Location of Headquarters



1975

Year of Establishment



262.6km

Hong Kong total railway route length

Our vision is to be an internationally-recognised company that connects and grows communities with caring, innovative and sustainable services. Corporate governance and fair operating practices are highly material issues to MTR. Our robust governance structure is the foundation which enables the Corporation to achieve our business objectives in a fair and ethical manner. Sound governance of sustainability issues promotes proper management of, and resilience, against related risks.

OUR BUSINESS AT A GLANCE

MTR is a world-class operator of sustainable rail transport services headquartered in Hong Kong Special Administrative Region and listed on the Hong Kong Stock Exchange (SEHK: 66). The Corporation mainly focuses on the construction and operation of mass transit passenger railways in Hong Kong, the Mainland of China, Macao, Australia, Sweden and the United Kingdom. Given the impacts of COVID-19, in 2020, our railway networks carried 8.2 million passenger journeys worldwide every weekday.

In Hong Kong and the Mainland of China, our business portfolio also includes station commercial businesses, development and sale of residential and commercial properties in partnership with property developers and provision of property management services. The Corporation also took action to fill a gap in rail-related expertise in the market through the [MTR Academy](#) which provides high quality programmes covering railway management and engineering. For details on our businesses, railway networks and future extensions, please refer to our [Annual Report](#).

Performance in Sustainability Indices

As a listed corporation, MTR's sustainability performance is assessed by leading independent ESG ratings agencies including:

- Dow Jones Sustainability Indices ("DJSI") – MTR has been a constituent of the DJSI Asia Pacific since 2013 and was once again included in The Sustainability Yearbook 2021, which includes the top 15% of companies for each industry that achieved a score within 30% of their industry's top performing company.



- MSCI ESG Leaders Indexes – On a scale of AAA-CCC, MTR has consistently achieved an AAA rating in the MSCI ESG Ratings assessment since 2015.



Disclaimer

- FTSE4Good Index Series – MTR has been a constituent of this index since 2002.



FTSE4Good

- CDP – MTR has once again received a B score in the climate change assessment this year, where the regional average for Asia is a D score.



- ISS ESG Corporate Rating - MTR achieved a "Prime Status" indicating that our ESG performance fulfils ISS' demanding ESG requirements for our sector.



- 5th Hong Kong Business Sustainability Index ("HKBSI") – Organised by the Chinese University of Hong Kong ("CUHK"), the HKBSI aims at charting the ongoing development and performance of Hang Seng Index constituent companies on business sustainability. MTR ranked #5 in the index in 2020.



- 1st Greater Bay Area Business Sustainability Index ("GBABSI") – Launched by CUHK in 2020, the GBABSI covers Hong Kong listed companies with operations in the Greater Bay Area eligible for southbound trading under the Stock Connect scheme. MTR ranked #3 in the index in 2020.



CORPORATE GOVERNANCE

Robust and sound governance are the foundations of a successful business. MTR's Board of Directors works with the Executive Committee to develop corporate strategies to ensure the Corporation prudently manages the interests of our varied stakeholders. In terms of sustainability, the Chairman of the Board leads the Board-level Corporate Responsibility Committee which provides strategic guidance and reviews the Corporation's corporate responsibility practices and performance. The implementation of sustainability initiatives across MTR's divisions is the responsibility of the management level Corporate Responsibility Steering Committee ("CoRSC") which is chaired by the Corporate Affairs Director and includes Members of the Executive Directorate and other colleagues representing our major business units.

Please refer to our [Annual Report](#) for more details on corporate governance.

Ethics and Integrity

Fair, open and honest competition forms an important component of our ethics in business relationships. The Corporation has put in place measures to ensure compliance with competition regulations and to solidify our commitment to a high standard of business ethics and integrity across our operations. Our Code of Conduct clearly sets the expectations of ethical behaviours along with cautionary warnings relating to open and fair competition. In all works involving the bidding for work and partnering with suppliers or customers, we follow the applicable laws concerning competition in each jurisdiction we operate.

Reflecting our focus on integrity, the Corporation’s Code of Conduct provides guidance for ethical business practices and behaviours. All employees are required to complete mandatory computer-based training (“CBT”) programmes to ensure thorough understanding of the Code of Conduct and relevant legislations. New recruits must complete the same mandatory CBT programmes within three months of joining the Corporation and they are briefed on the Code of Conduct as part of the corporate induction workshop. In addition to the mandatory CBT programmes, we organise regular staff awareness programmes and seminars featuring speakers from the Hong Kong Independent Commission Against Corruption (“ICAC”) to clarify key sections of the Prevention of Bribery Ordinance and explain the most current anti-corruption measures.

The Learning and Development Department organised the following webinars related to ethics and integrity this year to boost internal awareness and refresh knowledge:

Titles	Purposes	Speakers
"Understanding the Prevention of Bribery Ordinance and Code of Conduct"	Strengthen anti-corruption awareness	Hong Kong Independent Commission Against Corruption
"Understanding the Personal Data (Privacy) Ordinance"	Improve awareness of the proper handling of personal data	Hong Kong Office of the Privacy Commissioner for Personal Data
"Preventing and Handling Sexual Harassment"	Reinforce the understanding of sexual harassment and relevant ordinances	Hong Kong Equal Opportunities Commission
"Understanding Anti-discrimination Ordinance in Hong Kong"	Strengthen the awareness of the four discrimination ordinances on sex, disability, family status and race	Hong Kong Equal Opportunities Commission

As at 31 December 2020, our staff has attended anti-corruption training through corporate induction workshops and a webinar, contributing to a total of 260 hours in 2020.

Should any internal or external parties suspect any unethical or improper behaviours, our Whistle-blowing Policy provides a clear and confidential mechanism to raise concerns. In 2020, the Whistle-blowing Panel evaluated 256 cases. Of those cases, 215 did not meet the definition of “whistle-blowing”. Investigations of 32 instances were completed resulting in 2 substantiated cases, 4 partially substantiated cases and 26 unsubstantiated cases. As at 31 December 2020, 9 incidents are still under investigation. Appropriate follow-up actions have been taken by management in response to the substantiated and partially substantiated cases.

Risk Management

Our Enterprise Risk Management (“ERM”) Framework provides a clear view of the significant risks we may face. The holistic approach to risk management identifies and evaluates enterprise risks (including sustainability risks). The sustainability risks identified through our framework are mapped against relevant ESG issues under ISO 26000 and are subsequently assessed to determine the level of materiality.

Matters Relating to the Shatin to Central Link Construction

In mid-2018, there were allegations concerning workmanship and timely reporting of certain construction matters relating to three stations of the Shatin to Central Link (“SCL”), in particular regarding the construction of the Hung Hom Station Extension works. The Corporation has taken the matter seriously, with immediate actions made to investigate the issues and findings reported to the Government. The Corporation reserves its position against relevant contractors.

The Corporation has given its full cooperation to the Commission of Inquiry into the Construction Works at and near the Hung Hom Extension under the SCL Project set up by the Government in June 2018. The Commission has made a clear determination in its Final Report released on 12 May 2020 that the relevant structures at and near the Hung Hom Station Extension are safe and fit for purpose with the completion of the suitable measures, which were completed in mid-2020. The Commission had identified in both its Interim and Final Reports a number of inadequacies in respect of the construction process and made recommendations on the Corporation’s project management practices. Many of these recommendations are in line with those of the review conducted by the Capital Works Committee of the MTR Corporation’s Board and have already been incorporated into the Corporation’s standard practices. The Corporation notes the Commission also found that elements of the construction works were not executed in accordance with the contract. These issues would be resolved in accordance with the terms of the relevant contracts.

Quality and safety of our railway projects has always been the Corporation’s top priority. Moving forward, we will continue to ensure that high safety standards are maintained at all times.

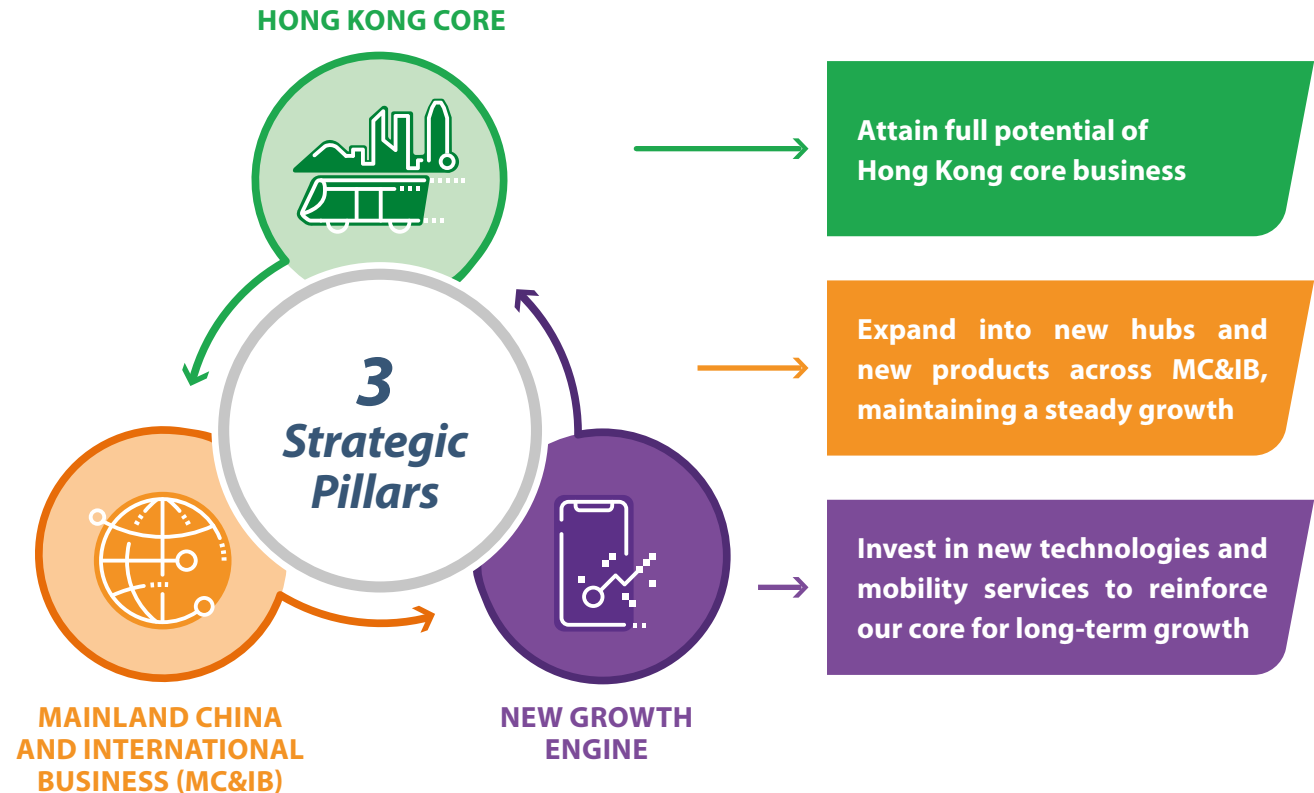
A [feature article about the SCL](#) construction matters can be found on our Sustainability Website.

SOCIAL OBJECTIVES

A New Strategy for Sustainable Growth

In July 2020, the MTR Board endorsed our new corporate strategy “Transforming the Future” to prepare the Corporation for the future. While our core values remain unchanged, we rewired our purpose to “keep cities moving” to address ever-evolving social and environmental needs. Through our low-carbon transportation network and property developments, we enable cities and their people to move forward and make progress. We are committed to embedding ESG into our business and operations to create long term value for all of our stakeholders - our customers, our investors, our employees, our supply chain and the community.

Our new corporate strategy builds on three strategic pillars:

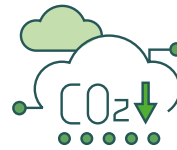


Under the new corporate strategy, we have set forth three priority areas to advance our social objectives: (1) providing inclusive mobility and promoting greater diversity and inclusion in our workforce, (2) operating a low-carbon transport network and continuing to reduce GHG emissions, and (3) fostering social mobility and enhancing the skills and innovative capacity of our future generations. MTR's new Social Objectives reflect our commitment to leverage the Corporation's scale and expertise in benefitting the people and communities we serve.



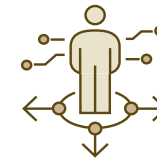
SOCIAL INCLUSION

MTR aims to foster social inclusion, promote equality and make a positive impact on the communities we serve. Our railway system and properties are accessible for all, including the elderly, those with disabilities, people travelling with infants or toddlers and anyone who might need a barrier-free access from time to time. Internally, we actively promote equal opportunities and create a diverse and inclusive work environment. For more information about our efforts to promote social inclusion, please refer to the [Customer Experience, Inclusion and Our Human Capital](#) and [Advancing with the Community](#) sections in this Report.



GREENHOUSE GAS EMISSIONS

MTR offers a low carbon solution connecting the communities we serve. As an operator of a reliable, efficient and environmentally friendly transportation system, we are committed to managing our environmental and carbon footprint to help transit Hong Kong to a carbon neutral city. Through the years, we have incorporated energy efficiency measures into the design, planning, construction and operation of our railway network and properties. We have set targets to reduce electricity consumption in our heavy rail and investment property portfolio and contributed to the global effort to reduce GHG emissions. For more information about our efforts to combat climate change, please refer to the [Climate Change and the Environment](#) section in this Report.



ADVANCEMENT & OPPORTUNITIES

MTR aspires to contribute to social mobility and advancement by connecting our communities with opportunities. To upskill our communities, we focus on future skills and innovation through emerging technologies and collaborations with local schools and universities. We also support the personal and professional development of our staff. Working with a wide range of suppliers and business partners, we are committed to providing growth opportunities for local enterprises in the cities where we operate, particularly through our supply chain practices. For more information about our efforts to enable social mobility and advancement, please refer to the [Inclusion and Our Human Capital, Advancing with the Community](#) and [Responsible Procurement](#) sections in this Report.

We have already been implementing various initiatives under the three Social Objectives. Icons representing each priority are shown next to the relevant initiatives in this Report.

FINANCIAL SUSTAINABILITY

Economic Value Generated and Distributed

Long term financial sustainability is central to the maintenance and upgrades of our assets and the delivery of quality services. MTR's income is primarily generated from fares and supplemented by revenue generated from properties and other services. We follow a transparent [Fare Adjustment Mechanism](#) for fair and objective annual-fare adjustments which ensure affordable services for all passengers.

Supplementing our fare revenue is the capital generated from our "Rail plus Property" ("R+P") model. At the heart of this model are the seamless links between our property developments and railway networks which enable us to capture additional economic opportunities. Funds generated from the property developments are used to partially support railway operations and new rail lines.

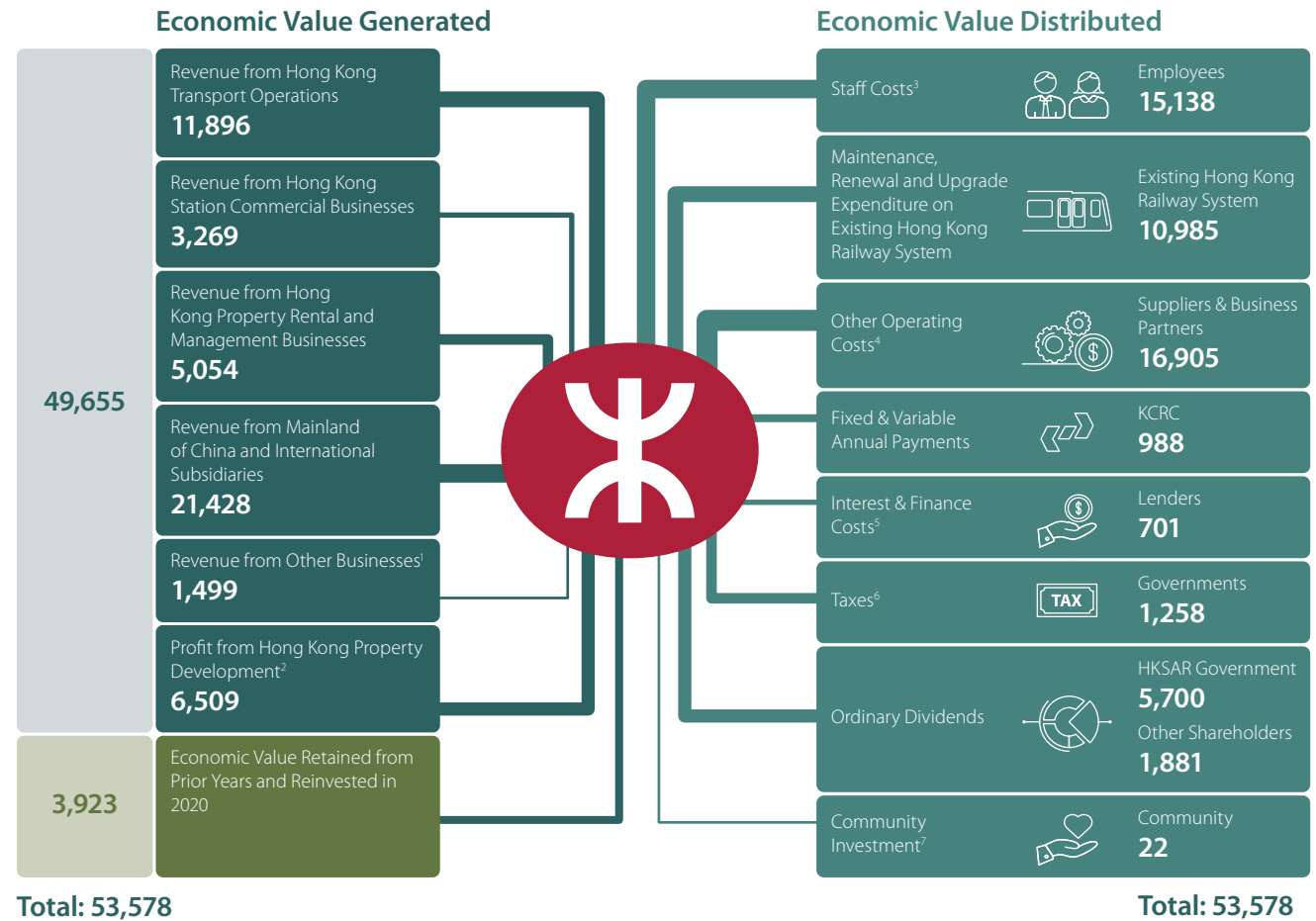
The economic value we create is shared with our diverse stakeholders including suppliers, employees, lenders, shareholders, Government and the community.

Our [Annual Report](#) provides detailed information on our financial performance.

Sustainable Finance

Since 2016, MTR has raised more than HK\$23 billion through sustainable finance arrangements which are a key part of our financing strategy to fund railway asset replacements, energy efficiency improvements, railway service enhancements and nature conservation projects. This year, a new Sustainable Finance Framework was established and we reaffirmed our commitment to sustainable finance with the successful issuance of a US\$1.2 billion green bond – the largest single tranche green bond for corporates in Asia Pacific. The issuance won Hong Kong's "Best Green Bond" Award and, being at the forefront of raising sustainable financing, the Corporation was also named the "Best Issuer for Sustainable Finance" in Hong Kong in The Asset Triple A Country Awards 2020.

Value Added And Distribution Statement in 2020 (HK\$ million)



Notes:

- Includes share of profit of associates and joint venture.
- Before taking into account staff costs of HK\$18 million.
- Excludes staff costs related to Hong Kong railway system maintenance of HK\$2,430 million, capitalised for asset creation of HK\$1,412 million and recoverable of HK\$596 million.
- For simplicity reason, other operating costs include interest income, netted with non-controlling interests. Excludes operating costs related to Hong Kong railway system maintenance of HK\$2,424 million.
- Excludes interest expenses capitalised for asset creation of HK\$360 million.
- Represents current tax and excludes deferred tax for the year.
- Includes donations, sponsorships and other community engagement contributions, and excludes in-kind donations of HK\$20 million given. In addition, there were (i) ongoing fare concessions and promotions of HK\$1,710 million, (ii) MTR's share of additional fare promotions offered to our Hong Kong passengers (including 20% rebate on every Octopus trip and HK\$100 discounts on MTR City Saver and Monthly Pass Extras), and (iii) rental concessions granted to station and mall tenants that have not been accounted for in this amount.

SAFETY FIRST



On MTR Sustainability Website:

Read our Management Approach

> [Safety First](#)

Our Policies and Guidelines

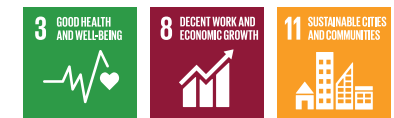
> [Corporate Safety Policy](#)

In this Chapter:

GRI: 403-1, 403-2, 403-4, 403-5, 403-9, 416-1

HKEx KPI: GD-B2, GD-B6, B2.1, B2.2, B2.3, B8.1, B8.2

SDG:



-53%

Number of customer and public injuries on our Hong Kong heavy rail network



- 80%

Number of customer and public injuries on our Hong Kong light rail network



-67%

Number of customer and public injuries on our Hong Kong buses

The health and safety of our customers, employees, and contractors are among the Corporation's most material issues. Given our primary business nature as railway operators, our commitment to safe services is resolute. We have taken the necessary precautions to manage safety risks to our customers, employees and contractors throughout our operations.

MANAGING SAFETY

We embrace a culture which prioritises safety as the prime responsibility of all MTR employees. Our enhanced Corporate Safety Policy, along with MTR's Corporate Safety Governance Framework, outline our safety management approach and objectives. This approach to safety is supported by the Corporate Safety Management Model, which lays down appropriate safety management processes across eight core elements to constitute an effective and robust system bespoke to our operations. We also formulate a Corporate Strategic Safety Plan every four years, which helps address the safety challenges faced by the Corporation. Our Corporate Strategic Safety Plan 2017-2020 will expire soon, we are in the process of preparing a new four-year plan listing out our aspirations, goals and focus areas to guide our safety practices and drive safety improvements across all our business areas in Hong Kong, Mainland China and abroad.

CUSTOMER SAFETY

Our top priority has always been the health and safety of our customers, the public, our staff, and contractors. From the onset of the COVID-19 outbreak, a wide range of preventative measures have been implemented to ensure the sanitary conditions of our trains, stations and facilities. For more details of our COVID-19 response, please refer to [Keep Cities Moving Safely](#) in this Report.

Besides protecting our customers from the potential risks associated with COVID-19, we continue to stress the importance of operational safety throughout all levels of the Corporation. We work to instil an uncompromising safety-first culture within MTR and provide our staff with proper training to ensure they have the knowledge and skills to conduct their daily duties with passenger safety in mind. We are conscious that potential situations outside of our control may occur on our premises. Our frontline staff are provided the necessary preparations to be able to react calmly and swiftly to manage the situation. For instance, our Corporate Security Department launched a campaign aimed at strengthening our internal security awareness and teaching our staff proper handling procedures when responding to incidents of security implications. The two-month campaign, concluding in June 2020, taught colleagues an invaluable three-step action process – Monitor Anomalies, Think Security and React Calmly – which helps provide a mental framework to handle potentially stressful situations.



The campaign included an interactive video game simulating incidents with potential security implications, giving participants a chance to practice the three-step action process. Through two security scenarios – suspicious objects at a station or suspicious persons in a depot – participants are required to resolve the situation by undergoing a series of critical decision-making sequences. This game helps better prepare colleagues to handle unexpected incidents which may occur.

OVERSEAS HIGHLIGHTS

MTR Nordic

MTR Nordic has provided security training for new staff members annually, and all staff are required to attend a refresher training course every four years. Following enforcement of the new EU safety regulation, EU 2018/762 (CSM-CA), which sets out common requirements for safety management systems throughout the European Union, we have enhanced our existing safety management system to ensure compliance with the new requirements..

MTR (Macau)

A "Macao Ready Go! Local Tours" Depot Visit campaign was held to raise passengers' awareness on railway operations and safety.

MTR (Shenzhen)

MTR (Shenzhen) conducted a Pre-Operations Safety Assessment and Operations and Maintenance Readiness Assessment to provide a higher level of assurance on the safety and operations readiness upon opening of the Shenzhen Line 4 Phase 3 in October 2020. The assessment was a collaborative effort of colleagues from Operations Division in Hong Kong and other Mainland China hubs.

OVERSEAS HIGHLIGHTS

MTR Nordic

We work to ensure customer safety goes beyond their time as passengers on our railway networks. At MTR Nordic, we have continued to work with local municipalities and other relevant stakeholders to conduct Safety Walks around our stations. These Safety Walks help us safeguard the physical wellbeing of our customers. By inspecting the physical areas around our station premises, we can better understand the potential hazards in our surroundings and implement proper corrective measures. For instance, we have identified and improved dimly lit areas or difficult terrain blocked by foliage to ensure clear walking paths for our travellers. In addition to several Safety Walks organised by external stakeholders, MTR Nordic conducted a total of 15 Safety Walks in 2020 with around 10 to 20 participants at each Safety Walk.



We continue to conduct Safety Walks around our stations to safeguard the physical wellbeing of our customers

Road and Track Safety

We are committed to keeping our railway systems reliable and safe. Through our digital transformation journey, we continue to look into innovative and smarter ways to collect data, enhance our railway operations and conduct timely maintenance works. In January 2020, the Corporation officially opened the Data Studio at Fo Tan Railway House, marking an era of Smart Maintenance for our railway network. The Data Studio acts as a centralised hub for collecting, integrating and analysing a large array of asset data from our railway systems, asset condition monitoring applications and maintenance activities. The analysis and application of such data enables us to implement Predictive and Prescriptive Maintenance alongside Maintenance Optimisation to further enhance our railway reliability and productivity, whilst keeping our assets well-maintained for the safety of our passengers.

To improve our road safety, MTR's Bus Operation Training Unit has worked diligently to develop a tailor-made training programme

to enhance the defensive driving skills of our MTR Bus Captains, improving their responsiveness in the case of unexpected circumstances and adverse road conditions. We equip our Bus Captains with the necessary skills to better protect the physical wellbeing of our passengers as well as themselves. The training programme puts an emphasis on behind-the-wheel training in a controlled environment at our Hung Shui Kiu Bus Depot, covering various unexpected situations which may arise on the road. This form of training allows our Bus Captains to experience a more accurate and realistic simulation of road conditions to help reduce the risk of accidents. In addition to defensive driving skills, the training programme also covers emergency procedures such as the proper use of fire extinguishers and passenger evacuations. Given the positive feedback received, the Corporation plans to provide similar classroom defensive driving training for Light Rail Train Captains and for Light Rail and Bus colleagues who operate corporate emergency vehicles in Northwest New Territories.

A LIGHT RAIL DERAILMENT INCIDENT

On 29 August 2020, a Light Rail Vehicle ("LRV") on Route 610 running from Tuen Mun Ferry Pier Stop to Yuen Long Stop derailed while approaching Siu Hong Stop platform. Service diversion was triggered immediately. All 20 passengers on board disembarked in a safe and orderly manner and no injuries resulted from the incident. Repair works, inspections and safety checks were conducted after passenger service at midnight and service resumed with normal operations the next day after satisfactory assessment of the railway.

An Investigation Panel ("IP") comprising external experts and senior representatives from the Operations Division and Engineering Division was established to identify the root cause and make recommendations to prevent future recurrence. The IP concluded that localised gauge widening arising from a side-worn switch blade resulted in unfavourable wheel/rail interaction which led to the derailment. The IP also concluded that Light Rail maintenance personnel had carried out track maintenance work in accordance with internal procedures. The Corporation has implemented a number of enhancement measures recommended by the IP, including installation of a real time dynamic track performance monitoring system in LRVs, increased frequency of rail lubrication at wheel/rail interfaces, and establishing a high level steering group to monitor the progress of enhancement works.

INCIDENTS ON THE EAST RAIL LINE

We experienced some challenges while testing the new signalling system on the East Rail Line ("EAL") during non-traffic hours in May 2020 and on the eventual postponement of the planned Mixed Fleet Operation ("MFO") of the EAL in September 2020.

Signalling Incidents

Three incidents had occurred on the EAL on 23 and 25 May 2020 during non-traffic hours. The Corporation has conducted a full investigation of the incidents and has subsequently submitted a report on the findings which have been reviewed and accepted by the Government.

The first incident involved a display system grey-out in the Operations Control Centre ("OCC"). The incident was due to the activation of a data logging function in the Signalling Automatic Train Supervision Subsystem. Since the data logging function would not be used in the normal service operation, it would not pose any safety impact on our railway operations.

The second incident involved the shutdown of the interlocking system caused by the simultaneous manual shutdown of two out of the four safety computers. The investigation report concluded that this was a procedural error, as our normal operating procedures would call for sequential shutdown, therefore it would not pose any safety impact on our railway operations.

The third incident involved a test train proceeding in the wrong direction and passing a red signal. The incident was attributed to human errors. All subsequent trains following the incident train were safely directed to avoid further incident by the Automatic Train Protection Subsystem which was activated during the non-traffic hour movement.

The [investigation report](#) concluded that all three incidents were related to human or procedural errors, however they caused no safety impact on passengers or railway operations. As a precautionary measure, a number of enhancement measures have been implemented to strengthen the operational understanding of all relevant staff and contractors. We also enhanced relevant procedures for operation of the new EAL signalling system.

Postponement of MFO

On 11 September 2020, the Corporation announced a postponement of the commissioning of the new signalling system and roll-out of the MFO of the EAL originally scheduled for 12 September 2020. The decision was made after conducting a final review of the new system prior to service commencement, where there had been a software issue that could potentially cause deviation of trains from their intended route. Though train deviations were only observed during analysis of logfiles during testing/simulation and the probability of occurrence was considered remote, the Corporation did not overlook the issue and identified that as a Route Recall issue.

The contractor has resolved the issue by upgrading the software and stopping the new software module. The postponement of the commencement of MFO to address the software issue was a precautionary measure to better ensure smooth and reliable operations of the new signalling system.

Although the public has not experienced any disruption of the EAL service due to the deferment of MFO, the incident has raised public concerns about the process of communication within the Corporation and its interaction with the Government.

On 13 September, the Corporation announced the establishment of an IP to look into the Corporation's communication and reporting mechanisms internally and externally to relevant Government departments.

In parallel with the investigation from the IP, the Corporation also conducted a formal and comprehensive technical investigation on the new signalling system and MFO, the results of which were reviewed and validated by the IP. The Corporation submitted the findings prepared by the IP to the Transport and Housing Bureau on 21 January 2021. The Corporation acknowledges and accepts the findings of the IP which concluded that the issue concerned is not an issue of safety but of service reliability.

The Corporation has accepted and implemented the recommendations made in the IP Report. The EAL's new signalling system and nine-car trains were commissioned successfully on 6 February 2021, after the satisfactory completion of all relevant testing and approvals from the Government.

Our transport operations in Hong Kong continued to maintain world-leading safety performance in 2020. We work tirelessly to meet our safety targets and ensure our passengers' safety on our networks. The number of customer and public injuries on our heavy rail network, light rail network and buses dropped significantly by 53%, 80% and 67% respectively in 2020 compared to 2019. To maintain performance standards, we continue to benchmark our heavy rail network in Hong Kong with overseas counterparts through the CoMET Benchmarking platform against 30 top-level indicators, which includes Safety & Security. Please refer to [Performance Benchmarking](#) on our Sustainability Website for further information.

Number of Customer and Public Injuries Requiring Hospitalisation in Hong Kong

	Heavy Rail	Light Rail	Bus
2018	83	12	1
2019	62	10	6
2020	29	2	2

Customer and Public Safety – Fatalities in Hong Kong

	Heavy Rail	Light Rail	Bus
2018	0	0	0
2019	0	0	0
2020	1	1	0

Number of Injuries Requiring Hospitalisation per 100 Million Passenger Journeys in Hong Kong

	2018	2019	2020
Heavy Rail			
Target	9.26	8.56	7.60
Performance	4.60	3.67	2.51
Light Rail			
Target	13.66	13.08	11.67
Performance	6.69	6.41	1.79
Bus			
Target	6.88	6.88	6.85
Performance	1.57	9.52	3.99

Customer and Public Safety – Fatalities for Operating Locations Other Than Hong Kong

	Shenzhen Metro Line 4	Melbourne Metropolitan Rail Services	Sydney Metro North West Line	Stockholm Metro	MTRX	Stockholm Pendeltåg	TfL Rail/ Elizabeth line
Target	0	0	0	0	0	0	0
Performance	0	0	0	0	0	1	0

Number of Injuries per Million Passenger Journeys for Operating Locations Other Than Hong Kong

	Shenzhen Metro Line 4	Melbourne Metropolitan Rail Services	Sydney Metro North West Line	Stockholm Metro	MTRX	Stockholm Pendeltåg	TfL Rail/ Elizabeth line
Target	1.42	2.00	1.40	1.00	19.00	1.00	4.21
Performance	0.89	1.41	2.73	0.88	16.14	0.62	5.30

BUILDING SAFETY AWARENESS IN THE COMMUNITY

Our efforts to maintain a reliable and safe railway system extend beyond our own operations into the communities we serve. We seek to raise safety awareness throughout the community to ensure co-operation and support from our passengers in keeping our railways safe. It is important to impart key information about safety and security to our passengers so that they understand how to work with us to maintain safety and security within our premises.

In our published safety booklet, [Travel Safely Every Day in the MTR](#), we cover a wide range of safety-related topics including, general safety regulations, safe use of station facilities, train safety, proper use of emergency equipment, emergency evacuation procedures and MTR security guidelines. The information has been presented with colourful illustrations, photos and short captions to help capture reader attention and to ensure the information is easily understood.



We published "Travel Safely Every Day in the MTR" safety booklet to raise passenger awareness

Despite our best efforts, conditions during adverse weather events may be unpredictable and can pose a safety risk to our customers and members of the community. In addition to the measures we have implemented at our stations during these adverse weather events, we also issued safety reminders and special bulletins detailing MTR's special service arrangements.

We have developed a set of new posters featuring "T Chai", our new ambassador, to display in our stations as a part of our safety campaign during typhoon season. Furthermore, any breaking information important for the wellbeing of our passengers would be disseminated in a timely manner via the MTR Mobile app, MTR website, official MTR Facebook page, public announcements and special notices within stations to allow passengers to better plan their safe journeys.

OVERSEAS HIGHLIGHTS

MTR NORDIC

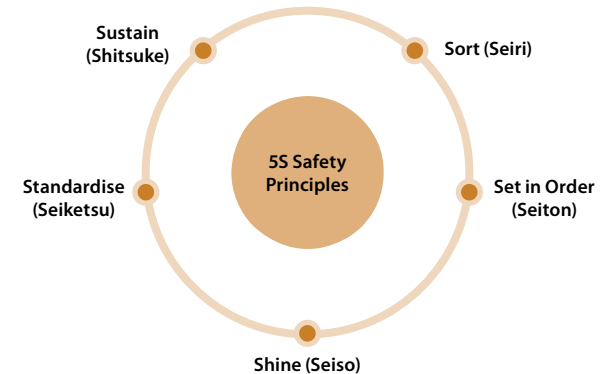
As a key player in the fabric of the community, MTR Nordic appreciates the importance of caring for and enhancing the areas in and around our stations. One key focus area of our community building efforts are safety and crime prevention around our stations. MTR Nordic is an active partner in crime prevention councils in all the municipalities where we have stations. Through this collaborative effort, we aim to better cooperate with relevant municipal partners to discuss potential problems and mitigation solutions.

In 2020, MTR Nordic has participated in more than 50 such council meetings where crime prevention, security and safety have been discussed.

STAFF AND CONTRACTOR SAFETY

Staff Safety Initiatives

The Corporation has long been a proponent of the 5S Safety Principles as a practical management tool to help keep our workplace clean, tidy and safe. These principles are effective to prevent occupational injuries and mitigate potential hazards in our workplace. To reinforce the ideals and the mind-set behind the 5S Principles among our Apprentices, Technician Associates and Operations Division staff, we launched an internal 5S competition in which participating teams were tasked with using the 5S techniques in a practical setting. Each team applied these principles along with their ingenuity to enhance stock and equipment storage facilities so as to improve the overall safety and tidiness of the workplace. A panel of judges and line managers subsequently evaluated each improved facility to determine which team best applied these principles to their workplace. Best examples from the winning teams were shared with other colleagues to follow suit.



We apply 5S Safety Principles to keep our workplace clean, tidy and safe

Safety initiatives and efforts of our staff and contractors were given commendation and recognition in the annual Safety Hero Award as part of the Corporate Safety Month. In the 2020 programme, a competition “Innovative Ways to Live Out Zero Harm” also rewarded our staff and staff of subsidiaries and associates both within and outside Hong Kong on initiatives and innovative ideas for improving safety, health and hygiene in their work.

Since the outbreak of COVID-19, we have adopted a wide range of measures in the workplace to safeguard our staff and contractors against the disease. Please refer to [Keep Cities Moving Safely](#) in this Report for more details.

Occupational Safety and Health Awards

7TH BEST PROPERTY SAFETY MANAGEMENT AWARD

Best Property Management Award Occupational Safety & Health Council

Awards	Award Level	Property
Best Property Management Award in Occupational Safety & Health	Gold	ELEMENTS
Best Safety Enhancement Programme	Gold	The PAVILIA BAY
Best Property Management Award - Resident’s RMAA Works Safety Enhancement Award	Gold	Telford Plaza
Best Property Contractor in Occupational Safety & Health	Gold	The Palazzo (Waihong Environmental Services Ltd)
The category of Non-public Work – New works of the 26th Considerate Contractors Site Award Scheme	Gold	LOHAS P10

Lost Time Injuries for Staff

The staff injury rate in 2020 was lower than that in the previous year in Corporate Support Functions, Operations Division, and Projects Division. In Property Division, its staff injury rate in 2020 was higher than that in the previous year but it remained at a low level and met the target. We continue to carefully monitor staff injuries across our operations and work to eliminate potential hazards as much as practicable. Slip, trip and fall, assault and struck by object are examples of the major contributors to staff injuries. To further mitigate workplace hazards, we have conducted specific safety inspection training schemes for line departments and VR classes on hazard identification to enhance safety awareness and uphold our safety-first culture throughout the Corporation. Operations Division also launched a series of safety video episodes to promote the importance of safety compliance, risk management, housekeeping as well as other relevant topics.

Lost Time Injuries per 100,000 man-hours in Hong Kong

	2018	2019	2020
Corporate Support Functions	0.16	0.20	0.04
Operations Division	0.38	0.65	0.43
Projects Division	0.00	0.16	0.04
Property Division	0.00	0.04	0.16

Note: Lost time injury means a worked-related injury results in medical sick leave for 1 day or more.

We treat every case of staff injury with utmost seriousness and care. We have investigated every injury and put in place remedial and preventive measures as far as reasonably practicable. At the corporate level, we have continued to organise programmes to enhance safety awareness and uphold our safety-first culture across all operations. For our frontline staff, monthly site-based safety sharing sessions were arranged to share both safety observations and lessons learned from previous accidents. We have also implemented general housekeeping and conditions guidelines at our contractor sites, which are enforced through site inspections, to augment the workplace conditions and to mitigate environment-related hazards.

Contractor Safety Initiatives

We implemented various safety initiatives in Hong Kong to protect the safety and health of our contractors including direct engagements with construction site workers through training, workplace campaigns, mentoring and a variety of communication initiatives. To echo the Construction Industry Council's "LIFE FIRST" Campaign, a "LIFE FIRST – WE Safe" campaign was launched in August 2020 with a series of programmes to enhance the safety awareness of our contractors and raise safety standards on site. To further enhance safety knowledge, we organised the Millionaire Safety Quiz Competition and activities to assemble and engage MTR staff, contractors and workers via safety quizzes, whilst the "Don't Walk By" programme continued to encourage our contractor workers to speak up on safety issues. These engagement channels help us uphold the highest safety levels and standards to ensure that contractors are aligned with MTR's Safety Policy and safety-first culture. Our continual commitment to improve safety standards and contractor safety include the provision of welfare facilities and proper care for workers to prevent site accidents, maintain a zero-accident work environment and comply with legal requirements. Furthermore, our Safety Charter emphasises the importance of construction site safety and close collaboration between all stakeholders including the Government, developers, contractors and frontline workers who play important roles in promoting our safety-first culture.

In 2020, we continued to achieve zero fatalities in our construction projects in Hong Kong. We have also met all safety targets for contractor staff lost time injury frequency rates for all business areas in Hong Kong. Apart from the safety promotion activities described above, Projects Division held a Quality, Safety, Environmental & Stakeholder Engagement Awards Ceremony in July 2020 to recognise the efforts of our construction contractors with outstanding safety performance and achievements.

Safety Performance on Construction Site

Hong Kong project construction fatalities	2018	2019	2020
Staff Fatalities	0	0	0
Contractor Fatalities	0	0	0

Lost Time Injuries^[1] per 100,000 man-hours for Contractors in Hong Kong

	2018 ^[2]	2019 ^[2]	2020
Corporate Support Functions	0.74	0.62	0.32
Operations Railway	0.26	0.25	0.24
Projects Construction – Railway Extension Projects	0.23	0.26	0.49
Projects Construction – Network Improvement Projects	0.06	0.00	0.00
Property Development and Investment Projects	0.02	0.05	0.03
Investment Property	0.03	0.18	0.21
Management Property	0.11	0.18	0.19

Note:

- [1] Lost time injury means a worked-related injury results in medical sick leave for 1 day or more.
- [2] Before 2020, reportable accidents per 100,000 man-hours was used to measure the safety performance of contractors in Hong Kong.

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Metro Trains Melbourne has developed a Zero Harm Behaviour Framework to enhance safety leadership and culture and implemented a Critical Risk Management Programme as part of our Zero Harm Roadmap. The programme focuses on management and mitigation of 12 critical risks which could result in a fatality or cause serious injury.

Our Infrastructure team recently implemented the use of drones to inspect external structures and areas at height, avoiding the need for employees and contractors to work at heights which minimises risk.

MTR (Macau)

A wide range of measures are in place to ensure that our safety performance meets government requirements and internal targets. Safety Inspections were carried out to identify potential hazards, ensure the compliance with local statutory and regulations, monitor local statutory standards and internal safety management procedures, and ensure that corrective actions are taken appropriately. Our staff and contractors are equipped with knowledge to work safely through safety training. Critical Task Safety Inspections were conducted to ensure a safe system of work for high-risk activities at the workplace, such as lifting operations, chemical handling, working at height and operating loadshifting machinery.

CUSTOMER EXPERIENCE



On MTR Sustainability Website:

Read our Management Approach

> [Customer Experience](#)

Our Policies and Guidelines

- > [Customer Service Pledge](#)
- > [Caring for our Customers with Special Needs Booklet](#)

In this Chapter:

HKEx KPI: B6.1, B6.4

SDG:



99.9%

Passenger journeys on-time in Hong Kong



1.23 million+

Monthly active users of MTR Mobile in Hong Kong



23

Interchange stations with breastfeeding and/or bycare facilities in Hong Kong

We interface with a diverse set of customers every day as they access our services, therefore, ensuring quality customer experiences that meet their needs is at the core of our business. In addition to providing a safe, comfortable and efficient transport network, community development, sustainable services, and customer education remains highly material issues for MTR.

TRAIN SERVICE PERFORMANCE

We aspire to go beyond the requirements set out in our Operating Agreement with the Government by setting ambitious internal targets. We are glad to report the attainment of a passenger journeys on time rate of 99.9% again this year, which is among the best performance figures for rail operators world-wide. While we work to prevent incidents, we experienced eight service disruptions caused by factors within our control which lasted more than 31 minutes in 2020. In all these cases, we conducted thorough investigations and implemented appropriate measures to avoid recurrence and improve our recovery response.

For continuous improvement, we regularly engage our customers to measure their level of satisfaction and report relevant findings in the Service Quality Index and the Fare Index. Please refer to the [Annual Report](#) for the latest results. We also benchmark the performance of our heavy rail network in Hong Kong against overseas peers through the CoMET Benchmarking platform which includes 30 top-level indicators across six categories: Growth, Learning and Innovation, Financial, Customer, Internal Processes, Safety and Security, and Environment. Please refer to our [Performance Metrics](#) section for further information

ENABLING ACCESSIBILITY

At MTR, we make every effort to create a seamless and inclusive transportation network. Over the past few years, we have undertaken a number of improvement works to provide fit-for-purpose and easy-access facilities in our stations, trains and properties for the elderly, passengers with disabilities and those in need. These facilities include the provision of additional escalators, external lifts, stair lifts, wide gates, wheelchair aids, portable ramps, accessible toilets for mobility impaired passengers; and braille signs, tactile station layout maps, guide paths and dynamic route maps for visually impaired passengers. Multi-purpose spaces are also designated within train compartments for the convenience of wheelchair users and persons with special needs. To enable wheelchair users to easily board and alight our LRVs, we trialled the use of a Board Easy Mat at Goodview Garden Stop. After a successful trial run, we plan to install these mats at 24 more Light Rail platforms by Q1 2021.



We use Board Easy Mat to enable wheelchair users to easily board and alight our LRVs

To support hearing impaired passengers along their journeys, our customer service centres are equipped with induction loops for the benefit of passengers with hearing aids. Important service information is also broadcast visually via digital panels in our stations and trains. For those with poor eye-sight, we have begun replacing key signage at station exits, lifts and washrooms with giant pictograms to make navigating our facilities much easier. For those with mobility concerns, walking through our stations may pose difficulties, as such we have installed seats where operationally safe and feasible to provide comfortable rest stops along our platforms and long walkways. When planning for future extensions and property development projects, we follow our barrier-free design principles as far as practicable. Currently, every MTR station and Light Rail stop has at least one barrier-free access point and all MTR buses are wheelchair accessible. Details of our barrier-free facilities are available on the [MTR website](#) and [MTR Mobile](#) app.

Since 2012, we have been supporting the Government's "Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities" to offer concessionary fares to senior citizens and eligible individuals with disabilities. In addition, we maintain open dialogue with representatives of disabled stakeholders in Hong Kong on a semi-annual basis. This enables us to better accommodate their needs when planning our new railway or station improvement projects. For example, we partnered with the Hong Kong Guide Dogs Association to introduce a special permit for guide dog users who travel on our railway networks. Watch this [video](#) to learn how we support visually impaired passengers.

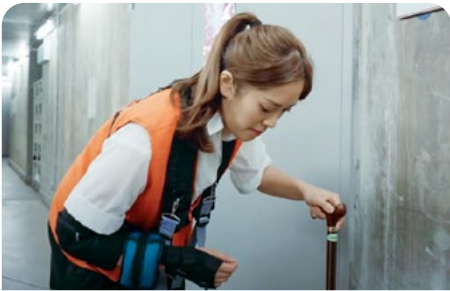
OUR INCLUSIVE SERVICES

Our commitment to promote social inclusion on our network is supported by our professional services and enhanced facilities. In addition to various age-friendly initiatives such as lifts, giant signage and additional seats, we provided interactive training for our station staff to deepen their understanding of the difficulties faced by elderly passengers.

"I remember we had to wear an age simulation suit in the training to imitate elderly people with mobility difficulties. It helped us understand how they feel and what we can do to support them better. Since then, I have been more mindful of the needs of the elderly and offered my help in a proactive and patient manner."

Starting November 2019, MTR stations with a relatively higher flow of elderly passengers have been equipped with special alphabet cards in the Customer Service Centre. Colleagues can use the cards to better communicate with elderly passengers to avoid miscommunication, such as mishearing similar sounding letters like "B" and "D".

Watch this [video](#) to know more about our efforts to promote social inclusion.



We have provided interactive training for our station staff to deepen their understanding of the difficulties faced by elderly passengers



Using special alphabet cards in the Customer Service Centre to better communicate with elderly passengers

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Metro Trains Melbourne has long been supporting MTR's commitment to make its network more accessible. Metro Trains Melbourne's Accessibility Reference Group convenes at least quarterly, bringing together passengers with lived experience and representatives of disability support organisations to provide advice and guidance to help us improve accessibility. Metro Trains Melbourne has rolled out a Communication Access Symbol Accreditation programme where a total of 300 training sessions were delivered to more than 2,500 employees with an aim to strengthen their capability to cater for passengers with communication difficulties.



Training sessions for employees under the Communication Access Symbol Accreditation programme to strengthen their capability to cater for passengers with communication difficulties

A series of digital tools are also being introduced to assist passengers in need in planning their journey. These include introducing virtual tours in eight of the busiest stations, developing a visual story for passengers with autism and formulating Station Accessibility Features Guides.



Introducing virtual tours in stations to assist passengers in planning their journey

OUR RAILWAY OPERATIONS

As our railway operations are closely linked to the daily lives of our customers, we strive to ensure that every ride with MTR is a pleasant and amiable journey. In 2020, our Operating Quality Assurance Working Group launched a campaign under the taglines “Do it right at the first time”, “Comply with Rules and Procedures” and “Pay attention to details”, to provide colleagues with an easy guide to further enhance our service quality.



SUPPORTING OUR HKDSE CANDIDATES

We closely monitor our daily ridership and adjust train services when necessary to meet passenger demand. During the Hong Kong Diploma of Secondary Education Examination (“HKDSE”) period, we arranged about 30 extra train trips per day to facilitate a smooth travel journey for the candidates. To show our support and cheer on the candidates, our station colleagues, artists and disc jockeys broadcast heartfelt and encouraging messages at stations.

Our people-oriented services have been well recognised by different organisations:

Awards	Organisations	Award Level
Hong Kong Service Awards 2020	East Week Magazine	Public Transportation Award (16th consecutive year)
IDC Digital Transformation Awards 2020	International Data Corporation	2020 Hong Kong Digital Transformer
HKIM Market Leadership 2019/ 2020	Hong Kong Institute of Marketing	Hong Kong Power Brand Award
Sing Tao Service Awards 2019	Sing Tao Daily	Public Transportation Service Award (14th consecutive year)
Elite Awards 2019	Ming Pao Weekly	Public Transportation Award – Bronze Award

Asset and System Upgrades

To enhance passenger comfort, we have heavily invested in our train fleet upgrade requisitioning 93 new heavy rail 8-car trains and 40 new LRVs to replace older assets and expand the size of the Light Rail fleet. As at December 2020, 11 new heavy rail 8-car trains and 10 new LRVs have been delivered to Hong Kong and will undergo stringent testing before commissioning. Two new LRVs commenced service on 17 November 2020, connecting different stops around Northwest New Territories. The new heavy rail trains are equipped with an advanced operating system with a number of new features, including dynamic route maps and double branched handrails, while the new LRVs are equipped with energy-efficient lighting. We are trialling solar photovoltaic (“PV”) panels on one of our new generation LRVs to explore opportunities to make renewable energy more viable in our railway operations. We will review the effectiveness of the trial and consider possible expansion of this initiative.

In response to the expected increase in patronage, an extensive signalling system replacement project for seven urban lines is underway to increase overall passenger capacity by providing more frequent train services. Testing has commenced on the Tsuen Wan Line during non-traffic hours and is expected to be completed by 2023. Details of the project can be found in the [Annual Report](#).

OVERSEAS HIGHLIGHTS

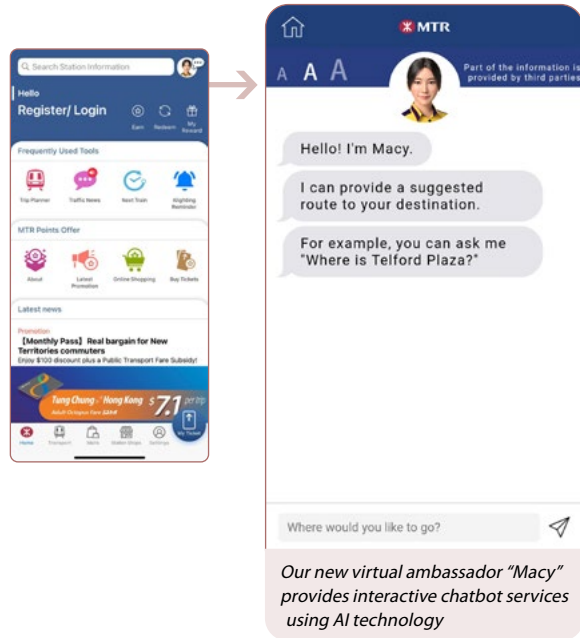
Metro Trains Melbourne

As part of the Comeng fleet train refresh initiative, the Comeng Technical Team rearranged and reupholstered the seating, installed LED lighting fixtures, and outfitted new grab poles and handle straps in existing trains. There is also new digital signage on the front of trains to better display destination information. The final phase, which is nearing completion, will upgrade the passenger information system, equipping carriages with digital displays tracking the train’s journey in real-time.

Smart Mobility

In a fast-moving world, digital technology brings in new opportunities to enable a more convenient and personalised customer experience. In May 2020, we transformed our **MTR Mobile** into an all-in-one integrated app which provides users with real-time service status updates, MTR route suggestions as well as different lifestyle promotions and updates in MTR Malls. A new loyalty programme has been rolled out where users can earn “MTR Points” from daily travel, shopping and dining at designated MTR malls and shops, and redeem

them for free rides and other rewards. Furthermore, a range of in-app functions have been enhanced, including the extension of the “Next Train” function to our Light Rail network and the introduction of “Macy”, our new virtual ambassador providing interactive chatbot services using artificial intelligence (“AI”) technology. A brand-new QR code payment service will be launched at all 93 heavy rail stations (except Airport Express stations) in 2021, which enables passengers to travel with greater ease using diversified and flexible payment options.



Introducing QR code payment service at heavy rail stations to enable passengers using diversified and flexible payment options

Facilities Upgrades

We have adopted a number of enhancements to our station facilities over the past few years to bring a more pleasant and comfortable journey to our passengers. These include the provision of public restrooms in station concourses and babycare rooms and breastfeeding areas at designated stations. We opened new public restroom and babycare rooms at the stations on Tuen Ma Line Phase 1 in February 2020 as well as Yau Ma Tei and North Point stations in June 2020 and September 2020, respectively. The public restroom at North Point Station features an automatic door to ensure ease of access for all users. In the future, babycare rooms will be part of the standard design in our new railway stations.

To provide customers with greater convenience and encourage the use of reusable water bottles, seven additional water dispensers were installed at Tiu Keng Leng, Admiralty, South Horizons, North Point, Choi Hung, Tai Wai and Tin Shui Wai stations in 2020. Together with those installed in three stations previously, passengers can now refill their water bottles at 10 of our stations. Moving forward, we will continue to review the effectiveness of this programme and consider further expansion, while taking hygiene, passenger flow and safety into consideration.



Water dispensers installed at stations to encourage the use of reusable water bottles

OVERSEAS HIGHLIGHTS

MTR Nordic

MTRX, providing premium-quality train service between Sweden's two largest cities, has introduced several digital innovations to enhance customer experience, including seat selection, ticketless travel and the recently launched Automatic Delay Repay, an automatic compensation scheme for unexpected train delays or cancellations.

We also offer free Wi-Fi services on concourses and platforms at all MTR stations and “iCentre” at 13 stations to provide passengers with complimentary internet access. Mobile charging facilities, including USB charging sockets and wireless charging pads, are now available at 29 stations. Additionally, 5G services were launched by some local telecom operators at 40 MTR stations.

BUILDING A BABY-FRIENDLY NETWORK

As of 2020, we have made babycare rooms equipped with nappy changing mat, a sink and an independent breastfeeding area available at 9 stations; breastfeeding areas are also available at 14 interchange stations, representing one fourth of our railway stations. For the remaining stations, a private breastfeeding space can be arranged upon passengers' request. Watch this [video](#) for how we create a baby-friendly environment across our network.



Babycare rooms are available at nine stations



Breastfeeding areas are available at 14 interchange stations

AI-ENABLED PASSENGER SERVICE ROBOTS

We continue to capitalise on AI and Internet of Things ("IoT") technologies to offer a wider range of personalised services and strengthen information connectivity. At Kai Tak Station, five "smart trainee" robots were introduced to support our station operations teams. For instance, Finder-T and Guider-T can answer passenger enquiries about journey planning and lead them to designated station locations such as entrances, exits and restrooms.



"Smart Trainee" Robots were introduced to support our station operation

Customer Awareness and Education

Customer education campaigns play a vital role in facilitating a safer and more pleasant MTR experience for all. This year, we launched a courtesy campaign featuring the message "Consider Yourself and Others" to encourage four courteous behaviours – "Do not lean on the handrail", "Move inside the train compartment", "Offer your seat to people in need" and "Lower your mobile phone volume". As part of the campaign, we also created special priority seat stickers which were posted at select platform seats along our network.



Special priority seat stickers posted at select platform seats

OUR PROPERTIES

With the Phase 2 opening of The LOHAS in November 2020, the interconnectedness of the community surrounding LOHAS Park was further enhanced, providing more convenient and weather-proof access to nearby public transport facilities as well as a comfortable and seamless shopping experience for all customers. Designed as an all-in-one shopping hub, The LOHAS has introduced a series of smart services with four various interactive entertainment zones to demonstrate the integration of digital technologies into modern mall design and facilities. For example, customers can experience virtual cycling through our “Kinetic Sports Zone” where calories burned can be tracked and kinetic energy harnessed for mobile charging. Leveraging digital solutions, we have deployed robots to perform different customer service tasks and assist in patrolling and cleaning.



Customers can experience virtual cycling through our “Kinetic Sports Zone”

Awards	Organisations	Property
Hong Kong Service Awards 2020 - Excellence Service Award	East Week magazine	ELEMENTS
Hong Kong Service Awards 2020 - Shopping Mall Award	East Week magazine	Telford Plaza
2020 Communicator Awards - Award of Distinction	Academy of Interactive & Visual Arts, US	ELEMENTS Website
Elite Awards 2020 - Outstanding Team (Private Housing – Non-residential) Excellence Award	The Hong Kong Institute of Housing	Two IFC
Digital Ex Award 2020 - Best Use of KOL	Metro Finance	Paradise Mall
Digital Ex Award 2020 - Top 10 Malls	Metro Finance	ELEMENTS
Hong Kong’s Most Outstanding Services Awards 2020	CORPHUB	ELEMENTS
Top 25 My Favourite Shopping Mall Events 2019-2020	Hong Kong Economic Times	Telford Plaza
Market Leadership Award 2019/ 2020 - Enterprise Market Leadership Award	Hong Kong Institute of Marketing	Maritime Square

CLIMATE CHANGE AND THE ENVIRONMENT



Combating Climate Change

Biodiversity

Energy Reduction and Efficiency



296

Solar panels installed at MTR Headquarters Building in 2020



-15%

Electricity consumption in our Hong Kong investment properties compared to 2013



-6.1%

Electricity consumption in our Hong Kong heavy rail network in 2020 compared to 2018

On MTR Sustainability Website:

Read our Management Approach

- > [Environmental Protection](#)
- > [Sustainable Investment](#)
- > [Corporate Governance](#)

Our Policies and Guidelines

- > [Corporate Responsibility Policy](#)
- > [Climate Change Strategy](#)
- > [Practice Note for Managing Air Quality in Air-conditioned Public Transport Facilities: Railways](#)

In this Chapter:

GRI: 201-2, 302-1, 302-3, 302-4, 302-5, 303-5, 304-1, 304-3, 305-1, 305-2, 305-3, 306-2

HKEx KPI: GD-A1, GD-A2, GD-A3, GD-A4, A1.2, A1.5, A1.6, A2.1, A2.2, A2.3, A2.4, A3.1, A4.1

SDG:



Our Corporate Responsibility Policy guides our efforts to sustainably manage our environmental footprint and conserve natural resources and biodiversity. As climate change remains at the top of our corporate agenda, we have made continuous efforts to assess climate impacts on our operational resilience while proactively managing climate-related risks and considering ways to capture opportunities.

CLIMATE CHANGE



MTR recognises climate change as highly material to our operations and services. Our previous Foresight Study identified system climate resilience as one of the key requirements for the continued satisfactory running of our operations.

Climate-related Financial Disclosures (TCFD)

Our carbon disclosure is aligned with the four core areas recommended by the TCFD framework: governance, strategy, risk management, and metrics and targets.

Governance

Our board-level Corporate Responsibility Committee (“CoRC”), led by the Chairman of the Corporation, meets twice a year to provide strategic guidance and review our corporate responsibility practices and performance, including matters related to climate change. The CoRC reports to the Board of Directors on these issues. The responsibilities of the CoRC and details on its work during the year can be found in the

Corporate Governance Report of the Annual Report. The Executive Committee, led by the Chief Executive Officer, is tasked with the day-to-day management of the Corporation. The Corporate Responsibility Steering Committee (“CoRSC”), chaired by the Corporate Affairs Director, meets three times a year with a focus on driving and reviewing the implementation of sustainability initiatives across all MTR divisions. Members of the CoRSC include members of the Executive Directorate and colleagues representing MTR’s major business units .

Strategy

In response to climate change, we have developed a **Climate Change Strategy** following a 3-pronged approach. We have concentrated our efforts to provide a low-carbon transport network, improve energy efficiency and strengthen climate adaptation and resilience measures in our operations. Our strategic guidelines are set at a Group level, whilst entrusting each subsidiary to tailor their approach to climate change in accordance with specific regional standards and priorities specific to their own operations.

3-PRONGED CLIMATE CHANGE STRATEGY



Low-Carbon Transport Network

MTR strives to provide the communities where we operate with a low-carbon transport option. Our railway networks help connect communities with a greater carrying capacity than road-based transportation options. By building and expanding our railway systems, we can help reduce carbon emissions.

Carbon Reduction

Our carbon reduction measures focus on reducing energy consumption and improving energy efficiency throughout our operations. We will continue to explore suitable and practical opportunities to incorporate renewable energy and other approaches to offset our carbon emissions.

Since our carbon emissions mainly arise from electricity consumption, we will continue to engage local energy suppliers and to help drive decarbonisation of the energy supply in the long run.



Climate Adaptation and Resilience

Considering the enduring nature of our assets, we apply a life cycle approach to identify potential opportunities to adopt energy efficient and climate resilient elements at all project stages. We enhance our resilience to climate change by consistently reviewing and updating our design manuals. We also implement suitable adaptation measures such as protective installations and improved precautionary and emergency preparedness measures to minimise the impacts of extreme weather events on our assets.

Risk Management

Climate change risks are monitored, reviewed and updated annually through our Enterprise Risk Management (“ERM”) Framework. We identify and review risks to our business units regularly and prioritise resources to mitigate and manage any emergent and significant risks. Divisional representatives report climate risks to the Enterprise Risk Committee (“ERC”) which is responsible for reviewing the Corporation’s top risks and key emerging risks (including climate risks) annually. The Chairman of the ERC will report the top risks to the Executive Committee and the board-level Risk Committee on a quarterly basis and to the Board on a six-monthly basis. The corporate level climate change risks map is reported to the ERC and the Executive Committee annually by the Head of Sustainability and the Chairman of the ERC respectively.

Throughout the operation of our railway facilities and property management, we manage environmental risks, including climate risks, by following the ISO 14001 Environmental Management Systems Standard. The Corporation has already identified several climate-related risks and opportunities that may potentially impact our business. Among the risks are the increased likelihood of extreme weather, changes in rainfall patterns and higher ambient temperature in Hong Kong. The impacts of these risks may severely damage our assets, increase maintenance and operating costs, delay construction activities, and negatively affect passenger and staff safety leading to service disruptions. To keep our facilities well maintained and regularly updated, we have allocated budget for facility works to ensure reliable service delivery. Conversely, through our assessment exercises, we have also identified opportunities to improve resource efficiency at our operations, which we plan to develop better sustainability and business performance.

Risks & Opportunities	Timeframe	Impact
Risks		
Extreme weather	Long-term	Increased occurrence of extreme weather events may affect railway operations and infrastructure by damaging power lines, obstructing railway tracks, damaging assets, and accelerating outdoor infrastructure deterioration.
Changes in rainfall patterns	Long-term	Excessive or heavy rain may expose our stations and facilities to flooding risk, which is especially significant for our underground stations, resulting in potential service disruptions.
Rising ambient temperature	Medium-term	Higher temperature and/or heatwaves may increase the strain on our cooling systems and induce track deformation and defects leading to service disruptions.
Opportunities		
Supporting low-carbon transport	Long-term	MTR’s railway network has been commended as the backbone of Hong Kong’s low-carbon public transport network and will be encouraged to grow continuously.
Resource efficiency	Medium-term	Increasing market trends for energy efficient products (e.g. LED lighting), renewable energy and advancement of their development would lead to lower prices for better products, resulting in a wider adoption across our portfolios.

Notes:
 Medium-term: 6-10 years
 Long-term: > 10 years


The Corporation has undertaken a climate-related scenario analysis to assess our operational resilience when it comes to higher ambient temperature and the increased occurrence of typhoons in Hong Kong. Based on the findings of the analysis, we have evaluated the exposure of our railway operations over select timeframes considering our ERM parameters. Comprehensive action plans have been put in place, covering large-scale hardware upgrades, supporting the use of renewable energy and sustainable finance, to mitigate the associated risks and capitalise on business opportunities arising from new climatic conditions.

In 2020, we conducted an Extreme Weather and Climate Change Impact Study to review how extreme weather and climate change related events could impact MTR's Hong Kong railway networks and operations. The Study has made reference to local meteorological data and simulated various scenarios to identify potential high-risk areas on our railway premises, systems and operations during heavy rainstorms and strong typhoons, covering five aspects: flooding, landslides, lightning, strong winds and temperature. The Study has also reviewed MTR's current preventive measures and asset enhancement programmes, and assessed site conditions through surveys and inspections to evaluate and examine the resilience of our railway networks to extreme weather. Based on the Study results, we have developed a detailed adaptation and mitigation action plan to strengthen our climate resilience. Key measures include, for instance, provision of flood boards in areas with high flood risks, enhancement of the stability of a few man-made slopes along the East Rail Line and further investigation to improve our resilience measures.


Please refer to our [CDP response](#) for more details on our climate-related risks and opportunities, and how we have incorporated them in our strategy and financial planning. For further details on our governance structure and process regarding risk management, please refer to the [Corporate Governance](#) section on our sustainability website and the [Corporate Governance Report](#) in our Annual Report.

Metrics and Targets

We are committed to continuously improving our environmental performance and have already established two energy reduction targets to cut down the GHG emissions of our Hong Kong operations. Details on our initiatives and performance are covered in the latter part of this section.



-21%
Railway operation:
Reduce electricity consumed per passenger-kilometre by 21% by 2020 in our heavy rail network compared with 2008 level



-12%
Investment property portfolio:
Reduce energy use by 12% by 2023 using 2013 as the base year

We intend to step up our current actions and develop a long-term roadmap to achieve an even more impactful GHG reduction target. As such, we have commissioned a study to develop the long-term targets and roadmap, which will be completed by 2021.

OVERSEAS HIGHLIGHTS

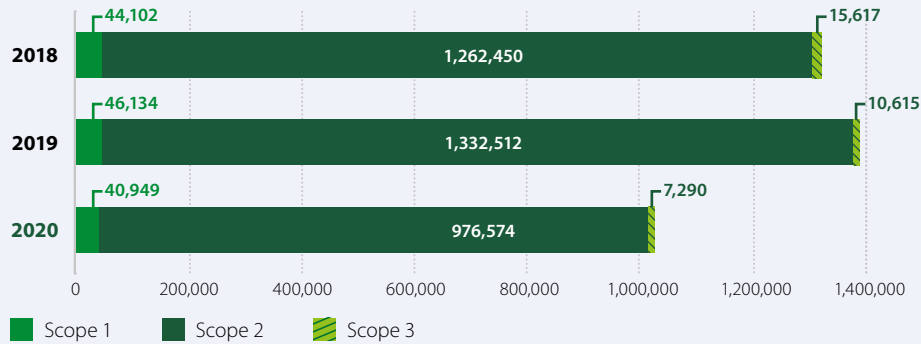
Metro Trains Melbourne

Metro Trains Melbourne completed a climate change risk and adaptation assessment to understand the risks that climate change may pose to operations and to support long-term adaptation planning for its transport system. Annual weather resilience planning includes climate briefings from the Bureau of Meteorology on seasonal climatic outlooks and fire risk forecasts, track restressing and monitoring of rail head temperatures to manage the risk of rail buckles or breaks and removing ground vegetation and pruning trees to reduce bushfire risks.



Our Greenhouse Gas Performance

Total GHG Emissions In Hong Kong In Tonnes CO₂e

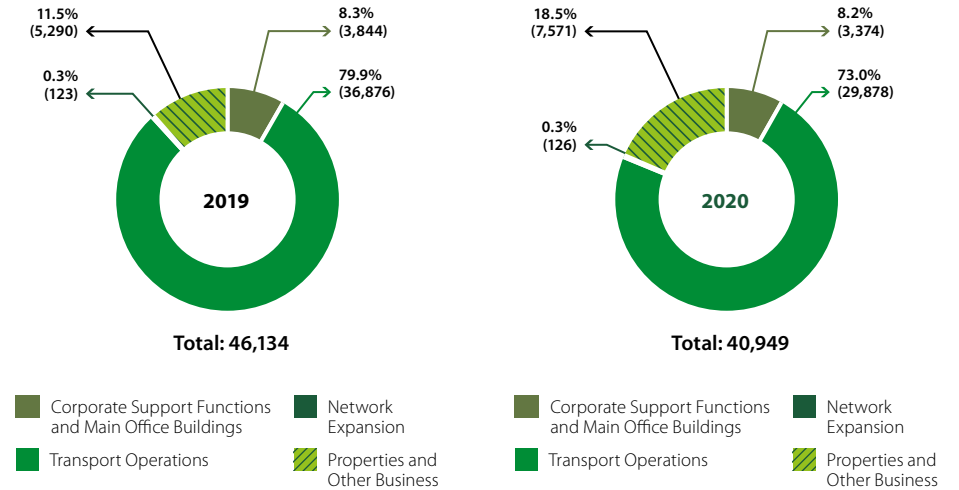


Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Corporation, such as emissions from fossil fuels burned on site.

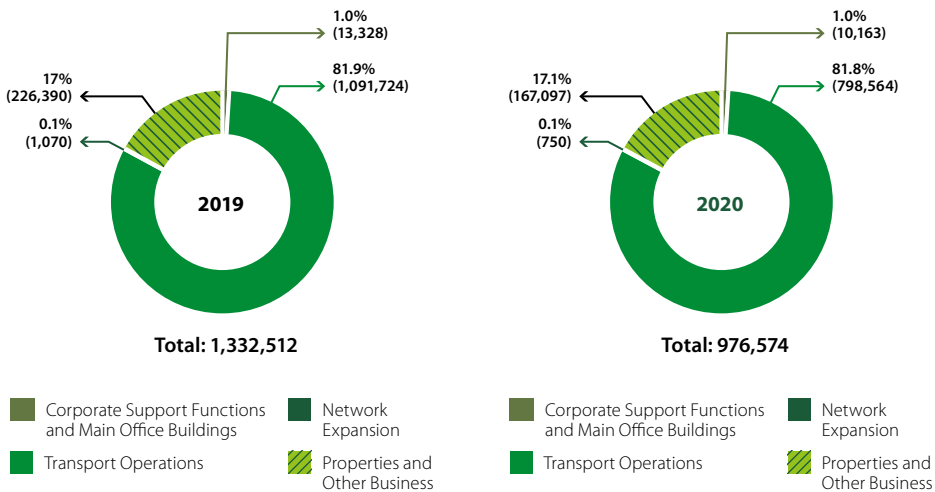
Scope 2 emissions are indirect GHG emissions resulting from the generation of electricity, heating and cooling, or steam generated off site but purchased by the Corporation.

Scope 3 emissions include indirect GHG emissions from sources not owned or directly controlled by the Corporation but related to our activities.

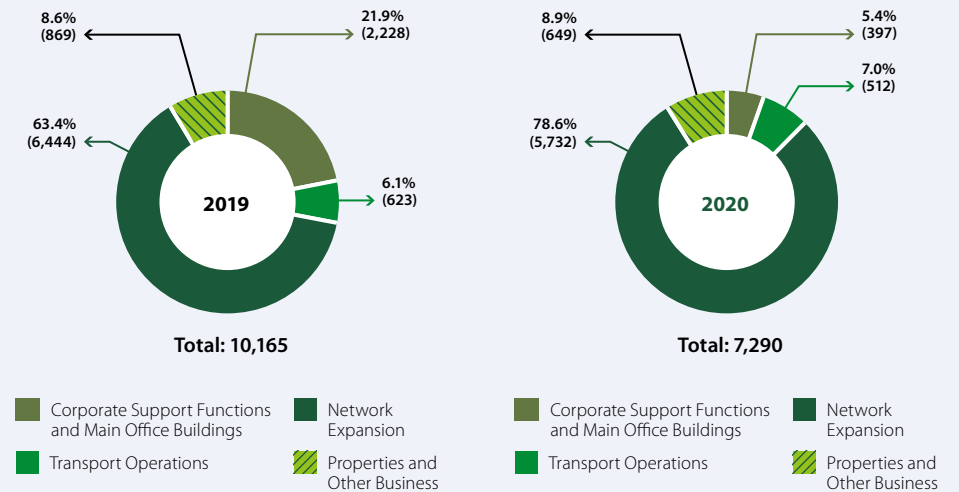
Breakdown of Scope 1 Emissions in Hong Kong (tCO₂e)



Breakdown of Scope 2 Emissions in Hong Kong (tCO₂e)



Breakdown of Scope 3 Emissions in Hong Kong (tCO₂e)



Fostering Community Support

To encourage the public to adopt low carbon transport, we launched a “Carbon Footprint Challenge” through the MTR Mobile app in early August 2020, providing incentives and rewards to passengers for choosing our mass transportation network. As of December 2020, there were more than 53,000 registered users participating in the campaign, saving over 4,940 tonnes of carbon emissions, equivalent to the amount of carbon dioxide removed by over 200,000 trees in a year.

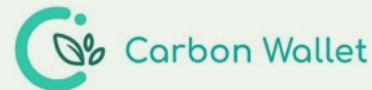


Energy Reduction and Efficiency

Energy generated from non-renewable fuel sources represents the most significant inputs for the operation of our railway network. Our purchased energy is therefore our biggest non-staff operating cost and the largest contributor to our carbon emissions. MTR is committed to reducing our environmental impacts and has concentrated our efforts on reducing energy consumption and improving energy efficiency across our operations. In 2020, we consumed 3,000 GWh of electricity worldwide, of which about two thirds were consumed by Hong Kong operations. In Hong Kong, our railway operations and property division accounted for 80% and 20% of our consumption, respectively.

CARBON WALLET

In line with the government’s pledge to strive for a carbon neutral Hong Kong by 2050, we have taken an active role in encouraging the public to adopt a low carbon lifestyle. We have developed a brand-new mobile app called “Carbon Wallet” set to launch in the first half of 2021. This standalone app promotes carbon reduction actions across four lifestyle categories: recycling, dining, shopping and mobility. Through practising carbon-conscious behaviour, users earn points based on the potential carbon emissions saved, which may in turn be redeemed for products and/or services from our participating partners. The app also provides an interactive map which allows users to find the nearest recycling point, drinking water stations, and vegetarian restaurants. Carbon Wallet aspires to be a one-stop platform in Hong Kong to encourage collaboration across industries and communities to foster a carbon-conscious ecosystem and inspire the public to act on climate change.



Carbobear 惜碳熊 Pengreen 走塑鵝

Electricity Consumption of Heavy Rail Operations by Location (GWh)

Locations / Lines		2019	2020
Hong Kong	Hong Kong Operating Network	1,559.73	1,484.03
Mainland of China	Shenzhen Metro Line 4	98.29	101.66
United Kingdom	TfL Rail/ Elizabeth line	74.14	112.13
Sweden	Stockholm Metro	165.77	168.53
	MTRX	19.24	14.56
Australia	Stockholm Pendeltåg	194.94	201.29
	Metropolitan Rail Service	468.78	445.75
	Sydney Metro North West Line	-	87.74
Total		2,580.89	2,615.69

Electricity Consumption in Hong Kong (MWh)

		2018	2019	2020
Total		2,023,451	2,013,899	1,910,711
Railway Operations	Total	1,635,542	1,613,075	1,534,491
	Heavy Rail	1,580,443	1,559,734	1,484,030
	Light Rail and Bus	55,099	53,341	50,461
Properties		387,909	400,824	376,220

Note: This accounts for energy use that we control in owned and managed properties (i.e. it does not reflect energy consumed by our residents and tenants).

Our Railway Operations

To meet our 2020 target to reduce our electricity consumption per passenger-kilometre in our heavy rail network by 21% compared to 2008, we adopted a wide range of energy efficiency initiatives to lower our energy consumption. In recent years, we have seen good progress in cutting our electricity consumption per passenger-kilometre in 2017 and 2018 by 15.1% and 17%, respectively, as compared to the base year. However, due to the unprecedented public order events across Hong Kong in 2019 followed by the COVID-19 pandemic in 2020, patronage in our railway networks has greatly reduced in the past two years yet we maintained services to keep our city moving. Though the electricity consumption in our heavy rail network in 2020 was 6.1% lower than that of 2018, our electricity consumption per passenger-kilometre increased 21.2% compared with the base year. We remain devoted to enhancing energy efficiency to cut down our carbon footprint as much as possible. In mid-2020,

we commenced a study to set long-term carbon reduction targets and develop a practical roadmap to continue our carbon reduction journey, which will be completed by 2021.

Drawing on the MTR spirit of collaboration and innovation, we organised the Energy Saving Campaign 2020 to encourage energy conservation in MTR stations and railway depots. Ten commuter lines, Airport Express and all railway depots overcame unique challenges to identify energy saving opportunities without impacting service quality. Some of these ideas included optimising temperature controls, fine-tuning the operation times of lifts and escalators, turning off unnecessary lighting at our concourses, platforms and back-of-house during nonpeak hours, installing motion sensor lights and replacing fluorescent tubes with LED lighting in workshop areas. Awards were presented to the winning MTR station and railway depot teams who achieved the highest energy savings.

Our large-scale chiller replacement project at stations and depots continues to progress as planned. Up to 2020, 92 chillers were replaced, close to 60% completion. We continue to replace obsolete lighting fixtures with LED lighting at our stations and for advertising panels, trains and tunnels. We have also implemented changes to our operating procedures to further increase our energy efficiency. For instance, we have switched off standby escalators during nonpeak hours and reviewed our electrical and mechanical systems, in particular the heating, ventilation and air conditioning (“HVAC”) systems, at stations on a regular and on-demand basis to ensure they are operating at optimal levels without compromising the comfort of passengers.

In Hong Kong, we adopted regenerative braking technology to convert kinetic energy produced during train braking to electrical energy which is then fed back into the power supply network for use by other trains through the overhead power system. Super-capacitor energy storage devices were also installed on the South Island Line (East) to make better use of the surplus energy produced from regenerative braking. To expand our usage of regenerative braking energy, we will install two Station Energy Saving Inverter systems at Lai King Traction Substation at Airport Express and Tung Chung Line and at HKU Station on the Island Line. The systems can capture an average of 500 kWh of regenerative energy per day, which may be converted to low-voltage AC electricity to power station facilities such as lighting, air-conditioning, escalators and lifts. The installation is scheduled for completion in 2022.

We continue to integrate sustainability considerations through all the planning, design, development and operating processes of our railway developments, as far as practicable. During the construction of the Shatin to Central Link (“SCL”), we showcased our commitment to promote sustainable design and construction by adopting innovative construction methods and maximising the usage of sustainable materials. Our dedication to reducing our environmental footprint has been well recognised by the industry.

CHILLER REPLACEMENT MEGA PROJECT

MTR has continued our ongoing large-scale replacement programme for air-cooled chillers and peripheral associated equipment at our stations and depots to help maximise energy savings without compromising passenger comfort. This extensive replacement initiative can help cut our energy use and GHG emissions whilst increasing our cooling capacity for the future. Upon completion of the project, electricity consumption is expected to be reduced by up to 30% compared to 2017.

Due to the scale and complexity of this project, we have established a designated Chiller Replacement Mega Project Team to oversee the execution. The Project Team has planned the replacement programme carefully by replacing the chillers during the winter months to resume service in April of the following year ensuring the replacement works would not cause any unnecessary service disruptions at our stations. Apart from time constraints, the chiller installation process also posed major challenges as complex crane hoisting manoeuvres

were required to position the chillers on station roofs. This was especially difficult at Olympic Station as we needed to operate the crane between two busy highways.

Through our team’s dedication, 92 air-cooled chillers have been replaced up to 2020, which account for around 60% of the replacement works.



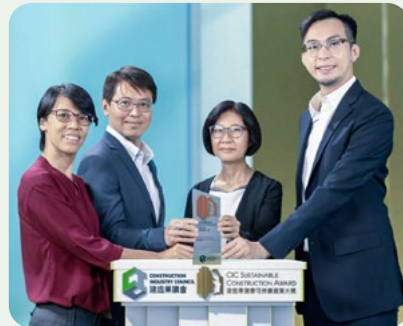
Chiller Plant at Olympic Station

CONSTRUCTION INDUSTRY COUNCIL (“CIC”) SUSTAINABLE CONSTRUCTION AWARD 2020

The SCL Contract No. 1121 (Cross Harbour Rail Tunnels) team won the 2020 CIC Sustainable Construction Gold Award in the Project Owner (Public Sector) Organisations Category. The contractor, Penta Ocean-China State Joint Venture, also won a Merit Award of Contractor in the New Works category of the same Award.

The team delivered Hong Kong’s 4th and newest 1.7 kilometre-long cross-harbour rail tunnel incorporating a series of new innovations and sustainable ideas. Key highlights include:

- Redesigned the immersed tube tunnel (“IMT”) structure to reduce material consumption and carbon footprint;
- Extended the IMT section to avoid temporary reclamation;
- Made use of the ex-Shek O quarry as a drydock to prefabricate IMT units to reduce on-site environmental impacts; and
- Used a purpose-built gravel spreader to efficiently and precisely form a uniform bedding surface underneath Victoria Harbour for IMT installation.



Our Property Operations

Over the years, we have been adopting green building standards and integrating sustainability considerations regarding the use of materials, energy consumption, water quality and air quality into building construction and operations. With our ongoing efforts, we are proud to have achieved our target of a 12% reduction of energy used in our investment property portfolio in 2019, four years ahead of our target year. As of 2020, our Hong Kong investment property portfolio has achieved a reduction of 15% electricity consumption with 2013 as baseline.

For new residential property developments, we aim to achieve a minimum of BEAM Plus Gold accreditation. Up to 2020, we received a total of 5 BEAM Plus Gold accreditations for our property portfolio.

Year	Property	BEAM Plus Standard Awarded
2020	Nam Cheong Station (Residential) (Cullinan West, Cullinan West II, and Cullinan West III)	BEAM Plus Gold (Final Assessment)
2019	Tsuen Wan West Station (Cityside) Residential Development (PARC CITY)	BEAM Plus Gold (Final Assessment)
2019	Tsuen Wan West Station (Tsuen Wan 6) Residential Development (THE PAVILIA BAY)	BEAM Plus Gold (Final Assessment)
2018	Long Ping Station (North) Residential Development (The Spectra)	BEAM Plus Gold (Final Assessment)
2017	Austin Station Residential Development (The Austin and Grand Austin)	BEAM Plus Gold (Final Assessment)

We have implemented a wide range of energy saving measures in buildings and areas under our control. In our Headquarters, capacitor banks and active harmonic filters were introduced to improve power quality and hence overall energy efficiency. We also installed dimmable motion sensor LED tubes at the rear staircases to reduce unnecessary lighting. An energy audit was undertaken in 2019 for our Headquarters to monitor and assess the effectiveness of our energy saving measures. To widen the adoption of energy efficient lighting at our Headquarters, we launched a plan to gradually replace approximately 10,000 fluorescent light tubes with LED tubes, which consume 50% less energy. As at the end of 2020, around 20% of fluorescent light tubes at our Headquarters and 400 traditional downlights in the Kowloon Bay Depot canteen have been replaced by LED lights.

In our managed properties, we have adopted a range of energy saving measures across different properties:

- Replaced traditional lights with LED lights;
- Installed high energy efficient air conditioning systems for plant rooms, common areas and main lobbies; installed variable speed drive ("VSD") at the ventilation fans of air handling units;
- Installed motion and optical sensor-controlled lighting with a dimming function for rear staircases and mechanical floors;
- Upgraded the lighting controls for our building management systems; and
- Conducted lift modernisation.

We also continue to closely monitor air-conditioning usage, and adjust temperatures in the main lobbies and club houses of our managed properties to save energy.

Supporting Renewable Energy in Hong Kong

Increasing the use of renewable energy is a key component of addressing the global climate challenge. Following the successful installation of our 189-panel solar PV system at MTR Hung Hom Building, we installed another PV system comprising 296 solar panels with the capacity of 93.24kW at our Headquarters in 2020. To make renewable energy more viable in our railway operations, we also installed solar panels on one of our new generation LRVs to provide electricity for the in-compartment lighting system. We will review the effectiveness of this trial and consider possible expansion of the initiative in our light rail network. Plans are also in place to install renewable energy systems in suitable stations and depots. Hin Keng Station has been selected to pilot a solar PV system to support local renewable energy development.



Solar Panels Installed at Roof of MTR Headquarters Building



Solar Panels Installed at the top of a LRV

OVERSEAS HIGHLIGHTS

MTR Nordic

Having pledged to achieve carbon neutrality by 2030 at the latest, MTR Nordic is the first Nordic traffic operator that committed to setting a science-based target in line with the Science Based Targets Initiative. In pursuit of carbon neutrality, MTR Nordic has increased its use of renewable energy in their operations since 2018 with the support of government policies and participation from local energy suppliers.

Adopted **100% renewable electricity** in MTR Nordic's operations

Adopted **100% fossil-independent** cars

Increased the use of renewable fuel in replacement traffic from **29% to 75%**

In 2020, MTR Nordic reduced energy consumption by 6% compared to the 2018 baseline as a result of various energy saving initiatives. Moving forward, MTR Nordic has set a target to reduce by 15% the total energy consumption by 2025. By that year, all performed and purchased domestic transports, including rail, own cars, replacement traffic, taxi and delivery vehicles, shall also run on renewable fuels.

WASTE

With millions of passengers and customers travelling along our extensive railway networks and through our integrated properties, responsible management of the waste generated is essential to our environmental stewardship. We have put in place a variety of initiatives to encourage waste reduction and recycling at our stations, shopping malls and managed properties. Internally, we focus our efforts on driving staff behavioural change and promoting proper waste handling.

Our Railway Operations

Three-colour recycle bins are installed in the concourse of all MTR stations for the collection of wastepaper, aluminium cans and plastic bottles. In 2019, we started to install water dispensers at Tung Chung, Tsuen Wan and Prince Edward stations and water vending machines at Kwun Tong, Causeway Bay, Shau Kei Wan and Jordan stations to encourage passengers to use refillable drinking bottles in place of single-use plastic beverage containers. This year, we have installed seven additional water dispensers at Tiu Keng Leng, Admiralty, South Horizons, North Point, Choi Hung, Tai Wai and Tin Shui Wai stations, providing more convenient locations to refill drinking water.

We have enhanced cleaning of our water dispensers to ensure health and hygiene under the pandemic. Our preventive measures include:

- Purging purified water through the faucets for one minute every two hours;
- Cleaning the surface, bucket and water dispenser nozzle with 70% alcohol wipes thoroughly every two hours; and
- Maintaining a dry and clean nearby area.

Moving forward, we will continue to review the effectiveness of this programme and consider further expansion, while taking hygiene, passenger flow and safety into consideration.

Our Property Operations

In our managed properties, we proactively seek opportunities to enhance the public's awareness of sustainable waste management. We work closely with the Owners' Committees and Incorporated Owners to promote waste separation programmes to residents. Various types of recyclables such as used paper, used clothes, glass bottles are being collected through recycling facilities in our managed properties. Stakeholders were also engaged in recycling campaigns for charitable donation.

This year, in partnership with a local environmental NGO, we installed two reverse vending machines ("RVMs") for beverage cartons at The LOHAS, and Grand Austin for a one-year trial. Through this collaboration, we aim to reduce waste disposal to landfill by encouraging residents, tenants and customers to recycle beverage cartons and promoting the concept of source separation. Our next step is to install RVMs for plastic beverage bottles on some of our premises to further promote waste recycling.

We continue to engage food and beverage tenants through our "MTR Malls Food Waste Reduction Pledge" with an aim to minimise waste at source. Additionally, residents of our managed properties are encouraged to join our "Central Food Waste Recycling for Improving Estate Environment" initiative to reduce their food waste through different programmes such as festive food donations and seminars. In some of our managed properties, we also use composting machines to convert food waste into compost.

Internally, we continue to apply digital solutions to enhance resource efficiency and minimise waste. For example, we installed an E-Notice Board with integrated functions on every floor in our Headquarters and plan to roll out to four other MTR office buildings in Hong Kong, providing the latest corporate updates and general information such as a floor directory and way-finder to effectively reduce unnecessary paper use. We also introduced umbrella dryers at our office buildings to reduce

use of plastic umbrella bags on rainy days. In staff canteens, we have replaced paper menus with E-menu boards which can save approximately 5,000 pieces of A4 paper every year. In addition, we promoted a straw-on-request campaign at our staff canteens to encourage staff to reduce usage of plastic straws. This initiative can greatly reduce straw consumption by around 6,000 straws each month.

OVERSEAS HIGHLIGHTS

MTR Elizabeth line

Working towards a "0% to Landfill" target, MTR Elizabeth line rolled out a new waste separation scheme to strengthen its recycling efforts. General waste and dry mixed recyclable bins with clear signage were placed at all TFL Rail western stations and the headquarters building to collect diverse types of waste, including paper, plastics and metals.



General waste and dry mixed recyclable bins were placed at all TFL Railway western stations and the headquarters building

WATER CONSERVATION

We consider water a scarce and valuable resource. To efficiently manage our water use, we have introduced water recycling systems and water saving devices across our railway and property operations. For instance, sensor water taps, flow restrictors and dual flush toilets were installed on our office premises and MTR Malls to further enhance water efficiency.

BIODIVERSITY

We closely follow our [Corporate Responsibility Policy](#) to conserve biodiversity and protect our natural heritage. When carrying out new development projects, we strictly adhere to relevant legislative requirements and pay special attention to sections which may impact natural habitats or areas with high ecological sensitivity.

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Controlled ecological burning is an important management tool to maintain, regenerate and increase plant species diversity, and to continue to provide habitats for native fauna. As part of the Biodiversity Management Plan, Metro Trains Melbourne has been conducting ecological burns at our grassland sites of biological significance since 2019 to protect their ecological value.

Our work at Lok Ma Chau wetland is one of the most successful examples of biodiversity management in the region. Over 270 bird species have been observed, including the endangered Black-faced Spoonbill. During the breeding season, more than 145 pairs of birds representing 5 different species were spotted. The wetland also hosts dragonflies, reptiles, mammals and amphibians including those classified as endangered, vulnerable and near-threatened. For details of our work at the Lok Ma Chau wetland, please refer to the [Lok Ma Chau Wetland Website](#).



Over 270 bird species have been observed in our Lok Ma Chau wetland

GREENING

During the design, planning and construction of new lines and buildings, we work to integrate environmentally conscious features into our projects and the surrounding areas as far as practicable. For instance, the design of Hin Keng Station features natural materials, such as wood to blend with the surrounding environment. Shading made from environmentally friendly materials is installed on the station's external wall to shield passengers from sunlight and reduce the indoor temperature. The semi-enclosed station design with generous openings on the roof enables optimal natural lighting and cross-ventilation. We have also installed the largest Next Generation Green Roof System ("NGGRS") in the station and its associated structures, covering an approximate area of 5,000 square metres. In

comparison with traditional green roof designs, NGGRS recycles, conserves and supplies water to effectively sustain vegetation growth in the long run with minimum irrigation. Moving forward, we will continue to implement NGGRS in our new railway projects.

As part of our tree management strategy, we have conducted large-scale tree surveys once every two years as well as developed a stringent tree coding system with smart tags for trees along our railway network. Our Tree Management Team adopts Near-field Communication ("NFC") technology to conduct regular monitoring and maintenance for around 30,000 trees along the railway lines. To enhance our typhoon preparedness, we partnered with meteorologists at City University of Hong Kong to develop a Tree Risk Map which would correlate typhoon paths and wind direction allowing advance preventive steps and more effective recovery actions.



Design of Hin Keng Station features wood and brown colours to blend with the surrounding environment



Around 5,000 square metres green roof atop Hin Keng Station and its associated structures

INCLUSION AND OUR HUMAN CAPITAL



On MTR Sustainability Website:

Read our Management Approach

> [Human Capital](#)

Our Policies and Guidelines

> [Board Diversity Policy](#)

> [Code of Conduct](#)

In This Chapter:

GRI: 102-8, 401-1, 404-1, 405-1

HKEx KPI: GD-B1, GD-B3, GD-B4, B1.1, B1.2, B3.1, B3.2

SDG:



25%

Women on the Board



50,000+

Dedicated Staff Globally



3.4%

Individuals with disabilities employed in Hong Kong

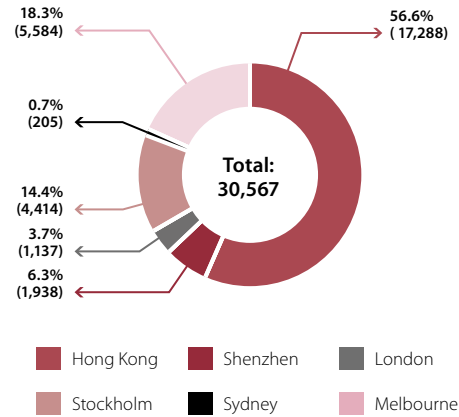
Maintaining a sustainable workforce is one of the key drivers of operational excellence and business growth. At MTR, we place a strong emphasis on mutual respect and are fully committed to building an inclusive workplace which promotes equal employment opportunities and values diversity.

INCLUSION AND EQUAL OPPORTUNITIES

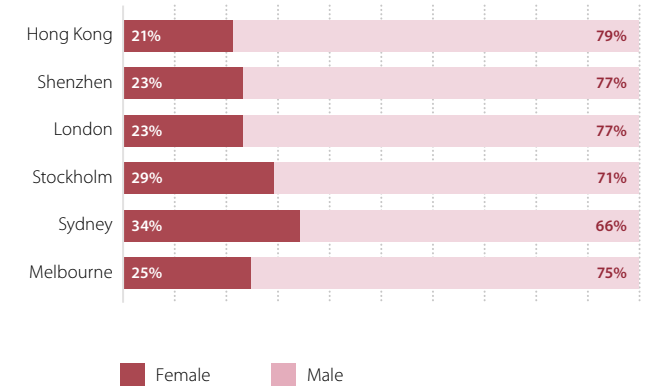
MTR is an equal opportunity employer and abides by relevant legislative requirements to ensure our workplace is free from discrimination on the grounds of gender, sexual orientation, disability, age, race, skin colour, national or ethnic origin, family status, religion, political beliefs or other characteristics. All employees are required to complete a set of mandatory computer-based training programmes which help them understand relevant legislation. We strive to work together with our employees to create an inclusive, safe, trusting and cooperative work environment. In following the Corporation's dedication to equality and diversity, we have set strict expectations for all staff members to treat all their colleagues with respect and dignity. All employees are encouraged to raise any issues, concerns or grievances without fear of reprisal through designated whistle-blowing communication channels.

As part of our commitment to equal opportunities, MTR's recruitment, reward and promotion decisions are based solely on occupational requirements, qualifications and job performance.

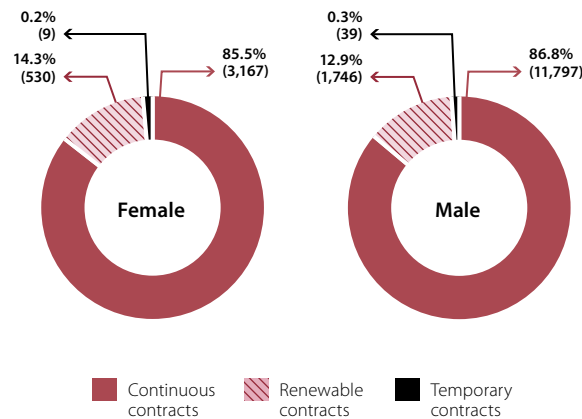
Breakdown of Full-time Employees by Location in 2020



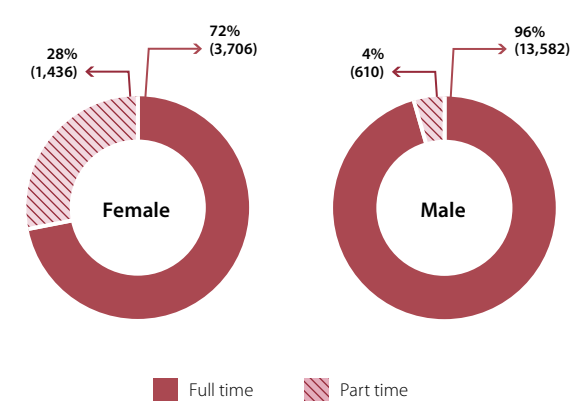
Gender Distribution of Workforce by Location (Full-time Employees) in 2020



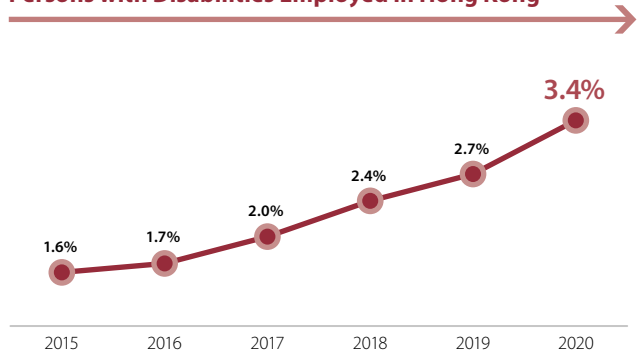
Breakdown of Full-time Employees by Employment Contract by Gender in Hong Kong in 2020



Total Workforce by Employment Type by Gender in Hong Kong in 2020



Persons with Disabilities Employed in Hong Kong



In addition to creating an inclusive work environment, MTR is dedicated to driving a more socially inclusive society in line with our new social objectives. MTR has already been implementing initiatives which reflect our objectives as we work to develop a comprehensive strategy, plans and targets to achieve our social objectives.

Over the Christmas holidays, MTR organised a series of socially-distanced celebrations to bring in the festive season. Adhering to the principles of social inclusion, the Corporation reached out to Dialogue in the Dark (HK) Foundation (“Dialogue in the Dark”) to create a Christmas carol music video with a fun twist. With help from Dialogue in the Dark, the lyrics to classic Christmas carols were rewritten and performed by MTR station staff using sign language, adding MTR-related verses and holiday greetings. The music video was broadcast in December 2020 on social media platforms and through MTR In-train TVs, concourse TVs and MTR

YouTube Channel, celebrating the festive season with the public including deaf-mute people and allowing us to learn some MTR-related phrases and holiday greetings with sign language.



The sign language shown by colleagues at Tsim Sha Tsui Station means “happy” in Cantonese; colleagues performed Christmas carols in sign language to wish Hong Kong people a Merry Christmas and Happy New Year.

OVERSEAS HIGHLIGHTS

MTR Elizabeth line

When the MTR Elizabeth line began recruitment to prepare for its opening, the management team aimed to create a workforce that could reflect the diverse communities we serve. A Diversity and Inclusion Working Team was established to design, develop and implement a Diversity and Inclusion strategy for the recruitment exercise. The Working Team adopted various measures to achieve their diversity and inclusion targets, including a recruitment campaign for female drivers and the introduction of topic-specific learning materials, including a neurodiversity toolkit, a training course for managers on managing autism and the Equally Yours Board Game. Upon opening, the MTR Elizabeth line successfully exceeded their targets with 31% of staff representing ethnic minority communities and 23% of staff identifying as female.

With its dedicated efforts, the MTR Elizabeth line won the Diversity and Inclusion Award at the Women in Rail Awards event and was listed as a Finalist for the Personnel Today Awards: Diversity and Inclusion Award and the HR Excellence Awards: Best Diversity and Inclusion Strategy. The outstanding efforts of the Diversity and Inclusion Working Team were also recognised with a Certificate of Merit at the 2020 MTR Grand Awards for Outstanding Contribution.



Almost 14% of the MTR Elizabeth line’s drivers are women which doubles the industry average

In addition, the MTR Elizabeth line celebrated its 5th Sustainability Week in the week of 23 November 2020. This year, following social distancing guidelines, all activities took place online and through Yammer, an online communication platform. A variety

of contests and activities were designed to raise awareness and call on our colleagues to embrace the five key themes of the campaign: Engagement, Health and Wellbeing, Equality, Diversity, and Supporting Local Community.

Metro Trains Melbourne

Metro Trains Melbourne conducted a LinkedIn talent attraction campaign to continue the growth of women employed in STEM fields. The campaign included Metro Trains Melbourne sponsored content featuring women within the organisation and promoted gender diversity at Metro Trains Melbourne. Our efforts to promote gender diversity have resulted in an increase in the percentage of women in our engineering, project management, and IT teams from 22% to 36% over the past two financial years.

NURTURING CORPORATE CULTURE

MTR is driven by an internal culture of excellence and growth built on four key focus areas namely Participative Communication, Effectiveness & Innovation, Agility to Change and Collaboration.



To nurture and strengthen our corporate culture, we provide opportunities for our staff to learn and apply skills in pursuit of the four cultural focus areas through practical experience and coaching from external and internal speakers through Strengthen Our Culture ("SOC") webinars.

Due to the unique circumstances brought about by COVID-19 our engagement sessions were mainly conducted virtually. The Corporation live broadcast six webinars online to more than 500 colleagues from all divisions on topics ranging from agility to change under the new normal, essence of participative communication, cultivating an innovative mindset and embracing multicultural collaboration.



Inviting external speaker to share practical management experience through SOC webinars

At our High Speed Rail and Intercity operations, around 240 colleagues attended 11 team-building workshops in May and June during which they practised Participative Communication and Collaboration through a variety of activities.



Building team spirit with a modified curling game

In line with the Effectiveness and Innovation focus area, MTR celebrates and champions the ingenuity of our staff. Every year, we are glad to see the creativity, teamwork, innovation, and problem-solving skills of our employees through the improvement projects submitted by our Work Improvement Team ("WIT"). Under the theme of "Advance in unison, perfection by unity", our WIT teams around the world submitted over 1,000 work improvement projects in 2020.

The MTR Grand Awards for Outstanding Contribution recognise the exceptional achievements of our colleagues who best demonstrate MTR's values and culture. This year, we received over 50 nominations which were evaluated by the Vetting Committee. A total of ten Grand Awards, four Cultural Focus Awards, 12 Certificates of Merit and a Special Recognition were granted to winning teams, for a wide range of projects including, COVID-19 responses, energy efficiency projects and diversity and inclusion initiatives. In addition, 1,147 colleagues were recognised for their commitment and devotion of 20, 30 and 40 years with the Long Service Awards.

STAFF CONSULTATION AND COMMUNICATION

Open communication on common concerns is important to encouraging constructive dialogue between employees and management. We maintain a two-tier Staff Consultation Mechanism, including a Staff Consultative Council and 45 Joint Consultative Committees ("JCCs") comprising over 1,000 staff representatives, which provides a well-established and trusted system to engage and foster discussion with staff representatives. Employees are encouraged to participate in the direct election of the JCC staff representatives for their respective constituencies. To ensure members of our staff can choose their representatives despite the unique circumstances of 2020, the JCC elections period was extended from 10 to 20 days and e-voting was adopted for the elections of some constituencies.

We also hold a bi-annual Management Communication Meeting ("MCM") where more than 2,200 managers worldwide are invited to learn about the latest business updates and plans from the Executives. This year, MCM was held virtually during which the Executives shared MTR's control measures to minimise the impact of COVID-19 on our workforce and businesses as well as the new corporate strategy which will shape the Corporation's direction over the next 15 years.



The Executives shared MTR's control measures to minimise the impact of COVID-19 on our businesses and the new Corporate Strategy during the Management Communication Meeting

NURTURING YOUNG TALENT

MTR is committed to developing and maintaining a robust talent pipeline to ensure a sustainable workforce across all levels. We provide opportunities to gain practical hands-on experience through apprenticeship schemes and graduate development programmes. In 2020, a total of 152 graduates, including six Graduate Engineers, 129 Apprentices and 17 Technician Associates, successfully completed their training schemes and became railway engineering and maintenance professionals. In addition, 30 graduates joined our graduate development programmes in 2020 in pursuit of a career along a path of general management or professional expertise. They joined a two-week online Corporate Familiarisation Programme which thoroughly introduced MTR's business scope, corporate culture and values and allowed trainees to gain insights from more than 40 General Managers, department heads and subject-matter experts. Following the programme, all trainees rotate to different departments across MTR and receive multifaceted support in their career development through a series of management training and corporate events.

We are proud of our training efforts, an MTR graduated Technician Apprentice and a graduated Craft Apprentice won the 2020 "Sir Edward Youde Memorial Outstanding Apprentice Award" presented by the Vocational Training Council, an award scheme aiming to promote and support apprenticeship training and to acknowledge outstanding apprentices. This year marks the 24th consecutive year that our MTR apprentices have won this award.

LEARNING AND DEVELOPMENT

We foster a culture of continuous learning to drive the growth and success of our colleagues. In 2020, the Learning and Development Department ("L&DD") and the Operations Training Department ("OTD") created a set of customised training opportunities covering both soft skills and technical knowledge to help colleagues shape their learning journeys to meet their aspirations and the Corporation's needs. In addition to online and offline self-learning resources, MTR also subsidises further education and external training to support the professional development of our staff.

We continue to make use of VR technology in enhancing training outcomes for our operations and maintenance staff. As of 2020, we have six VR training centres with more than 30 safety related courseware.



Using VR technology to enhance training outcomes

Recognising the efforts in promoting technology-based tools to enhance the effectiveness and efficiency of our training, our Virtual Reality Training Research & Development Team was awarded a Certificate of Merit in 2020 at the MTR Grand Awards for Outstanding Contribution.

For soft skills training, a number of new courses on agile project management, contractor management, storytelling and presentation and a new series of business fundamental courses were introduced which not only address corporate learning needs but also align with our business strategies.

To adhere to social distancing, we only conducted physical classes for certain courses with small class sizes and most of the courses were delivered virtually. To increase interactions with learners, breakout rooms, polling, chatrooms and many other tools were adopted in virtual learning. We also organised webinars, produced bite-sized videos, e-courses, monthly e-Learning Digests and provided many other online learning opportunities for our colleagues throughout the year.

We will continue to identify training and development opportunities for existing staff at different stages of their career journey. We currently offer a wide range of career development programmes tailored to their different needs such as "Executive Continuous Learning Programme" for senior leaders and "Corporate Development Ladder Programme" for newly promoted and newly joined managers.

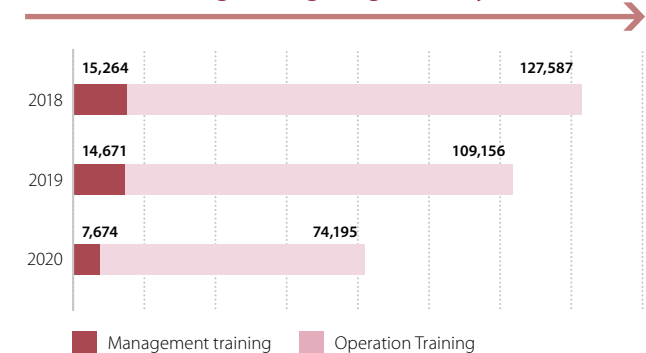
A one-stop learning portal, Learning Management System ("LMS"), was also launched in December to enhance the employee learning experience and to make learning available anytime, anywhere. Features such as social learning, customised courses and unlimited access to self-learning resources help colleagues embark on an exciting learning journey.

To gauge the level of progress towards desired learning outcomes, we have put in place a systematic evaluation process. We will continue to provide an agile and convenient learning environment for our colleagues.

Average Training Days per Employee

Locations / Lines	Days
Hong Kong	4.8
Shenzhen Metro Line 4	18.9
Melbourne's Metropolitan Rail Services	7.0
Sydney Metro North West Line	3.5
Stockholm Metro	3.4
Stockholms Pendeltåg	1.1
MTRX	2.8
TfL Rail/Elizabeth line	6.5

Total Staff Training in Hong Kong (Man Day)



SENSE OF MTR COMMUNITY

The Corporation is honoured to be an employer of choice with over 50,000 dedicated staff globally. We begin with a market competitive remuneration package and benefits which allow employees and their families to maintain a decent standard of living. Our voluntary staff turnover rate remained low while the average length of service of our employees was 13.6 years in Hong Kong, which reflects our ability to attract and retain skilled and experienced talent. The MTR community also extends beyond our employees to include their family members. Every year, the Corporation Scholarship Scheme recognises the outstanding children of MTR colleagues by providing scholarships for their secondary and tertiary education. In 2020, 88 children were selected out of a record 320 applications.

Voluntary Turnover Rate by Location

Locations / Lines	%
Hong Kong	3.4
Shenzhen Metro Line 4	7.4
Melbourne's Metropolitan Rail Services	4.1
Sydney Metro North West Line	8.4
Stockholm Metro	4.1
Stockholms Pendeltåg	3.2
MTRX	9.7
TfL Rail/Elizabeth line	3.3

We also pay special attention to help colleagues manage stress and emotions through challenging times. This year, our L&DD developed a dedicated Emotional Wellness One-stop Learning Portal to provide employees with a range of useful resources,

which include online courses, workshops and seminars relating to stress management and mental resilience in response to the pandemic. Additionally, a 24-hour helpline is in place to offer counselling services to staff and their eligible dependents in need.

We encourage our employees to practise a healthy work-life balance and take time to attend to their emotional and physical well-being. We introduced staggered work hours this year allowing employees the flexibility to report to duty in the morning subject to Department Heads' approval and with consideration of operational and business needs. From 2020 onwards, our employees also enjoy an additional well-being leave and redeem health/wellness related products and services at their own choice via the Flexible Benefits On-line Platform. In October, we re-opened the newly refurbished Fo Tan Recreation & Sports Centre providing a well-equipped fitness room, a karaoke room, snooker tables and a children's playroom for the use of



Staff can enjoy recreational activities and sports facilities with their families and friends in the newly refurbished Fo Tan Recreation & Sports Centre

Metro Recreation Club members and their families, in addition to the other four recreation and sports centres. All MTR staff, their spouses and retired staff are eligible to apply for Metro Recreation Club membership to enjoy recreational activities and sports facilities with their families and friends for a nominal fee. During the pandemic, the Corporation organised numerous virtual health talks covering physical, mental and financial wellbeing under the Corporate Wellness Programme to support our employees.

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Metro Trains Melbourne organised a range of fun activities such as lunchtime trivia and team health challenges to help our staff remain connected, focused and energised during the work-from-home period. Online resources were also made available to our staff with tips on how to care for their health and well-being in this challenging period.



ADVANCING WITH THE COMMUNITY



Connecting Communities

Community Investment

Art in MTR



HK \$22 million

Invested into the community



50,000+

Beneficiaries supported under COVID-19 relief measures*



100,000

Face masks donated to vulnerable members of the community*

On MTR Sustainability Website:

Read our Management Approach

› [Community Contribution](#)

Our Policies and Guidelines

› [Corporate Responsibility Policy](#)

In This Chapter:

GRI: 203-1, 413-1

HKEx KPI: GD-B8, B8.1, B8.2

SDG:



*Note: data covers Hong Kong operations only

At MTR, we leverage our resources and expertise to enable community involvement and development as it is our belief that we thrive together with our communities. Aside from offering financial and in-kind contributions to charitable organisations and people in need, we encourage staff volunteering and initiate different community projects.

CONNECTING COMMUNITIES

MTR strives to enhance the liveability and connectivity of the communities we serve. Riding on our successful experience in providing seamless connections for distant communities, we continue to build and expand our rail networks locally and around the world.

Shatin to Central Link - Tuen Ma Line Phase 1

Tuen Ma Line ("TML") Phase 1 commenced service on 14 February 2020 following the completion of over 3,000 safety drills and exercises with staff and emergency services. In addition to connecting the district of Wu Kai Sha to Kai Tak through two new stations, namely Hin Keng Station and Kai Tak Station, and the extended Diamond Hill Station, it also shortens the journey time for passengers travelling between New Territories East and Kowloon East and alleviates crowdedness in the section of the East Rail Line between Tai Wai and Kowloon Tong stations.



East Rail Line Hung Hom to Admiralty cross-harbour section - Topping-out of Exhibition Centre Station

The Exhibition Centre Station's topping-out ceremony on 12 November 2020 marked a major milestone of the new railway extension which will bring the East Rail Line across the Victoria Harbour to Admiralty Station. It also signifies the substantial completion of the civil works of the Hung Hom to Admiralty Section. The three-level underground station will be the new entry point to one of Hong Kong's commercial hubs for conferences and exhibition activities. It will also become an integral part of the Wan Chai North business area serving nearby commercial complexes, hotels and the Hong Kong Convention and Exhibition Centre.



Shenzhen Metro Line 4 - North Extension Phase 3

The commencement of service of Shenzhen Metro Line 4 (Phase 3) on 28 October 2020 marked a significant milestone in our railway business in Shenzhen. This new Line 4 extension added eight stations along 10.8 kilometres of railway to the North from the existing Qinghu Station to the Longhua and Guanlan areas. This new railway extension reduces traffic congestion by increasing the transportation efficiency of the North-central Shenzhen region. In total, the length of the Line 4 railway now reaches 31.3 kilometres, with a one-way journey taking approximately 51 minutes.



The LOHAS

MTR celebrated the opening of The LOHAS Phase 2 on 1 November 2020, which includes a new pop-up zone for online-to-offline stores and local start-ups, the largest cinema in Tseung Kwan O and a suite of smart digital interactive services to better cater to our shoppers. Some new features include experience zones that incorporate sports and digital immersion, facilities which encourage more exercise, and smart robots which offer customer service tasks and assist with patrolling and cleaning. Together with LOHAS Phase 1, LOHAS Park Station now conveniently connects residents and customers with over 100 retail shops, dining outlets and services in addition to the public transportation interchange.

The new 10,000 square-foot pop-up zone, "The LOHAS Collect", was specially developed and managed by MTR to break away from traditional leasing frameworks to help support local small businesses and start-ups by providing a physical platform to promote their brands and showcase their products. Exhibiting the creative and entrepreneurial spirit of Hong Kongers, the first series of vendors at "The LOHAS Collect" featured over 20 different local brands, including handcrafted lifestyle boutiques and specialty drink products.



Smart customer service robots act as a shopping mall guide and answer customer enquiries (left); and accompany children by telling them stories in multiple languages (right)

INVESTING IN COMMUNITIES

Complementing our efforts to support more interconnected communities with our infrastructure projects, the Corporation has continued to seek opportunities to leverage our resources, assets, and expertise to enhance the wellbeing of our communities and create positive social impacts. In view of the pandemic, the number of volunteering projects has greatly reduced as we adapted our community outreach strategies to ensure the safety of our staff volunteers and members of the community by conducting online or socially distanced charity activities. In the meantime, we have focused our efforts on relief measures to help those in need. In total, our Hong Kong employees contributed a total of 6,344 volunteer hours over 64 projects, while the Corporation offered in-kind donations valued at HK\$20 million and invested HK\$22 million in various community programmes. For details of how we cared for our communities through the pandemic, please refer to the [Keep Cities Moving Safely](#) section in this Report.

SUBSIDIARY SPOTLIGHT

Metro Trains Melbourne

During the devastating Victoria bushfires of 2020, Metro Trains Melbourne acted quickly to provide support through a variety of initiatives. As many of our employees sprang into action and volunteered their time to help at the frontlines with emergency services, Metro Trains Melbourne immediately enacted a new leave policy to support these courageous colleagues to ensure they would not be impacted financially in any way for taking time from work over the fire season.

In addition, our staff in Melbourne worked hard to raise funds for the bushfire response and recovery efforts. Metro Trains Melbourne showed our support by matching every single donation dollar for dollar. With our concerted efforts, a total of A\$220,000 (over HK\$1.3 million) was donated to the Victorian Bushfire Relief Appeal.

Metro Trains Melbourne also allocated a portion of our annual community grants to the response and recovery efforts, with over A\$10,000 (over HK\$59,000) shared across several bushfire relief and wildlife and habitat regeneration groups through the Metro Cares Community Grants.

Community Investment Programmes

Children

MTR School Talk Programme

We conducted one-hour assembly talks about MTR history and safe and courteous behaviours while riding on MTR in primary schools across Hong Kong as part of our efforts to reach out to the children in our communities. In 2020, a total of 13 talks were conducted for more than 2,700 students. Although we had to change the format of the assembly talks from in-person to online due to the pandemic, students' interest in these messages remained high.



Awards	Organisations	Award Level
Social Capital Builder (SCB) Awards 2020	Community Investment and Inclusion Fund	Social Capital Builder Logo Awards 2020
Greater Bay Area Corporate Sustainability Awards	Metro Finance	GBA's Outstanding Corporation – Social Sustainability Award – Sustainable Cities and Communities GBA's Outstanding Corporation – Environmental Sustainability Award – Climate Action
Hong Kong Service Awards 2020	East Week magazine	Corporate Responsibility Award (13th consecutive year)
01 Gold Medal Awards 2020 – Public Utility Sector	HK01	Excellence Award in Anti-pandemic Measures, Barrier-free Access Facilities and Corporate Responsibility
2019/2020 Corporate and Employee Contribution Programme	The Community Chest	Diamond Award 3rd Highest Donation Award for CARE Scheme 4th Top Fund-raiser Award
Social Enterprise Supporter Award Scheme	Fullness Social Enterprises Society	Social Enterprise Supporter Plus Award 2020

“Keep Hong Kong Moving” Drawing Activity

In September 2020, the Corporation organised the “Keep Hong Kong Moving” Drawing Activity inviting children from Caritas Hong Kong, Heep Hong Society, Hong Chi Association, and the Hong Kong Family Welfare Society to express their creativity, love and encouragement through their art. Nearly 50 pieces of beautiful drawings were collected and as a token of our appreciation for sharing their creativity with us, we presented each artist with a certificate and displayed their drawings at various MTR stations.



About 50 drawings collected from community partners were displayed in our stations to bring positive energy to passengers



Winner of the red packet design competition (Primary school)



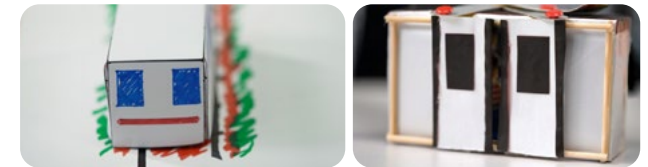
Winner of the red packet design competition (Pre-school)

Ngong Ping 360 Red Packet Design Competition

The 360 Caring Team at Ngong Ping 360 partnered with Make-A-Wish Hong Kong to launch a red packet design competition to raise funds for making vulnerable children’s wishes come true. The competition accepted “New Year’s Wishes” themed red packet designs from pre-school and primary school children. Each entry came with a HK\$20 donation to Make-A-Wish Hong Kong, which was matched by Ngong Ping 360. The response was overwhelming, with more than 1,500 submissions received. A winner from each age group was selected and received a winner’s certificate and gifts. The winning designs were printed on red packets for the 2021 Lunar New Year celebrations.

MTR x Ohpama Summer Online Railway Workshops

In collaboration with the popular educational platform Ohpama, MTR organised a series of Summer Online Railway Workshops in August 2020 to teach children about STEAM (Science, Technology, Engineering, Art, and Mathematics) subjects during their summer holidays. The online workshops provided a diverse range of topics, from DIY toy building using recycled materials, to light-hearted English lessons. These online lessons helped bring parents and children together in an entertaining and educational setting, successfully attracting more than 200,000 views and plenty of positive feedback.



OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Metro Trains Melbourne has offered free community education sessions to schools and community groups since 2008 to promote safe use of the railway network. This year, we developed an online community education programme for primary schools to ensure community education can continue during the COVID-19 lockdowns. From May to October 2020, a total of 147 sessions were conducted for 3,663 students.

Youth

'Train' for Life's Journeys

Our signature summer programme, 'Train' for Life's Journeys, supports secondary school students in their career and life planning as well as whole-person development. This year marked the 12th consecutive year of this programme which was held online for the first time due to the pandemic. We connected with close to 100 students through workshops and sharing sessions on career-and-life planning, a mindfulness talk, sharing on inclusive communities by various NGOs and a virtual MTR job-tasting experience. Colleagues from Human Resources and Administration, Marketing, Engineering, Operations, Projects and Engineering divisions were invited as guest speakers to share their experiences and some real-world wisdom with all the participants, while 28 Graduate Trainees and departmental associates from the 2020 intake joined the workshops with the students during the four-day programme.



OVERSEAS HIGHLIGHTS

MTR Nordic

MTR Nordic has actively supported the Järva week which was a recruitment event at one of the most segregated areas in Stockholm with high numbers of unemployment over the past years. In 2020, we engaged college students from segregated areas in Stockholm to visit our operations, providing them with exposure and a network for career planning.

Elderly

Elderly Outreach

The Corporation is pleased to continue its support for Senior Citizen's Day. On 15 November 2020, we offered free rides on the MTR, Light Rail and MTR Buses to Elder Octopus card holders aged 65 or above. Moreover, we joined hands with Radio Television Hong Kong ("RTHK") Radio 5 to launch our annual Elderly Programme, which featured a series of eye-catching posters starring RTHK Radio five DJs promoting railway safety tips to our senior passengers. We also conduct regular outreach activities both online and offline in elderly centres to deliver railway and safety messages.



Regular outreach activities are conducted both online and offline in elderly centres to deliver railway and safety messages



Free rides for elderly on Senior Citizen's Day

More Time Reaching Community Scheme

We continue to leverage our time, resources, expertise and effort to make positive contributions to the development of our communities through the “More Time Reaching Community” Scheme. With the help of our dedicated staff volunteers and MTR retirees, we organised a range of community programmes to support the elderly, underprivileged families and children, and individuals with mental and physical challenges.

This year, we were nominated by ten NGO partners to participate in the Caring Company Scheme. MTR was awarded the “15 Years Plus Caring Company Logo” by the Hong Kong Council of Social Service to recognise our commitment to caring for the community, our employees and the environment.



Art in MTR

The “Art in MTR” cultivates an appreciation of art in our communities whilst enriching passengers’ minds and enhancing their travelling experience along our extensive networks. Since its inception in 1998, we have introduced a wide spectrum of art pieces in station concourses and platforms, from photos, paintings, drawings, architectural fixtures and sculptures to roof hangings and mosaics. Over 80 artworks from established local and international talent from Australia, Japan, Malaysia, New Zealand, South Korea, the Mainland of China, Taiwan, the UK, the USA, Morocco and France have been showcased in over 50 stations under this initiative, as we hope to continue fostering an appreciation for artistic talent whilst building a vibrant city for all to enjoy. In 2020, we unveiled seven new artworks that featured local heritage, history and culture in Kai Tak, Diamond Hill, Hin Keng, Wan Chai, and Tiu Keng Leng stations.

Highlights of our volunteering projects in 2020:

“Together We Plant”

In collaboration with the Agency for Volunteer Service and the World Green Organisation, MTR volunteers took part in the “Together We Plant” initiative with an aim to strengthen the population of native tree species in Shing Mun Country Park. On 27 June 2020, our colleagues enjoyed the natural scenery at the Shing Mun Country Park while planting the seedlings of various native tree species to enhance ecological value and biodiversity.



“Painting a Happy Christmas”

MTR volunteers organised the “Painting a Happy Christmas” card painting activity to send our warm holiday greetings to elderly citizens living alone in Hong Kong. In view of the pandemic, our volunteers either posted the Christmas greeting cards to the elderly or directly delivered the cards to them, while following social distancing, as part of our festive holiday gift bag to send our Christmas blessings and share our festive joy.



We also support local amateur artists, school children, and non-profit organisations to elevate the works of local artistic talent and to cultivate the public enjoyment of local art through our open art exhibition spaces at Central, Sheung Wan and Sai Wan Ho stations. A total of eight exhibitions were conducted to showcase the diverse creative talent of our local communities, including paintings, sculptures, hand-crafted artworks, Chinese calligraphy, architectural models and three-dimensional pen art pieces. Currently, we have more than 60 Community Art Galleries throughout our railway network, presenting homegrown talent to the community.

→ 2020 Art in MTR Showcases →

Memorial exhibition for Legendary Singer Teresa Teng at Central Station



Two new station artworks in the form of platform seats and a mural depicting the transformation of the district at Tiu Keng Leng Station



“This is Wan Chai” large-scale panoramic station artwork at Wan Chai Station



“Embrace Positive Energy for Hong Kong” paintings exhibition at Sheung Wan and Sai Wan Ho stations by the artist Ming Yue to motivate Hong Kong people to regain their faith and stay positive during the pandemic

Tuen Ma Line Phase 1 artwork installations at Hin Keng, Diamond Hill and Kai Tak stations



Photo exhibition by a young photographer with muscular dystrophy at Sheung Wan and Sai Wan Ho stations



FUNDRAISING AND DONATIONS

The Corporation leverages its resources to support the growth and development of the communities where we operate. This year, it was especially important to pull together to help each other through these challenging times. Our donations and relief measures to support the needy during the pandemic are detailed in the [Keep Cities Moving Safely](#) section in this Report.

Blood inventories were low across the city in the latter half of 2020. In order to encourage more people to donate blood, we worked with the Hong Kong Red Cross to arrange for the Blood Donation Vehicle to provide mobile blood donation services from 5th to 8th October at Hong Kong Station. In view of the overwhelming support, we invited the Hong Kong Red Cross Blood Donation Vehicle to conduct another mobile blood drive at our Fo Tan Railway House in late November.

Outside Hong Kong, vast swathes of land were affected by bushfires burning across Australia in early 2020. Our operations around the globe joined hands to organise a staff donation campaign in January and February to support the Australian Red Cross' Disaster Relief and Recovery Fund. The fundraising campaign has raised A\$300,000 (over HK\$1.78 million) in total staff donations.



The [MTR Academy](#) (the "Academy") was established to act as a global training and research hub for railway management and operations. Drawing on MTR's world-class experience in the railway industry, the Academy develops its tailor-made training curricula

to cultivate future railway professionals and leaders of the industry in Hong Kong and around the world. This year, the Academy continued to explore new ways to expand our industry training support for those interested in railway-related careers. In March 2020, the Academy signed a Memorandum of Understanding ("MOU") with the Hong Kong Polytechnic University affiliated College of Professional and Continuing Education to lay a foundational framework to develop collaborative education and training programmes to enrich railway engineering expertise. The MOU also outlines the potential pathway for graduates of the Academy's Advanced Diploma in Railway Engineering to pursue a Bachelor of Engineering in Electrical Engineering or Mechanical Engineering.

Through these collaborative efforts, the Academy strives to contribute to the development of future railway talent and expertise to advance the service and operational excellence of the railway industry worldwide.

OVERSEAS HIGHLIGHTS

MTR ELIZABETH LINE

MTR Elizabeth line launched a delightful Christmas charity campaign, "Something for Everyone" over the holiday season. With the main objective of sharing joy and the spirit of giving to those in need, the campaign was a fundraising activity designed to provide our colleagues an opportunity to select one (or more) of five charitable causes to support in 2020. With a mix of contribution options, ranging from £1 raffle tickets, food bank donations, or becoming a Secret Santa, our colleagues put the true meaning of the holidays on full display. The charitable causes supported by MTR Elizabeth line include:

Samaritans – With tickets at £1 each, and a top prize of £5k, this raffle helped support the vulnerable members of the community through our charity partner Samaritans.

Action for Children – With help from Action for Children, our colleagues acted as a Secret Santa for children in need through a "virtual gift" donation during Christmas.

Crisis and Café Art – Our colleagues supported the homeless over the holidays either by direct donations of gifts or money to Crisis, or through a purchase of a Café Art 2021 Calendar.

#FoodbankExpress – The COVID-19 pandemic placed huge pressure on social support organisations and the most vulnerable members of our communities. At the end of 2020, the MTR Elizabeth line Ambassador Team launched an internal fundraiser campaign, #FoodbankExpress, to benefit three local foodbanks. Our Ambassadors collected and delivered all the staff donated food on a weekly basis to the selected foodbanks. The Team also invited our key stakeholders to collect their donations for the needy.

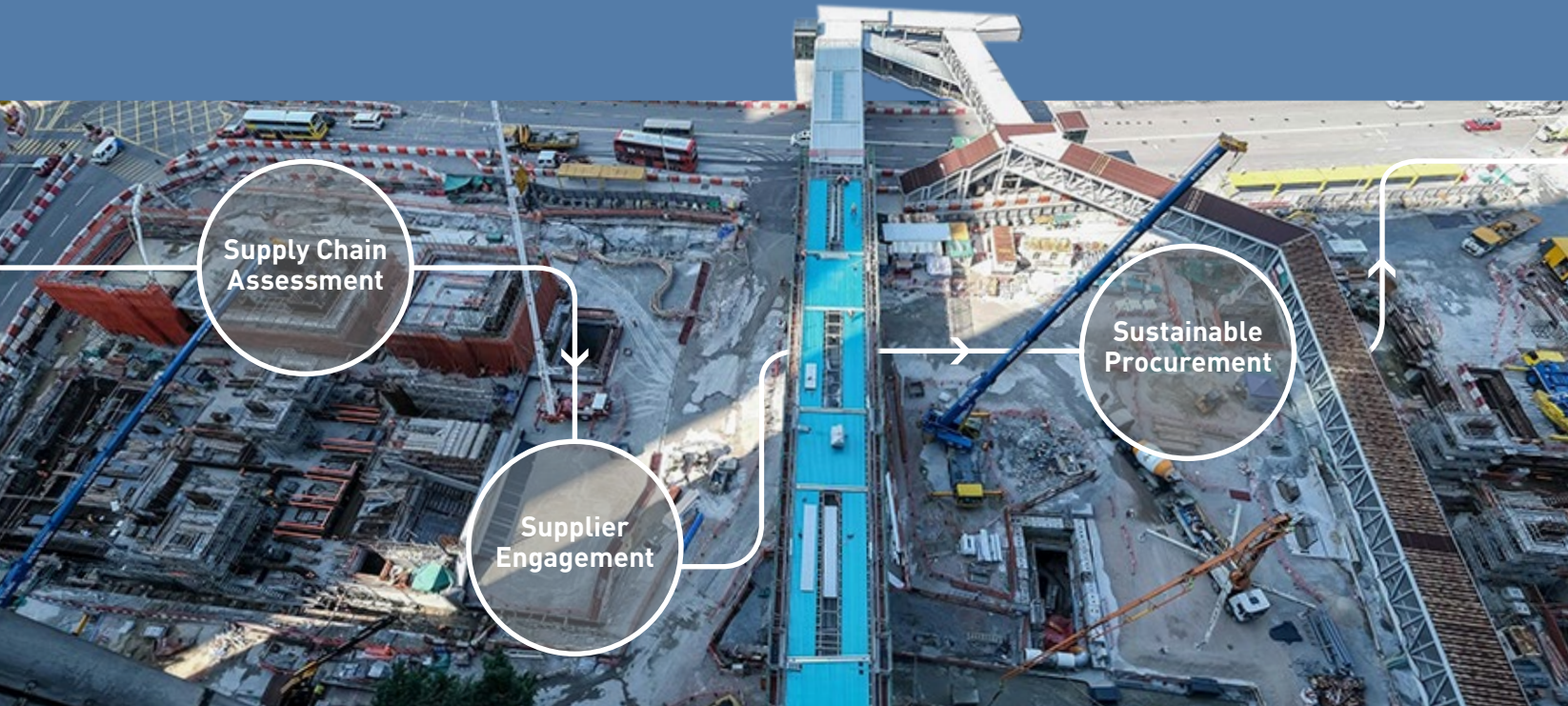
Throughout the four-week campaign, a series of promotional posts were sent through Yammer, an online communication

platform, to encourage all employees to donate and help the cause. Regular reminders and progress updates were also provided in our weekly internal newsletter.

Through these concerted efforts, more than 2,000 items with an estimated value of £1,400 (over HKD\$15,000) were donated to those in need around our communities via the selected foodbanks. Some of our Ambassadors also volunteered their time to cook and feed some of London's homeless people at the Whitechapel Mission, one of the foodbanks.



RESPONSIBLE PROCUREMENT



On MTR Sustainability Website:

Read our Management Approach

> [Responsible Procurement](#)

Our Policies and Guidelines

> [Supplier Code of Practice](#)

> [Green Procurement Policy](#)

> [MTR Corporation Modern Slavery and Human Trafficking Statement](#)

In This Chapter:

GRI: 102-9, 308-2, 412-2, 414-2

HKEx KPI: GD-B5, B5.2, B5.3, B5.4

SDG:



100%

Suppliers required to comply with our Supplier Code of Practice



94%

Suppliers fall in the lowest risk categories in the supplier segmentation analysis



764

Trainees under the Shatin to Central Link Contractors Cooperative Training Scheme since 2012

Note: data covers Hong Kong operations only

The long-term stability, resilience, and sustainability of our supply chain is vital for the smooth operation of our business. We have incorporated considerations of relevant material topics into our approach to supply chain management, including sustainable resource use, sustainable products and services, and prevention of pollution. The Corporation strives to integrate our guiding principles throughout all aspects of our supply chain to promote wider adoption of responsible supplier and procurement practices.

MANAGING OUR SUPPLY CHAIN

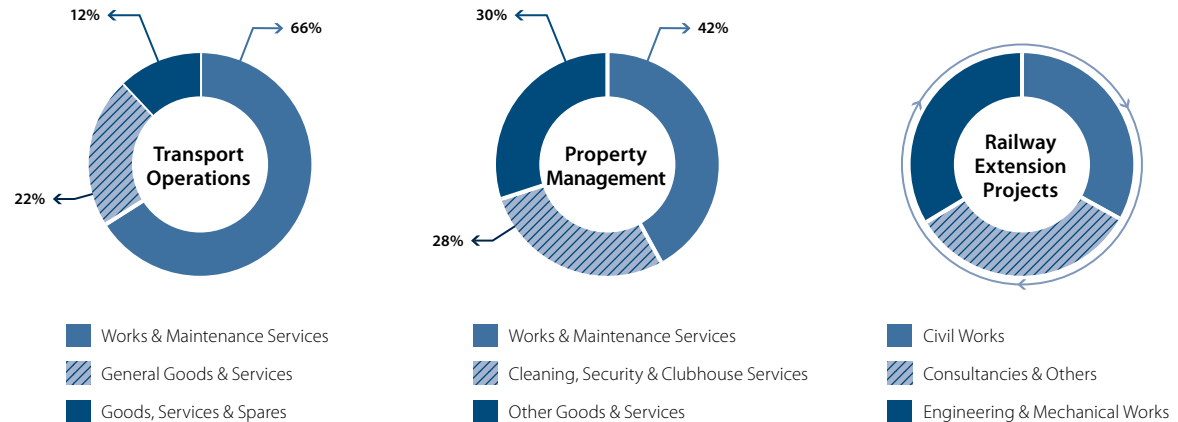
Our Enterprise Risk Management framework identifies and evaluates our supply chain related risks. Our Green Procurement Policy provides our employees with guiding principles when making sustainable procurement decisions and further promotes green initiatives in the supply chain. Our Supplier Code of Practice ensures high standards for human and labour rights, supply chain management, and ethical business practices are met. This year, we updated our Supplier Code of Practice to require suppliers to support the principles of the United Kingdom Modern Slavery Act.

MTR extends its mindset of responsible procurement throughout our operations and supply chain, including our administrative and support functions, for instance, we only use FSC certified paper at our offices. We also encourage our staff to consider environmentally friendly options when purchasing equipment or other office supplies.

SUPPLY CHAIN ASSESSMENT

The Corporation tracks relevant spending data as part of our procurement analytics within our comprehensive supply chain assessment procedures. Our suppliers are categorised under three separate groups based on the operation they serve, namely transport operations, property management and railway extension projects. The following charts represent our spending on products and services as a percentage of total spending by business operation category.

Percentage of Spending by Major Categories in 2020



Note: Proportional spend data is not shown due to the cyclical nature of spending

SUPPLIER ENGAGEMENT

Collaboration

Committing to sustainable supply chain collaboration, we refer to the ISO 20400:2017 Sustainable Procurement Guidelines and are one of the founding members of the Sustainable Procurement Charter launched by the Green Council.

Enhancement Initiatives

The Corporation has a sustainable procurement programme in place to guide our efforts in mitigating underlying risks in our supply chain. Under the programme, MTR has completed a review of our present approach and policies to sustainable procurement and a supplier segmentation analysis to gauge our supply chain risks and our capacity to influence behaviour and drive change.

A data-driven approach was adopted for our supplier segmentation analysis to evaluate supply chain partners based on factors of inherent risk and company specific leverage. The findings of the analysis helped categorise more than 2,600 suppliers across over 100 product categories into four groups. The top two highest risk categories comprise approximately 6% suppliers, whilst the rest of our suppliers fall into the two lower risk levels.

To further strengthen the enforcement on suppliers' compliance, we incorporated an additional clause in our revised Supplier Code of Practice to request certification from suppliers that the workforce has read, understood and acknowledges compliance with the Supplier Code of Practice. In addition, we revised the Supplier Code of Practice to expressly address anti-slavery and human trafficking issues in our supply chain.

Moving forward, the Corporation will continue to progress along our sustainable procurement programme to refine our strategies to better assess, manage and support our supply chain partners in improving their sustainability performance.

Graduate Trainee Programmes for Our New Lines



Following the commencement of works on our railway extension projects, the Corporation's contractors experienced a substantial increase in the demand for skilled trade workers. To help fill this skill shortage, we established the SCL Contractors Cooperative Training Scheme in 2012. The Scheme increased the overall training capacity of our contractors by requiring all civil works contractors for the SCL to employ a specified number of suitable trainees and provide them with on-site professional training. At the end of the training, trainees who successfully pass relevant trade tests are offered a 12-month employment contract. As at the end of 2020, 764 trainees have undergone the training; 520 of them completed the programme and resumed their duties in various trades including tunnel workers, carpenters and steel fixers.

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