

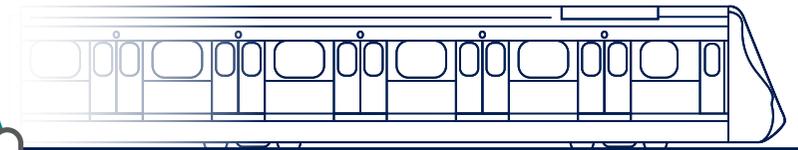
KEEP CITIES MOVING SUSTAINABLY

Sustainability Report 2022

CONTENTS



Chairman's Message	03
CEO's Message	04
About This Report	05
About MTR	11
MTR's Environmental and Social Objectives	18
Promoting Social Inclusion	26
Fostering Advancement and Opportunities	48
Reducing Greenhouse Gas Emissions	57
Climate-related Financial Disclosures	69



CHAIRMAN'S MESSAGE

In our Corporate Strategy, "Transforming the Future", which we launched in 2020, we outlined a strong commitment to embedding environmental, social and governance ("ESG") considerations in all aspects of our business. Since then, we have clearly defined our long term ESG strategy, with three objectives, ten commitments and 35 key performance indicators ("KPIs"). From an ESG governance perspective, we revamped our Board Committee structure in early 2022, enabling our Board level Environmental & Social Responsibility Committee to provide strategic oversight of our ESG strategy, as well as track performance against our KPIs and our Board approved an ESG investment framework with specific funding allocated to support the achievement of our ESG goals. We also updated our Board Diversity Policy to include a specific gender diversity target for the Board to have no less than 25% female members by 2025, showing top level commitment to one of our ESG objectives, social inclusion. From a broader governance perspective, we have strengthened management accountability through the introduction of a new matrix organisation structure and enhanced our risk management capability through the establishment of a new assurance management function, which is gradually expanding its scope across key risk areas of the Corporation.

As a global leader providing environmentally friendly mass transit services, we strive to lead by example in the fight against climate change. To this end, we are committed to setting science-based carbon reduction targets for the year 2030 for our railway and property businesses in Hong Kong, with the longer-term goal of achieving carbon neutrality by 2050. These 2030 targets have been submitted to the Science Based Targets initiative for validation. In addition, we seek to use our position in the community to influence others to commit to a greener lifestyle and have collaborated with schools, non-governmental organisations and government departments to implement the "Legacy Train Revitalisation Programme" to revitalise and upcycle our retired trains and their components to give them a second life.

Playing a pivotal role in connecting communities across the territory, we strive to provide universal accessible mobility and ensure that our services are available to people from all walks of life. Over the past years, we have been undertaking a number of improvement measures 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. In November 2022, we launched a brand-new "MTR • Care" app which provides smart functions to facilitate the travel needs of the elderly and passengers with special needs. We will further enhance the app with the expansion of functions for the visually impaired in the near future. During the year, we also continued to offer approximately HK\$2.1 billion in on-going fare concessions to customers including general commuters, the elderly, children, eligible students and persons with disabilities.

In support of equal opportunities for all, we leverage our resources and expertise to help excluded and underserved populations access their fair share of opportunity. For instance, we supported charitable organisations to provide food vouchers for 1,500 underprivileged families, as well as providing emergency shelter services and food vouchers helping 530 homeless people during the pandemic. Our volunteers also took part in various events to deliver anti-pandemic supplies to those in need. Our staff were a key partner in the fight against the pandemic and so we rolled out various initiatives to ensure their well-being during these difficult times. These included a 24-hour dedicated medical hotline for those infected with COVID-19, a "Pandemic Caring Team" with over 300 staff volunteers to deliver anti-pandemic supplies and

medications to infected staff with emergency needs and a wide range of health talks and programmes to promote a healthy lifestyle and provide useful tips to prevent infectious diseases.

To foster innovation, we have signed several agreements and Memoranda of Understanding ("MoU") with local universities and business partners who can help us further improve our world-class services. For example, we signed an agreement with Hong Kong Science and Technology Parks Corporation ("HKSTP") to set up a three-year collaboration framework focusing on the application of innovative technologies, data collaboration and co-investment in tech ventures. We also signed an MoU with Hong Kong Cyberport Management Limited to set up a two-year collaboration framework for joint investment in digital technology startups. In addition, we collaborate with the Hong Kong University of Science and Technology and the Hong Kong Polytechnic University to promote the application of innovative technology in railway and other services with the aim of encouraging local scientific research and building a smart and low-carbon community. We have committed to invest more than HK\$300 million in startups between 2022 and 2025 to foster future skills and innovation.

We strive to "Keep Cities Moving" with safe, reliable, accessible and sustainable rail transport services. We are very concerned about the two train incidents in late 2022 and have carried out detailed investigations into each of them. It is always the Corporation's top priority to provide safe and reliable railway services for the people of Hong Kong. We will learn lessons from these incidents and are in the process of reviewing our asset management and maintenance regime, making every effort to eliminate the potential risk of similar incidents.

ESG is a core part of our Corporate Strategy. I am confident that our three environmental and social objectives will support the sustainable growth of the Corporation and Hong Kong. With the staunch commitment and support from the MTR Board, the Executive, and our dedicated colleagues, we shall continue to demonstrate our leadership in ESG by embedding sustainability considerations into all aspects of our business and operations to create long-term and sustainable value for all the communities we serve.

Dr Rex Auyeung Pak-kuen

Chairman

Hong Kong



CEO'S MESSAGE

Following the stabilisation of the epidemic situation in Hong Kong, the HKSAR Government has been lifting progressively various anti-epidemic measures in late 2022 and early 2023. We have also seen a gradual recovery of our businesses. 2022 was a difficult year. The fifth wave of COVID-19 adversely affected our railway operations, station commercial and property rental businesses. With the continued closure of the boundary, the patronage of our Hong Kong railway services in February and March 2022 was reduced to the lowest level since the outbreak of the pandemic.

The last two months of 2022 also saw a couple of incidents that warranted thorough investigations and follow-up actions. The two investigation reports were completed in early 2023 and we are implementing the improvement actions recommended in the reports. In addition, we set up an Expert Panel in December 2022 to conduct a comprehensive review of our asset management and maintenance regime with the aim to complete the review and report to the Board in six months.

Despite the internal and external challenges experienced, we achieved several significant milestones across the various cities we serve. In Hong Kong, our heavy rail network maintained a world-class level of 99.9% train service delivery and passenger on-time journeys. Opened in May 2022, the East Rail Line extended its service to Hong Kong Island, increasing both options and convenience for our passengers commuting between Hong Kong Island and the New Territories. We also introduced the first batch of new eight-car Q-trains for service on the Kwun Tong Line since November 2022, providing passengers with an enhanced travelling experience. In the United Kingdom, the Central Operating Section of the Elizabeth line commenced service in May, transforming travel across London and the South East of the United Kingdom. The Southern Section of Beijing Metro Line 16 also began operations at the end of 2022. In terms of property development, the tender for the Pak Shing Kok Ventilation Building Property Development and Tung Chung Traction Substation Property Development projects in Hong Kong were awarded. We also accepted the Land Exchange Offer for Siu Ho Wan Depot to transform the depot into a new property development named "Oyster Bay".

In 2022, the Corporation strengthened its commitment to embedding environmental, social and governance ("ESG") considerations in our businesses by defining ten commitments and a set of 35 key performance indicators ("KPI") across our three environmental and social objectives: Social Inclusion, Advancement & Opportunities, and Greenhouse Gas Emissions Reduction. To enable allocation of sufficient financial resources to suitable ESG initiatives effectively, we have formulated an ESG investment framework and allocated a designated ESG Fund for eligible ESG-focused projects that help achieve our KPIs.

During the year, we continued to implement various green initiatives to reduce our carbon emissions. Our large-scale chiller replacement project is getting close to completion. We will roll out the second phase to replace over 30 chillers in our stations by 2026, with an expected chiller energy saving of at least 20% after completion. In April 2022, we completed the installation of solar power facilities at Hin Keng Station and the installation works at Pat Heung Depot are underway. Upon completion, the solar power system at Pat Heung Depot will be the largest flexible solar power system on a single building in Hong Kong. Our short-term target is to generate 1 million kWh of renewable energy from our solar power systems by 2023. We also plan to introduce at least 30 e-buses by 2026 to reduce the carbon footprint of our feeder bus fleet.

During the year, we attained BEAM Plus Provisional Gold accreditation for our proposed Tung Chung East and Tung Chung West stations. We are currently working with The Hong Kong University of Science and Technology ("HKUST") under the HKUST-MTR Joint Research Laboratory to develop a quantification tool to calculate the embodied carbon of our new railway development projects.

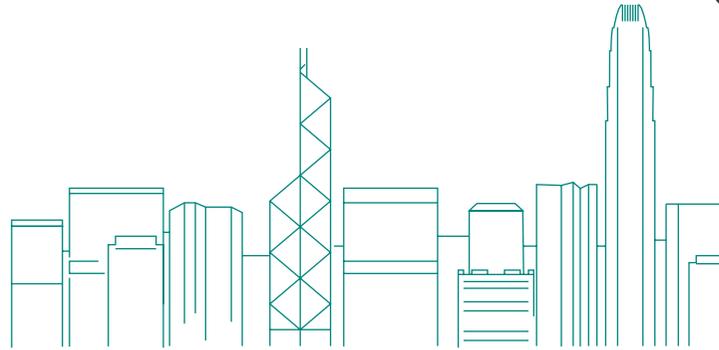
In terms of our social objectives, in addition to our on-going efforts to safeguard our employees' health and well-being, we further strengthened the safety culture across MTR by expanding our traditional safety month to a year-long Corporate Safety Campaign to reinforce our safety-first culture. In addition, we launched our first-ever Social Inclusion Week for our Hong Kong colleagues in September 2022, with the aim of raising the awareness of social inclusion among our staff, enabling them to embrace diversity, inclusion and equal opportunities in their daily life, and to strengthen our bonds with different non-governmental organisations in order to build a more inclusive community.

Our overall efforts to achieve our environmental and social objectives have been recognised in different leading performance indices. Once again, MTR has been selected as a constituent of the Dow Jones Sustainability Asia Pacific Index, FTSE4Good Index Series and the Hang Seng Corporate Sustainability Index. We are also included in S&P Global's "The Sustainability Yearbook" for the fourth consecutive year, which covers the top 15% of companies in each industry. In addition, we are commended as one of the top 100 Chinese listed companies in the New York Stock Exchange, Nasdaq, and Hong Kong Stock Exchange, with the highest ranking on ESG and low carbon emissions, in the research paper "2022 Carbon Rating Report of China's 100 Overseas Listed Companies".

I would like to express my heartfelt thanks to the MTR Board for its staunch support and to all of our colleagues for their unwavering dedication and hard work, contributing to our business achievements, pursuing our environmental and social objectives, and keeping our cities moving sustainably. As the world gradually gets back to normal in 2023, with a notable number of new extension projects on the horizon, I am confident that we will continue to achieve greater successes together.

Dr Jacob Kam Chak-pui
Chief Executive Officer
Hong Kong





ABOUT THIS REPORT

Since 2000, we have published sustainability reports to disclose our approach, strategy and performance regarding our material sustainability issues. We adopt a combined approach to communicate our sustainability management approach and performance with our stakeholders. While long standing information such as our management approach to the identified material sustainability issues is available on the [Sustainability Website](#) (the “Website”), annual updates on sustainability-related initiatives, performance and achievements, together with our climate-related disclosures, are communicated through our annual Sustainability Report (the “Report”). The Website and the Report, complementing information available from other publicly accessible information such as our [Annual Report](#), explain how sustainability is considered and integrated into our business strategies and decision-making processes.

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

On MTR Sustainability Website

Read our Management Approach

- > [Reporting Framework](#)
- > [Engaging with stakeholders](#)
- > [Materiality Assessment](#)

In This Chapter:

GRI: 2-2, 2-3, 2-5, 3-1, 3-2

HKEX: MDR-Reporting Principles, MDR-Reporting Boundary

On MTR Corporate Website

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





Reporting Framework

As a publicly-listed company, MTR abides by the listing rules of the Hong Kong Exchanges and Clearing Limited (“HKEX”) including Appendix 27 Environmental, Social and Governance Reporting Guide (“ESG Guide”). We also disclose our material sustainability issues in accordance with the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”) and aligns with internationally recognised guidelines and frameworks such as the United Nations Sustainable Development Goals (“SDGs”), the International Association of Public Transport (“UITP”) Sustainability Reporting Guide, ISO 26000 Guidance on Social Responsibility, World Economic Forum’s (“WEF”) Stakeholder Capitalism Metrics, and the framework recommended by the **Task Force on Climate-related Financial Disclosures** (“TCFD”). We also prepare our report with reference to the International Sustainability Standards Board’s (“ISSB”) new exposure drafts on the General Requirements for Disclosure of Sustainability-related Financial Information and Climate-related Disclosures released in March 2022.

As a global citizen, our approach to sustainability should align with the global agenda. MTR has been actively supporting the United Nations SDGs. In particular, we have identified and notified the SDG Secretariat of our overall support for Goal 8 – Decent Work and Economic Growth, Goal 9 – Industry, Innovation and Infrastructure and Goal 11 – Sustainable Cities and Communities that are considered most relevant to our operations. We also support several other SDGs through our diverse nature of business and operations and our efforts to support different SDGs are shown in this Report.

A **Content Index** for Sustainability Reporting Guidelines has been prepared to list out the information reported against the recommended disclosures of the above-mentioned guidelines and frameworks.

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

Megatrends	Report Sections
System Resilience for Climate Change	<ul style="list-style-type: none"> • Reducing Greenhouse Gas Emissions • Climate-related Financial Disclosures
Ageing Population	<ul style="list-style-type: none"> • Promoting Social Inclusion
Digital Transformation	<ul style="list-style-type: none"> • Promoting Social Inclusion • Fostering Advancement and Opportunities

Please refer to our **Website** for more details on these three megatrends.

Reporting Scope

The Report discloses details on issues identified as material to the Corporation covering the period from 1 January to 31 December 2022. Headquartered in Hong Kong, MTR has expanded railway-related projects and operations internationally with a presence in the United Kingdom, Australia, Sweden, Macao and Mainland China. Our property development and management services are based in Hong Kong and Mainland China. The scope of this Report incorporates 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 operations and maintenance (“O&M”) service contract with the client in Macao. Key quantitative data disclosed in this Report has been independently assured by KPMG. Please refer to the following for further information:

- **Performance Metrics** for our performance data;
- **Independent assurance report** for the assurance scope and methodology;
- **MTR’s Annual Report** for details on our operations in Hong Kong and worldwide; and
- Sustainability reports of our overseas subsidiaries, **MTR Nordic** and **Metro Trains Melbourne**, for more details on their performance and latest initiatives.

Stakeholder Engagement

We proactively engage with a wide range of stakeholders along our value chain to better understand and respond to their views, identify existing and emerging risks and opportunities, balance different interests, make informed decisions, and gain valuable feedback on our initiatives in pursuit of operational excellence. For details on our stakeholder engagement, including the list of stakeholders, our engagement approach and engagement channels, please refer to our **Website**.

External Review Panel

This year, we continue to convene an external review panel to gather independent advice on our reporting approach and sustainability priorities, and to review the content of our Report. Their valuable feedback enables us to continue enhancing the quality and transparency of our sustainability disclosures. Members of this year's External Review Panel include:



Peter Lee

General Manager, Sustainability,
Airport Authority Hong Kong



Robert Gibson

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



Calvin Lee Kwan

Director of Sustainability &
Risk Governance, Link Asset
Management Limited



Agnes K Y Tai

Director,
Great Glory Investment
Corporation



SK Wu

Head of ESG,
Alliance Construction
Materials Limited

Materiality

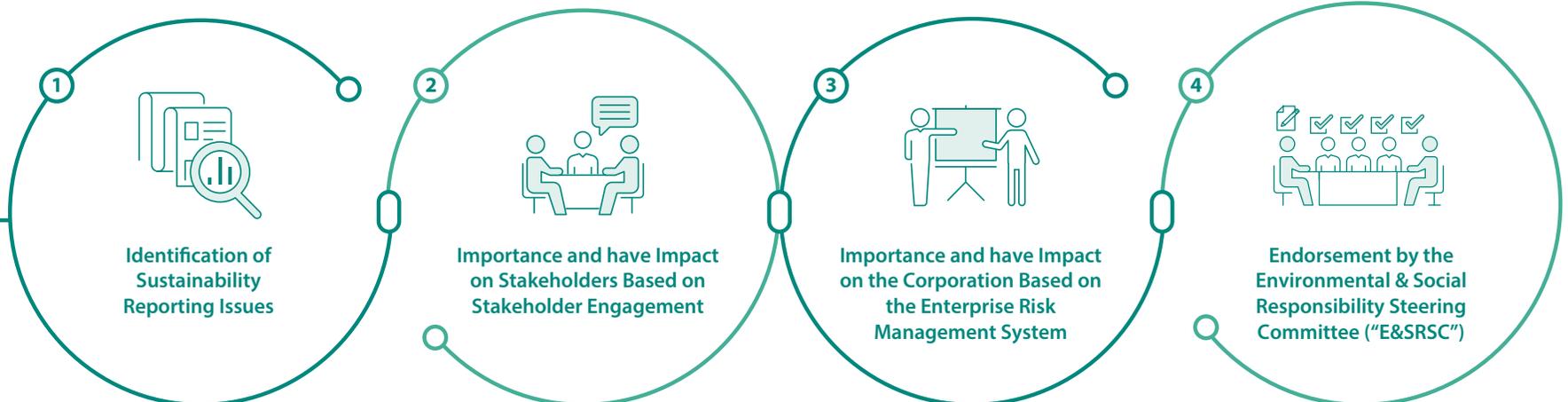
Our materiality assessment was conducted with reference to the double materiality approach to identify material sustainability issues with reference to the GRI Standards and the principles of materiality from the ISSB's newly published exposure drafts on General Requirements for Disclosure of Sustainability-related Financial Information.

We conduct a stakeholder-driven materiality assessment to identify impact material issues that are important to our stakeholders and have

significant impacts on people, the environment and the economy. Financially material issues are evaluated according to their capacity to create or erode MTR's enterprise value. We have taken into account our Enterprise Risk Management approach during the assessment. Our approach to and disclosures of the impact material issues are covered in this Report, whereas financial information, including those relevant to the high material issues where appropriate, is covered in our Annual Report. For more information on our materiality assessment methodology, please refer to our [Website](#).

While the materiality assessment process mainly focuses on our operations and businesses in Hong Kong, the identified material issues also provide the overall direction of the sustainability priorities for our overseas operations. Please refer to the sustainability reports of our overseas subsidiaries, [MTR Nordic](#) and [Metro Trains Melbourne](#), for more details on their sustainability focus.

Our materiality
assessment
process





Materiality Matrix

Our materiality assessment results, which were reviewed by the External Review Panel, 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 for this year's assessment are similar to last year, with the major changes summarised below:

Issues	Change in materiality level compared to last year	Remarks
27 Biodiversity	From high to medium	Level of importance and impact on economy, environment and society decrease as indicated in the stakeholder engagement results
34 Technology development and access	From medium to low	
28 Supply chain human rights risk	From low to medium	Level of importance to MTR increase due to the rise in the enterprise risk level
35 Wealth and income creation	From medium to high	

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 and fair contractual practices)
- 7 Customer education
- 8 Customers' health and safety
- 9 Sustainable products and services
- 10 Customer service, support, and complaint handling
- 11 Customer data protection and 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 and rights at work
- 18 Protection of civil and political rights of staff
- 19 Employment practices

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

IV. Environment

- 24 Prevention of pollution (air, water and waste)
- 25 Sustainable resource use (resource efficiency and 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 Relevant to MTR's Environmental and Social Objectives and Our Responses

Highly Material Issues	Sections of the Report Covering Our Highly Material Issues and Relevant SDGs			
	Promoting Social Inclusion	Fostering Advancement and Opportunities	Reducing Greenhouse Gas Emissions	Climate-related Financial Disclosures
Customers				
7 Customer education				
8 Customer health and safety				
9 Sustainable products and services				
10 Customer service, support and complaint handling				
12 Access to essential services				
Employees				
16 Diversity and equal opportunity				
20 Conditions of work and social protection				
22 Employee and contractor health and safety				
23 Employee development and training				

Highly Material Issues	Sections of the Report Covering Our Highly Material Issues and Relevant SDGs			
	Promoting Social Inclusion	Fostering Advancement and Opportunities	Reducing Greenhouse Gas Emissions	Climate-related Financial Disclosures
Environment				
24 Prevention of pollution				
25 Sustainable resource use				
26 Climate change				
Community				
31 Community involvement and development				
33 Employment creation and skills development				
35 Wealth and income creation				



ABOUT MTR

HK\$60,506 Million
economic value
generated in 2022

Over HK\$32 Billion
raised through sustainable
finance arrangements
since 2016

**Member of The
Sustainability
Yearbook 2023**
for the fourth
consecutive year

On MTR Sustainability Website: Read our Management Approach

- > [Corporate Governance](#)
- > [Financial Sustainability](#)
- > [Sustainable Investment](#)

Our Policies and Standards

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

In This Chapter:

GRI: 2-1, 2-6, 2-8, 2-9, 2-12, 2-13, 2-14, 2-16, 2-23, 2-24, 2-25, 2-26, 2-29, 205-1, 205-2

HKEX: MDR-Governance Structure, GD-B7, KPI B7.2, KPI B7.3



Our Business at a Glance

Headquartered in Hong Kong, MTR is a world-class operator of sustainable rail transport services and is listed on the Hong Kong Stock Exchange (SEHK: 66). MTR has extensive end-to-end railway expertise with more than 40 years of railway projects experience from design to planning and construction through to commissioning, maintenance and operations. Going beyond railway delivery and operation, MTR also creates and manages dynamic communities around its network through seamless integration of rail, commercial and property development. With more than 50,000

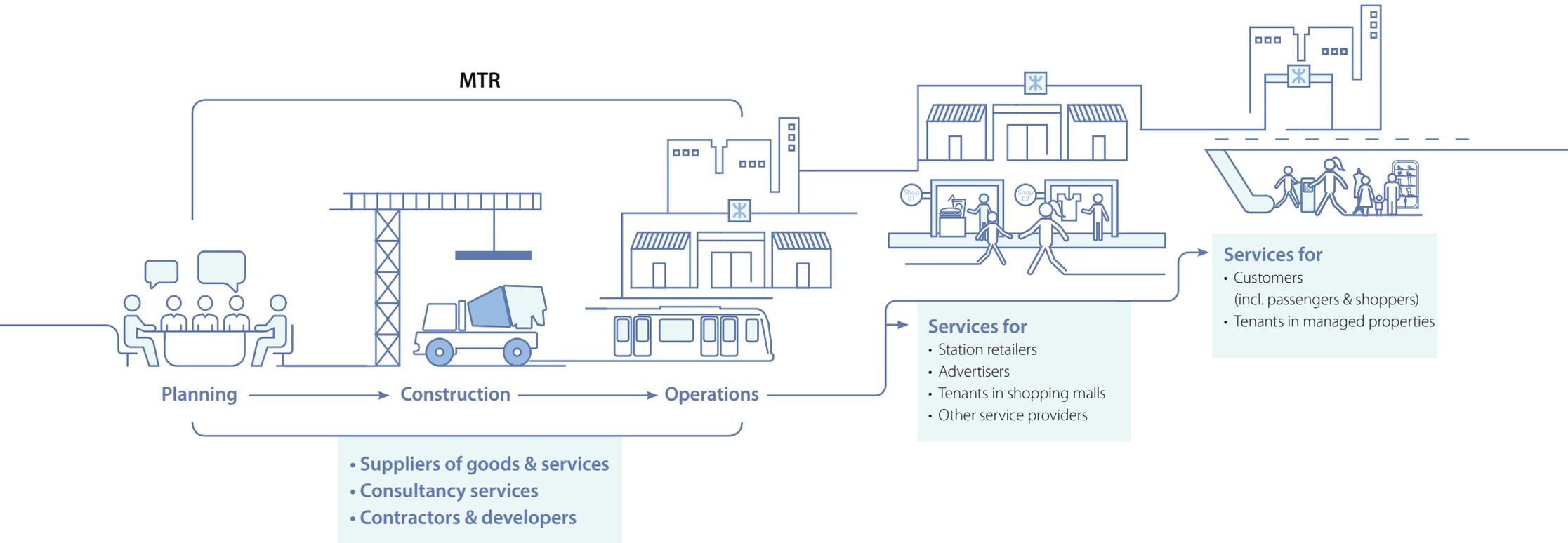
dedicated staff*, MTR carries over 11.5 million passenger journeys worldwide every weekday in Hong Kong, the United Kingdom, Sweden, Australia and Mainland China.

In Hong Kong and Mainland 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.

We have also established the **MTR Academy**, a wholly owned subsidiary of the Corporation, which provides railway-related education and training with the aim of developing railway professionals and executives and advancing service and operational excellence of the railway industry worldwide.

For details on our businesses, rail networks and future extensions, please refer to our [Annual Report](#).

MTR's Value Chain



* includes our subsidiaries, associates and joint ventures in Hong Kong and worldwide

Performance in Sustainability Indices and Ratings

Every year, our sustainability performance is assessed by different global and local leading independent investor rating agencies. With a robust governance structure, well established strategies and policies and sound performance, MTR has been a constituent in various major international and local sustainability indices.

- Dow Jones Sustainability Indices (“DJSI”) – MTR has been a constituent of the DJSI Asia Pacific since 2013 and was once again included in S&P Global’s The Sustainability Yearbook 2023 for the fourth consecutive year, which includes the top 15% of companies for each industry that achieved a score within 30% of the industry’s top performing company.



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



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



[Note](#)

- ISS ESG Corporate Rating – MTR achieved a “Prime Status” indicating that our ESG performance fulfils ISS’ demanding ESG requirements in our sector.



- CDP – MTR has once again received a B score in the climate change assessment in 2022, on a scale of A-D-.



- Hang Seng ESG Indexes – MTR has been selected as a constituent company of the following indices:
 - Hang Seng Corporate Sustainability Index
 - Hang Seng Corporate Sustainability Benchmark Index
 - Hang Seng (Mainland and HK) Corporate Sustainability Index
 - Hang Seng ESG 50 Index
 - Hang Seng Index (“HSI”) ESG Index
 - HSI ESG Enhanced Index
 - Hang Seng Climate Change 1.5°C Target Index
 - HSI Low Carbon Index
 - HSI ESG Enhanced Select Index

MTR has been selected as the top 100 Chinese listed companies in the New York Stock Exchange, Nasdaq, and Hong Kong Stock Exchange, with the highest ranking on ESG and low carbon emissions, in the research paper “2022 Carbon Rating Report of China’s 100 Overseas Listed Companies” jointly published by The Chinese University of Hong Kong (Shenzhen), Shenzhen Institute of Data Economy, Shenzhen Institute of Artificial Intelligence and Robotics for Society, and ESG Future Foundation in June 2022.



- 7th Hong Kong Business Sustainability Index (“HKBSI”) – Organised by the Chinese University of Hong Kong (“CUHK”), MTR ranked #6 in the index in 2022.



- 3rd Greater Bay Area Business Sustainability Index (“GBABSI”) – 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 #6 in the index in 2022.



- 2nd Greater China Business Sustainability Index (“GCBSI”) – The GCBSI covers 200 constituent companies of the Hang Seng Index, FTSE TWSE Taiwan 50 Index, Shanghai Stock Exchange SSE 50, and Shenzhen Stock Exchange SZSE 100 Index. MTR ranked #8 in the index in 2022.

Corporate Governance

A robust and sound governance framework is a cornerstone to ensure the Corporation is managed properly and safeguards the interests of our shareholders and stakeholders while attaining long term sustainable growth. The Board of Directors is the highest governing body in the Corporation. Led by the Chairman of the Corporation, the Board is responsible for overseeing the overall management of the Corporation's business. In February 2022, we further strengthened our governance efforts by implementing a new Board Committee structure designed to optimise the decision-making processes of the Board and help achieve the governance goals set out in our Corporate Strategy. Under the new structure, the Board comprises six Board Committees and an Advisory Panel to oversee and provide advice on different aspects of the Corporation's affairs, including:

- Audit & Risk Committee;
- Capital Works Committee;
- Environmental & Social Responsibility Committee;
- Nominations Committee;
- Remuneration Committee;
- Finance & Investment Committee; and
- Technology Advisory Panel.

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

Board's Statement Regarding Sustainability Matters

Sustainability Governance

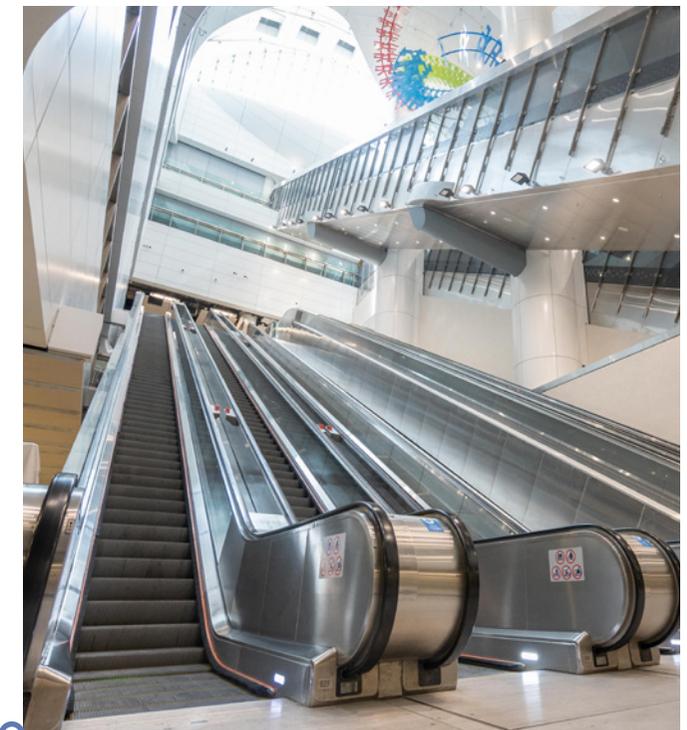
Our corporate governance framework supports our environmental, social and governance ("ESG") initiatives while ensuring ethical and transparent business operations. The Board has the overall responsibility for ensuring that the Corporation's governance framework enables it to oversee and address environmental and social issues that are material to the operations and businesses of the Corporation. The Board-level Environmental & Social Responsibility Committee ("E&SRC") provides strategic oversight of the Corporation's environmental and social strategy and investments. The Committee is also responsible for tracking performance against the Corporation's environmental and social key performance indicators ("KPIs") and reporting to the Board on these issues. Led by the Chairman of the Corporation, the Committee meets twice annually to monitor and oversee the Corporation's sustainability performance, the related frameworks and initiatives, and the progress of relevant KPIs.

At the management level, the Environmental & Social Responsibility Steering Committee ("E&SRSC") focuses on driving and reviewing the implementation of sustainability initiatives across all MTR business units and corporate functions. Chaired by the Legal and Governance Director, the E&SRSC meets four times every year and is attended by Executive Directors and senior managers representing all major business units and corporate functions. Details of the board-level E&SRC and E&SRSC including their compositions are available on our [Website](#).

Approach to the Prioritisation and Risk Management of Sustainability-related Issues

We identify, evaluate and prioritise issues which reflect the Corporation's significant economic, environmental and social impacts through the annual [stakeholder-driven materiality assessment process](#).

The Corporation's Enterprise Risk Management ("ERM") framework provides an effective management process to identify and review risks, including sustainability-related risks, across all business units and corporate functions as well as prioritising resources to manage any emerging risks on a systematic manner. The Enterprise Risk Committee, the Executive Committee and the board-level Audit & Risk Committee regularly review the Corporation's enterprise risk profile and brainstorm key emerging risks to ensure that key risks and those cutting across different areas of the business are captured and properly addressed.



Ethics and Integrity

The Corporation is committed to the highest standards of openness, probity and accountability. Our [Code of Conduct](#) clearly sets out the expectations of ethical behaviour 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. The Code of Conduct is reviewed and updated periodically to ensure its appropriateness and compliance with the corporate and regulatory requirements. To foster a more inclusive workforce, we have reviewed the diversity, equity and inclusion (“DEI”) clauses in the Code of Conduct and the revised version was released in February 2022.

All employees are required to complete mandatory online training programmes to ensure thorough understanding of the Code of Conduct and relevant legislations. New recruits are briefed on the Code of Conduct as part of the corporate induction workshop, and are required to complete the same mandatory online training programmes within three months of joining the Corporation. In addition to the mandatory online training programmes, we organise

regular staff awareness programmes and ethical 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. In 2022, our staff has attended around 700 hours anti-corruption training through corporate induction workshops and webinars.

This year, our Learning and Development Department (“L&DD”) organised various webinars related to ethics and integrity to reinforce awareness and refresh knowledge of staff, including:

- Preventing and Handling Sexual Harassment by Equal Opportunities Commission (“EOC”);
- Understanding Anti-discrimination Ordinances in Hong Kong by EOC;
- Understanding Personal Data (Privacy) Ordinance by The Office of the Privacy Commissioner for Personal Data Hong Kong; and
- Understanding Prevention of Bribery Ordinance by ICAC.

The Corporation has a [Whistle-blowing Policy](#) in place to provide a confidential channel to receive complaints to fraudulent acts, unethical acts or actual or potential non-compliances with laws and/or the Corporation’s policies without fear of victimisation, discrimination or disadvantage. The Policy is posted on the [Corporation’s website](#) and applies to all internal and external stakeholders. In 2022, the Whistle-blowing Panel evaluated 186 cases. Of those cases, 149 did not meet the definition of “whistle-blowing”. Investigations of 32 instances were completed resulting in 12 substantiated cases, 2 partially substantiated cases and 18 unsubstantiated cases. As at 31 December 2022, 5 incidents are still under investigation. Appropriate follow-up actions have been taken by management in response to the substantiated and partially substantiated cases.



Financial Sustainability

Economic Value Generated and Distributed

MTR's income is primarily generated from fares, and 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 which brings significant benefits in optimising the integration between our property development and rail expansion. Funds generated from property development are used to support railway operations and help bridge the funding gaps when building new railway lines.

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

Sustainable Finance

Since 2016, MTR has raised sustainable finance of more than HK\$ 32 billion, which was a key part of our financing strategy for funding railway asset replacement, energy efficiency improvement and railway service enhancement projects.

In 2022 sustainable finance totalling HK\$ 2.8 billion was arranged to fund projects for energy conservation, environmental protection, as well as enhancement and expansion of low-carbon railway services.

For details of our Sustainable Finance Framework, the eligible projects and their respective emission reduction impact estimation, please refer to our [Website](#).

Value Added and Distribution Statement in 2022 (HK\$ Million)

Economic Value Generated

Revenue from Hong Kong Transport Operations	13,404
Revenue from Hong Kong Station Commercial Businesses	3,077
Revenue from Hong Kong Property Rental and Management Businesses	4,779
Revenue from Mainland China and International Subsidiaries	26,189
Revenue from Other Businesses ¹	1,458
Hong Kong Property Development Profit from Share of Surplus and Interest in Unsold Properties ²	11,599
Total:	60,506

Economic Value Distributed

Staff Costs ³	15,683	Employees
Capital and Operating Expenditures in Maintaining, Upgrading and Renewing the Existing Hong Kong Railway System	12,358	Existing Hong Kong Railway System
Other Operating Costs ⁴	19,062	Suppliers & Business Partners
Fixed and Variable Annual Payments	1,073	KCRC
Interest and Finance Costs ⁵	699	Lenders
Taxes ⁶	1,402	Governments
Ordinary Dividends	6,673	HKSAR Government
	2,248	Other Shareholders
Community Investment ⁷	25	Community
Economic Value Retained for Reinvestment ⁸	1,283	
Total:	60,506	

59,223

Notes

1. Includes share of profit of associates and joint ventures.
2. Before taking into account staff costs of HK\$10 million.
3. Excludes staff costs related to Hong Kong railway system maintenance of HK\$2,477 million, capitalised for asset creation of HK\$2,168 million and recoverable of HK\$606 million.
4. 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\$2,511 million.
5. Excludes interest expenses capitalised for asset creation of HK\$356 million.
6. Represents current tax and excludes deferred tax for the year.
7. Includes donations, sponsorships and other community engagement contributions, and excludes in-kind donations of HK\$29 million given. In addition, there were (i) ongoing fare concessions of approximately HK\$2.1 billion, (ii) other fare promotions, and (iii) rental concessions granted to station and mall tenants that have not been accounted for in this amount.
8. Economic value retained for reinvestment to generate future economic values. This represents underlying business profit attributable to shareholders of the Company (before depreciation, amortisation, impairment loss and deferred tax) for the year retained, after the amounts distributed to our stakeholders and invested in maintenance, upgrade and renewal of our Hong Kong railway system.

ESG Fund

To support the three Environmental and Social Objectives (“E&SO”) and the achievement of the associated KPIs, we have formulated an ESG Investment Framework to institutionalise environmental and social principles into the Corporation’s investment decision making process and to provide funding for business units and corporate functions for eligible ESG projects. The Framework enables us to make ESG a key consideration in our overall financial investment decision making process and to allocate financial resources to suitable ESG initiatives effectively. The E&SRSC is responsible for the oversight and implementation of the ESG Investment Framework.

A designated ESG Fund will be allocated annually by the MTR Board to support eligible ESG projects. This Fund will be separated to the annual operational and capital expenditure budget (which includes funding for many larger scale projects with environmental benefits, such as our asset replacement projects or our network enhancements) and will be used to finance unbudgeted ESG projects which may not have a viable financial business case or to fund the incremental cost of a budgeted item that requires additional investment to enhance its ESG performance. All eligible projects will be evaluated and assessed using environmental and social scorecards by the E&SRSC. The criteria in the scorecards will be reviewed periodically to ensure that they are fit-for-purpose. The

first round of ESG Funding applications (including projects such as purchasing e-buses and installing the charging facilities, installing a rainwater harvesting system in an existing mall, developing the Social Inclusion App, organising the Social Inclusion Week and supporting the Legacy Train Revitalisation Programme) were approved in October 2022. The progress and outcomes of the approved ESG projects will be reported to the E&SRSC and the board-level E&SRC regularly.





MTR'S ENVIRONMENTAL AND SOCIAL OBJECTIVES

3

Environmental and Social Objectives

21

key performance indicators achieved in 2022

44

key performance indicators developed for 2023 and beyond

On MTR Sustainability Website: Read our Management Approach

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

Our Policies and Standards

- > [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, 102-20, 201-1

HKEX: MDR-Governance Structure, GD-B7, KPI B7.2, KPI B7.3





With our corporate purpose being to “Keep Cities Moving”, we strive to connect and grow communities with inclusive, innovative and sustainable services and have set forth three environmental and social objectives (“E&SO”) which are both material to our business and to society: (1) fostering social inclusion, (2) providing opportunities to empower people and communities, and (3) reducing greenhouse gas emissions. Under these three E&SO, we have clearly defined 10 focus areas and a set of key performance

indicators (“KPIs”) that will concentrate our efforts in the areas in which we can create a greater impact for society. They illustrate our approach to further embedding environmental and social principles within the Corporation to ensure that we deliver value for all of our stakeholders. We will continue to implement relevant initiatives to advance our E&SO and will regularly review our progress and performance and communicate with stakeholders through our annual sustainability report.



Environmental and Social Objective 1: Social Inclusion

As a provider of public transport services for all, social inclusion lies at the very heart of who we are and what we do.

5
GENDER EQUALITY

8
DECENT WORK AND ECONOMIC GROWTH

10
REDUCED INEQUALITIES

11
SUSTAINABLE CITIES AND COMMUNITIES



Environmental and Social Objective 3: Greenhouse Gas Emissions Reduction

As a low-carbon transport provider, we are committed to managing our environmental footprint and achieving carbon neutrality.

7
AFFORDABLE AND CLEAN ENERGY

9
INDUSTRIAL INNOVATION AND INFRASTRUCTURE

11
SUSTAINABLE CITIES AND COMMUNITIES

12
RESPONSIBLE CONSUMPTION AND PRODUCTION

13
CLIMATE ACTION

Universal Basic Mobility

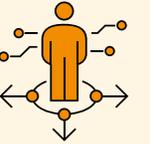
We commit to providing access to a safe, affordable, accessible and sustainable transport system for all and ensuring our fare and other concessions target those who need them the most.

Diversity & Inclusion

We commit to eliminating discrimination in our practices and policies and to increasing the diversity of our workforce.

Equal Opportunities

We commit to helping excluded and underserved populations access their fair share of opportunity.



Environmental and Social Objective 2: Advancement & Opportunities

As we fulfil our vision to connect and grow communities, we create opportunities for others to develop themselves and grow alongside us.

3
GOOD HEALTH AND WELL-BEING

4
QUALITY EDUCATION

8
DECENT WORK AND ECONOMIC GROWTH

9
INDUSTRIAL INNOVATION AND INFRASTRUCTURE

Employees

We commit to helping employees grow personally and professionally through learning and opportunities for career advancement, and to fostering their well-being.

Business Partners

We commit to enhancing and rewarding the environmental, social and governance (“ESG”) performance of our supply chain and increasing our spend on green procurement.

Future Skills & Innovation

We commit to collaborating with local schools and universities, as well as startups and the technology ecosystem to foster innovation.

Carbon Emissions

We commit to integrating low-carbon measures into our policies, strategies and planning as well as strengthening our resilience and adaptation to climate-related risks

Clean Energy & Energy Efficiency

We commit to adopting suitable energy efficiency measures in our operations and increasing the generation of renewable energy

Waste Management

We commit to reducing waste at source, increasing our recycling rates and upcycling our waste

Green and Low-carbon Designs

We commit to developing sustainable infrastructure with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies



In 2022, we developed a set of 35 KPIs, consisting of short-, medium- and long-term initiatives, to gauge and drive our performance under the three E&SO. Most of the KPIs have either been achieved or are on track to being achieved and only one KPI failed to be met. Our performance against these KPIs is detailed below.

KPIs	Status	Remarks
Objective 1: Social Inclusion		
Universal Basic Mobility		
A Social Inclusion App to better serve the needs of elderly and Persons with Disabilities (“PWD”) will be launched in 2022	Achieved	The “MTR · Care” app was launched in November 2022.
10 key initiatives to improve age- and PwD-friendly facilities in our existing stations will be implemented in 2022	Achieved	Ten initiatives were implemented such as charging spot for powered wheelchair at Kowloon Tong Station, new vertical lifting platform for wheelchair users at Tin Hau Station, new washroom at Tsim Sha Tsui Station, and new seats added to 19 bus shelters for MTR Bus.
No less than 750,000 average daily passenger trips will benefit from fare concessions in 2022	Achieved	About 993,000 average daily passenger trips benefited.
Injuries requiring hospitalisation per 100 million passenger journeys in 2022 <ul style="list-style-type: none"> • Heavy Rail: 5.67 • Light Rail: 8.38 • Bus: 6.85 	Fell short (Heavy Rail Injury rate) Achieved (Light Rail and Bus)	The injury rate for heavy rail was 6.50 in 2022. Most of the injuries were related to escalator accidents and slips, trips and falls that involved elderly. Actions taken such as conducted trial of reducing escalator speed, posted giant wall stickers on escalator safety, and broadcast safety messages through PA systems at stations.
100% of our new stations will be accessible (including barrier free entrances, wide gates, accessible toilet and baby care room)	On track	Our new Exhibition Centre Station has installed all the accessibility facilities.
Diversity & Inclusion		
25% of our Board of Directors will be women by 2025	On track	21% female Board of Directors as at end-2022.
3 initiatives aimed at enhancing workforce diversity will be carried out in collaboration with NGOs in 2022	Achieved	Three internship or traineeship programmes in collaboration with The Hong Kong Council of Social Service and The Zubin Foundation were carried out. A total of 12 candidates either with special educational needs or ethnically diverse background joined the programmes.
70 diversity, equity and inclusion (“DEI”) training events for staff will be held in 2022	Achieved	Over 230 DEI training events were held.
8% of our summer interns will be ethnic minorities or PwD in 2022	Achieved	9% of summer interns were ethnic minorities or PwD.
Workplace inclusiveness will be enhanced in 2022	Achieved	A women’s network was established in September 2022 – subsequently renamed to a Gender Equity Network in March 2023. The language requirements for over 10 job advertisements were reviewed. The accessibility facilities in office buildings were reviewed through a consultancy study.
DEI clauses in our Code of Conduct and Equal Opportunities Policy will be reviewed in 2022	Achieved	The revised Code of Conduct was released in February 2022.
Equal Opportunities		
HK\$100 million will be spent on direct local community investment and donations from 2022 to 2025	On track	Around HK\$25 million were spent in 2022.
200,000 people will benefit from our community programmes and volunteering projects from 2022 to 2025	On track	Over 59,000 people benefited in 2022.

KPIs	Status	Remarks
Objective 2: Advancement & Opportunities		
Employees		
At least 5 learning days will be provided to employees on average every year	Achieved	Over 5 learning days were provided for employees on average in 2022.
200+ employment and pre-employment opportunities will be provided for young talents in 2022	Achieved	Around 360 employment and pre-employment opportunities were provided.
Business Partners		
HK\$250 million will be spent on green procurement in 2025, rising to HK\$350 million in 2030	On track	Over HK\$110 million were spent in 2022.
50+ key suppliers will attend training sessions on ESG best practices in 2022	Achieved	A webinar was held in October 2022 attended by representatives from 57 key suppliers. Positive feedback on enhancing understanding of ESG was received.
Major contracts for New Railway Projects – an incentive scheme to measure and reward environmental and safety performance will be established by 2022	Achieved	An incentive scheme encouraging the achievement of safety and environmental targets has been incorporated in the Tender Documents for major new railway contracts.
A system to track spend with small and medium sized enterprises will be established in 2022	Achieved	A system was established to identify the number of local SMEs in our database and review the current expenditure with them so as to explore ways to increase opportunities to local SMEs.
Future Skills & Innovation		
50,000+ people will benefit from our future skills and innovation programmes (including those by MTR Academy) from 2022 to 2025	On track	Over 5,000 people benefited in 2022.
HK\$300 million+ will be invested in startups from 2022 to 2025	On track	Invested around HK\$100 million in startups focusing on smart city technologies in 2022.

KPIs	Status	Remarks
Objective 3: Greenhouse Gas Emissions Reduction		
Carbon Emissions		
Set 2030 science-based targets for our railway and property businesses in Hong Kong	Achieved	Targets have been submitted to and are being validated by the SBTi.
200+ additional EV charging stations will be installed across office buildings, malls and station carparks by 2025	On track	Installed 40 EV charging stations in 2022.
50,000+ people will actively participate in our low-carbon initiatives in 2022	Achieved	Over 50,000 people participated in our waste reduction, recycling and water saving initiatives as well as installing Carbon Wallet to adopt a low-carbon lifestyle.
Strive to achieve carbon neutrality by 2050	On track	Our first step towards carbon neutrality will be to achieve our 2030 science-based targets.
Clean Energy & Energy Efficiency		
1 million kWh of renewable energy will be generated by 2023	On track	Around 160,000 kWh generated in 2022. Installation works at Pat Heung Depot, Chai Wan Depot, Sunny Bay Station and Siu Hong Station are underway.
100% shopping malls will engage tenants in energy-saving initiatives in 2022	Achieved	All shopping malls have engaged tenants in energy-saving initiatives such as reduced shopfront lighting hours in Elements and encouraged tenants to join "Earth Hour".
A building energy management system will be piloted in our stations/ shopping malls in 2022	Achieved	The pilot project is being conducted at Elements to develop an integrated AI solution combining system energy efficiency and occupancy monitoring.
Waste Management		
60% of our staff canteens will send food waste to O•PARK for treatment in 2022	Achieved	All staff canteens are sending food waste to O•PARK.
25% of our shopping mall food & beverage tenants will join our food waste reduction programme in 2022	Achieved	25% of our shopping mall F&B tenants joined our programme.
5 additional water dispensers will be installed in our stations in 2022	Achieved	6 additional water dispensers were installed at Tsing Yi, Diamond Hill, Chai Wan, Hang Hau, Austin and Tai Shui Hang stations.
Green and Low-carbon Designs		
1,400+ more bike parking spaces will be provided around properties managed by MTR by 2025 (compared with 2020)	On track	720 additional bike parking spaces were provided in 2021 and 2022.
2.5% water will be saved in depots in 2022 with 2021 level as baseline	Achieved	Over 2.5% of water was saved.
2% water will be saved in 2022 with 2018 level as baseline for our shopping malls; rising to 5% reduction in 2025	On track	Over 2% of water was saved in 2022.
100% future new stations & new residential development projects aim to attain BEAM Plus Gold or above certification	On track	Tung Chung East and Tung Chung West stations have achieved BEAM Plus Provisional Gold certifications.

This year, we have identified a new set of KPIs to continue our efforts to drive the three E&SO. Both new and on-going KPIs are listed below.



Environmental and Social Objective 1: Social Inclusion



Universal Basic Mobility

Short- and Mid-term KPIs:

- Launch of **Social Inclusion App Phase 2** with the expansion of Visually Impaired function in 2023 and complete by 2025
- **Continuous enhancements** (1-2) in each identified area (accessibility / mobility / visibility) for passenger groups with special needs in 2023
- **No less than 1 million average daily passenger trips** will benefit from fare concessions in 2023
- **Injuries requiring hospitalisation** per 100 million passenger journeys in 2023



Heavy Rail
≤ 5.65



Light Rail
≤ 7.31



Bus
≤ 5.83

Long-term KPI:

- **100%** of our **new stations** will be accessible (including barrier free entrances, wide gates, accessible toilet and baby care room)



Diversity & Inclusion

Short- and Mid-term KPIs:

- **25%** of our Board of Directors will be **women** by 2025
- **8 secondary schools with diverse student bodies** will be reached out for career sharing/job shadowing in 2023
- A **diversity, equity and inclusion (“DEI”) workshop** for all Executives will be conducted in 2023
- **150 DEI training events** for staff will be held in 2023
- An **internship programme** for 10 students who are **Persons with Disabilities (PwD)** or **ethnically diverse** will be launched in 2023
- **10%** of our **interns** will be **PwD** or **ethnically diverse** in 2023
- **Workplace inclusiveness** will be enhanced in 2023 through:
 - (1) Conducting a corporate-wide survey on DEI, and
 - (2) Reviewing recruitment requirement



Equal Opportunities

Short- and Mid-term KPIs:

- **HK\$100 million** will be spent on direct local **community investment and donations** from 2022 to 2025
- **200,000 people** will **benefit** from our community programmes and volunteering projects from 2022 to 2025



Environmental and Social Objective 2: Advancement & Opportunities



Employees

Short- and Mid-term KPIs:

- At least **5 learning days** will be provided to employee on average every year
- **200+ employment and pre-employment opportunities** will be provided for young talents in 2023
- At least **10 wellness related activities/events** will be organised for employees in 2023
- Over **75% of our managed residential properties** will **sign the Heart Caring Charter** and organise **wellness activities** to promote healthy lifestyles for employees by 2024



Business Partners

Short- and Mid-term KPIs:

- **HK\$250 million** will be spent on **green procurement** in 2025; rising to **HK\$350 million** in 2030
- **60+ suppliers** will attend training sessions on ESG best practices in 2023
- **15 supplier review audits** will be completed in 2023
- At least **15 supplier review meetings** will cover ESG in 2023
- Up to **55%** increase in number of **registered SMEs** in the supplier database in 2023



Future Skills & Innovation

Short- and Mid-term KPIs:

- **50,000+ people** will benefit from our **future skills and innovation programmes** (including those by MTR Academy) from 2022 to 2025
- **HK\$300 million+** will be **invested in startups** from 2022 to 2025



Environmental and Social Objective 3: Greenhouse Gas Emissions Reduction



Carbon Emissions

Short- and Mid-term KPIs:

- **Science-based Targets** for **2030**
 - **200+ additional EV charging stations** will be installed across office buildings, malls and station carparks by 2025
 - At least **30 e-buses** will be introduced by 2026
 - **50%** of executive private vehicles will be replaced by **EV** or be cancelled by 2024
 - Develop a **pilot battery energy storage system** for our diesel engineering wagons by 2024
- Long-term KPI:**
- Strive to achieve **carbon neutrality** by **2050**



Clean Energy & Energy Efficiency

Short- and Mid-term KPIs:

- **1 million kWh** of **renewable energy** will be generated by 2023
 - **20% chiller energy saving** expected after completing **Batch 2 chiller replacement project** in our stations by 2026
 - Around **20% chiller energy saving** expected after completing **chiller replacement programme** in Headquarters in 2024 as compared with 2019
 - Over **70% of our managed residential properties** will
- conduct **energy audit** for the common areas and develop energy saving plan by 2025
- **100% existing shopping malls** (with full operation in 2022) will complete **energy audit** for the common areas and develop energy saving plan by 2025
 - Conduct a **pilot programme** in a shopping mall to engage and assist tenants in identifying **energy saving measures** in 2023



Waste Management

Short- and Mid-term KPIs:

- **Over 75% of our managed residential properties** will collect **glass containers** for **recycling** in 2023
- **100% shopping malls** will collect **glass containers** for **recycling** in 2023
- **8 additional water dispensers** will be installed across stations in 2023-2024



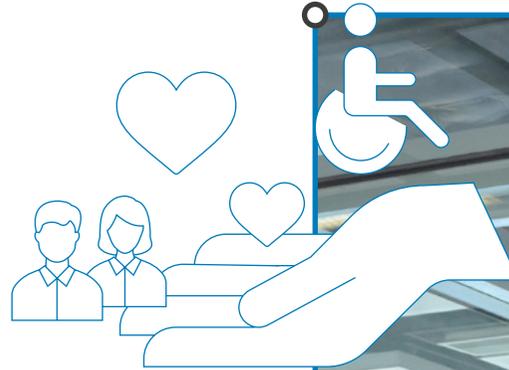
Green and Low-carbon Designs

Short- and Mid-term KPIs:

- **1,400+ more bike parking spaces** will be provided around stations and properties managed by MTR by 2025
 - **2.5% water** will be saved in **depots** in 2023 with 2022 level as baseline
 - **5% water** will be saved in 2025 with
- 2018 level as baseline for our **shopping malls**
- Long-term KPI:**
- **100% future new stations & new residential development projects** will aim to attain **BEAM Plus Gold** or above certification



PROMOTING SOCIAL INCLUSION



MTR · Care app
launched

Over 3,000 staff
participated in the
Social Inclusion Week

HK\$25 Million
community investment
spent in 2022

On MTR Sustainability Website:
Read our Management Approach

- > [Customer Services](#)
- > [Social Inclusion](#)
- > [Advancement & Opportunities](#)

Our Policies and Standards

- > [Corporate Safety Policy](#)
- > [Customer Service Pledge](#)
- > [Caring for our Customers with Special Needs Booklet](#)
- > [Board Diversity Policy](#)
- > [Code of Conduct](#)
- > [Corporate Responsibility Policy](#)

In This Chapter:

GRI: 2-7, 203-1, 203-2, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 405-1, 413-1, 413-2, 416-1, 416-2

HKEX: GD-B1, GD-B2, GD-B6, GD-B8, KPI B1.1, KPI B2.1, KPI B2.2, KPI B2.3, KPI B8.1, KPI B8.2

SDGs:



As a provider of public transport services for all, social inclusion lies at the very heart of who we are and what we do.

Universal Basic Mobility

We are committed to providing access to a safe, affordable, accessible and sustainable transport system for all and ensuring our fare and other concessions target those who need them the most.

Safety First

Safety of our employees, passengers, customers, tenants, contractors and business partners is an uncompromising pre-requisite underlying all aspects of our business. It is the responsibility and duty of all of our staff and should be always foremost in everything we do. We are committed to complying with all applicable statutory requirements, upholding a safety-first culture, and adopting management systems to achieve the Corporation's safety goals to continuously improving our safety performance.

Managing Safety

Our [Corporate Safety Policy](#), together with the Corporate Safety Governance Management, outline our safety management approach and objectives. In addition, the Corporate Safety Management Model lays down appropriate safety management processes and systems across eight core elements, constituting an effective and robust system bespoke to our operations, which can further support our approach to ensuring safety in all of our operations. We review and formulate a Corporate Strategic Safety Plan every four years to ensure our safety strategy is up-to-date and aligns with the latest global trends and best industry practices. Launched in 2021, the latest 4-year Corporate Strategic Safety Plan ("the Plan") sets out our path in safety under the "Transforming the Future" Corporate Strategy and promotes the aspiration of "Everyone is a safety leader" with an aim to achieve zero harm to all stakeholders. Stressing on safety is everyone's responsibility with the importance of teamwork, the Plan lists out the Strategic Focus Areas to guide our safety practices and drive safety improvement across all our businesses in Hong Kong, Mainland China and abroad.

Corporate Strategic Safety Plan 2021-2024



Safety Aspirations

are our desired states in the long run

- A1 Everyone is a safety leader
- A2 The Corporation is a global model in safety management



Safety Goals

are objective, measurable, and tangible targets to achieve over the next four years, guiding us towards our Safety Aspirations

- G1 Zero fatalities every year
- G2 Zero major safety system incidents every year
- G3 Reduction in injuries on our journey to zero injury
- G4 Zero convictions for safety offences
- G5 Targets of all safety performance leading indicators achieved



Strategic Focus Areas

direct our efforts over the next four years to where we should give higher priority in order to achieve the defined Safety Goals

People

- S1 Cultivate a safety-first mindset
- S2 Develop competency and training
- S3 Foster an open safety reporting culture and a "Just Culture"
- S4 Enhance physical and mental health and well-being of the workforce



Management Systems

- S5 Improve efficiency and effectiveness in safety management
- S6 Apply innovation and technology to drive performance



Resilience

- S7 Identify hazards and control risks proactively and persistently
- S8 Strengthen three lines of defence in safety

In 2022, we expanded our traditional “Safety Month” to a year-long “Corporate Safety Campaign” to further strengthen the safety culture across the Corporation on an ongoing basis. The “Corporate Safety Campaign Launch Ceremony 2022” was held in June in a hybrid format to enable local and overseas staff to participate. The Campaign included a series of activities such as a Safety and Health Online Quiz, a Global Safety Hackathon, a drawing and colouring competition and a Safety Hero Award Scheme, together with a Global Safety & Health Conference to conclude the Campaign.

Global Safety Hackathon 2022

As part of the Corporate Safety Campaign, a three-day Global Safety Hackathon 2022 was organised to engage creative minds across the Corporation to think of solutions to enhance safety performance, as well as fostering the exchange of knowledge and ideas on safety among our operations globally. With over 700 on-site and online attendees, the Hackathon focuses on addressing three main safety challenges: fatality reduction, human factors and well-being at work.

A total of nine teams from different business units globally participated in the Hackathon to bring up innovative solutions to further enhance the Corporation’s safety performance in the three focus areas. A judging panel with members including our Chief Executive Officer was formed to select the winning team. With the suggestion of an innovative approach to human factors safety training, Shenzhen MTR was selected as the champion team. They have created an educational system map containing past human factor incident information. Staff can learn about what human factors incidents had been occurred in each station by reading the texts, watching the videos and pictures, and listening to the voiceover from the map, making the training more interactive and interesting.

Customer Safety

We are committed to providing a safe and hygienic railway service to keep our city moving.

Throughout the COVID-19 outbreak, we have implemented a wide range of preventive measures to ensure the sanitary conditions of our trains, stations and facilities. To keep our stations safe and hygienic, we have deployed 95 “Little Whale” and “Big Whale” cleaning robots to conduct deep cleaning and decontamination in stations. In virtue of the adoption of robotic cleaning technologies, social distancing could be maintained and the risk of exposure of our passengers and cleansing staff to the virus could be greatly reduced.

In addition, we set up a Community Vaccination Centre in Tsing Yi Station in March 2022, providing convenience to the public in the vicinity to make a booking for vaccination. Aiming at supporting the Government’s plan to boost the vaccination rate in Hong Kong, the Community Vaccination Centre was located in the unpaid area of Tsing Yi Station and could be easily accessed by MTR and other modes of transport. To facilitate the operations of the centre, additional cleaning and disinfection have been carried out while routine cleaning and disinfection works were also strengthened.

Apart from safeguarding the health of our customers from the COVID-19 pandemic, we continue to emphasise 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 and hardware to ensure that they have the knowledge and skills to perform their daily duties with passenger safety in mind.

To strengthen the protection of passengers who may experience cardiac arrest, we have installed around 300 Automated External Defibrillators (AEDs) at concourses and platforms of all heavy rail stations and Hong Kong West Kowloon Station of the High-Speed Rail (Hong Kong Section). This allows our staff and members of public to provide timely response with accessible devices in emergencies. With the aim to better prepare our staff to assist passengers in need during unexpected incidents, we have arranged station staff to learn or refresh their knowledge to use AED.



The Community Vaccination Centre in Tsing Yi Station

Road and Track Safety

In 2022, MTR recorded 87 injuries requiring hospitalisation, leading to our target of injury rate for heavy rail not met. Most of the injuries were related to escalator accidents and slip, trip and fall that involved elderly. We have stepped up our efforts to enhance and promote passenger safety at stations, such as:

Enhancing and promoting escalator safety:

- Conducted trial of reducing escalator speed at black spot stations
- Posted giant wall stickers promoting escalator safety beside the selected escalators
- Developed newsfeed to promote safety message at black spot stations through MTR Mobile

Raising awareness to prevent slip, trip and fall at stations:

- Broadcast safety messages through PA systems at stations
- Affixed “Mind your step” label on the black spot staircases
- Affixed staircase Nose Tile Yellow Warning label at the black spot staircases

Our Escalator Safety Task Force continued to promote the importance of riding escalators safely to prevent accidents, including opening promotional information booths at stations and launching awareness campaigns. We have also organised staff awareness programmes including a 60-day zero escalator accident award scheme and enhanced local briefing on escalator safety for our station staff. An Elderly Caring Programme will be established to focus on the prevention of elderly accidents.

We benchmark our heavy rail network in Hong Kong with overseas counterparts through the COMET Benchmarking platform against 30 top-level indicators, including Safety and Security. Please refer to [Performance Benchmarking](#) in our Performance Metrics for further information.

Number of Customer and Public Injuries Requiring Hospitalisation in Hong Kong

	Heavy Rail	Light Rail	Bus
2020	29	2	2
2021	25	3	3
2022	87	4	1

Customer and Public Safety – Fatalities in Hong Kong

	Heavy Rail	Light Rail	Bus
2020	1	1	0
2021	0	0	0
2022	1	0	0

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

	2020	2021	2022
Heavy Rail			
Target	7.60	6.64	5.67
Performance	2.51	1.76	6.50
Light Rail			
Target	11.67	9.89	8.38
Performance	1.79	2.12	3.04
Bus			
Target	6.85	6.85	6.85
Performance	3.99	4.99	1.74

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

	Shenzhen Metro Line 4	Melbourne’s Metropolitan Rail Service	Sydney Metro North West Line	Stockholm Metro	MTRX	Stockholms Pendeltåg	Mälartåg	Elizabeth line
Target	0	0	0	0	0	0	0	0
Performance	0	2	0	0	0	0	0	0

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

	Shenzhen Metro Line 4	Melbourne’s Metropolitan Rail Service	Sydney Metro North West Line	Stockholm Metro	MTRX	Stockholms Pendeltåg	Mälartåg	Elizabeth line
Target	1.41	1.66	4.10	1.00	19.00	0.75	0.80	4.17
Performance	0.78	1.54	3.21	1.12	25.73	0.53	0.68	2.04

Train Incidents at Yau Ma Tei Station and on Tseung Kwan O Line

Two train incidents occurred in the last two months of 2022. On 13 November 2022, a Tsuen Wan Line train from Mong Kok Station hit a permanent fixed metallic protection barrier on the trackside which had dislodged, as it was entering a platform of Yau Ma Tei Station. This led to the front wheel axle of the train's first car moving off the rail and two pairs of train doors being disengaged. Another incident occurred on 5 December 2022, in which a Tseung Kwan O Line train approaching Tseung Kwan O Station was brought to a stop by the fault-protection mechanism because an abnormal extension of a gangway between two train cars was detected.

The Corporation takes these two incidents seriously. Investigation Panels with external experts were set up for the two incidents to identify their respective root causes and make recommendations for improvement and to avoid recurrence. The findings of these investigations were reported to the Government.

In relation to the incident at Yau Ma Tei Station, the investigation report was made public on 12 January 2023 and the Corporation is making every effort to implement the identified improvement actions, including the upgrading or replacing of all metallic protection barriers of a similar nature, the implementation of periodic inspections of all metallic protection barriers, as well as the exploration of the use of technology to provide real time monitoring and alerts for railway envelope intrusions. Train modifications will also be made to ensure effective handling of incidents with trains sending direct alert to the Operations Control Centre when a detrainment ramp on train is operated.

Regarding the Tseung Kwan O Line incident, the Corporation is implementing the recommendations set out in the investigation report made public on 3 February 2023. The improvement actions include adding extra security to collars of the same

type for holding energy absorption device within the coupler assembly for train fleet, requiring the coupler assembly supplier to progressively replace the incident type energy absorption device with an enhanced design, and exploring the adoption of technology to monitor the operation of these devices between overhauls for appropriate preventive maintenance.

In addition, as announced in December 2022 the Corporation has committed to undertaking a comprehensive review of its overall asset management and maintenance regime, which is scheduled to be completed in 2023.

The provision of a safe, reliable and efficient railway service for passengers is always our top priority. The Corporation will continue to learn from any incidents and to continuously enhance our systems, procedures and culture to ensure railway safety and eliminate the potential risk of similar incidents.

For details on the investigation of the two incidents and improvement actions, please refer to the relevant press releases:

- MTR Fully Implementing Recommendations about Enhanced Maintenance Regime and Contingency Arrangement following Train Incident at Yau Ma Tei Station
- MTR Fully Implementing Improvement Actions following Train Incident on Tseung Kwan O Line

Building Safety Awareness in the Community

We strive to promote the importance of railway safety to the public through different platforms. In July 2022, we hosted the "MTR Safety Experience Zone" exhibition booth at the Hong Kong Book Fair. In collaboration with People On Board Social Enterprise Limited, the booth offered interactive games for visitors to learn more about railway safety and courteous behaviour.



"MTR Safety Experience Zone" exhibition booth at the Hong Kong Book Fair in July 2022

During the year, we continued to step up our efforts to promote escalator safety messages, including launching related social media video to promote escalator safety and enhance public awareness while travelling on escalators.

We also organised various commuter safety programmes for our Light Rail operations, including the No Trespassing Education Programme and Cyclist Safety Promotion in 2022 to raise road safety awareness for commuters and pedestrian.



Mr. Law Ka-Ying acted as a safety ambassador to promote escalator safety in the promotional social media video

Staff and Contractor Safety

To foster a safety-first culture, we actively share safety best practices across the Corporation and reinforced the principle with our contractors and subcontractors. We strive to minimise or eliminate the risk before the commencement of works, where practicable, by identifying high risk activities and mitigating them with proper method statements as well as implementing risk assessments and safety control measures.

In 2022, 10 Corporate Safety Management Training (“CSMT”) classes were held for around 200 newly promoted/ recruited managers of different business units in Hong Kong. This training was also rolled out to our subsidiaries and associates in Mainland China, Macau and overseas. The objectives of the CSMT are to standardise the competence training for managers and to promote shared safety values and culture across our business units, subsidiaries and associates. In addition, two classes of five-day ISO 45001 Occupational Health and Safety Management System Lead Auditor training were held for 20 colleagues to refresh and enhance their safety auditing skills.

In the interest of personal and public health, the Corporation has updated the Evolved Measures against COVID-19 with a risk-based and phased approach. To protect our staff and passengers, we have made MTR a vaccinated workplace by requiring all MTR staff to receive two COVID-19 vaccines by the 1st quarter of 2022. We had extended the same requirements to the contractors working for our railway services and at our investment properties. In addition to an extra day of well-being leave, the Corporation also introduced a new half-day Childcare Vaccination Leave for employees who need to accompany their children aged under 3 to receive the vaccination.

OVERSEAS HIGHLIGHTS

MTR Elizabeth line

To provide a safe and secure environment for passengers and colleagues, MTR Elizabeth line has installed enhanced anti-trespass features at its stations including signage in various community languages and improved boundary fencing to mitigate the risk of trespass and fatalities on the railway. In addition, MTR Elizabeth line has revived security training for staff and enhanced the station security inspections. MTR Elizabeth line also works closely with station agency staff management team to ensure alignment with MTR security standards.

Besides, MTR Elizabeth line has run several security, safety and safeguarding campaigns including:

- Five joint engagements with The Samaritans (a suicide prevention charity) providing information on suicide prevention and mental health at stations, such as Ealing Broadway. Samaritans staff were able to talk to passengers and provide necessary support;



Samaritans staff provided tips on mental health and vulnerable customers

- Twenty-four customer confidence engagement sessions were conducted to discuss hate crime, sexual harassment and safe travel. These sessions were delivered jointly by staff and local partners of MTR Elizabeth line, British Transport Police, the Metropolitan Police’s Safer Transport Team, the Havering Borough Council Enforcement team, the Greenwich Safer Communities Enforcement and ‘Walk it Out’ a women’s safety organisation; and
- Two “Violence Against Women and Girls” engagements were organised with the British Transport Police. The engagement included a ‘Walk and Talk’ in the local area promoting women’s safety and improved awareness around “Violence Against Women and Girls” with our passengers.

Awards & Recognition	Organisers
<p>Gold Award in the 2021/2022 Construction Industry Safety Award (Tin Wing Stop)</p>	<p>Labour Department</p>
<p>9th Best Property Safety Management Award</p> <ul style="list-style-type: none"> • Gold Award in Residents' RMAA Works Safety Enhancement (Ocean Walk) • Silver Award in the Best Property Contractor in Occupational Safety and Health (World-Wide House) • Bronze Award in Best Safety Enhancement Programme (ELEMENTS) • Bronze Award in Safety Culture Award (Maritime Square) 	<p>Occupational Safety and Health Council</p>
<p>17th Occupational Health Award 2021-22</p> <ul style="list-style-type: none"> • Grand Award in the category of Joyful@Healthy Workplace Best Practices Award (Enterprise/ Organisation Category) (Tung Chung Crescent) • Merit Award in the category of Joyful@Healthy Workplace Best Practices Award (Enterprise/ Organisation Category) (Seaview Crescent) • Outstanding Award in the category of Joyful@Healthy Workplace Best Practices Award (Branch/ Small and Medium Enterprise) (Caribbean Cost) • Merit Award in the category of Hearing Conservation Best Practices Award (Citylink Plaza) 	
<p>14th Hong Kong Outstanding OSH Employee Award</p> <ul style="list-style-type: none"> • Merit Award (Ms. Amy Wong, Shopping Centre Officer (Ocean Walk)) 	
<p>23rd Construction Safety Award</p> <ul style="list-style-type: none"> • Gold Award of Best Method Statement (Ho Man Tin Station Package Two Property Development) • Silver Award of Best Safety Enhancement Program for Lifting Operation (Ho Man Tin Station Package Two Property Development) • Silver Award of Best Refurbishment and Maintenance Contractor in Occupational Safety and Health (Maintenance Services for ECS/PRC System) • Bronze Award of Best Method Statement (Tin Wing Stop Property Development) • Merit Award of Outstanding Operating Team (Tin Wing Stop Property Development) • Merit Award of Best Safety Enhancement Program for Working at Height (The Southside Package 2 Property Development) 	
<p>28th Considerate Contractor Site Award</p> <ul style="list-style-type: none"> • Silver Award in Consideration Construction Site Awards (Yau Tong Ventilation Building Property Development) • Silver Award in Consideration Construction Site Awards (Tin Wing Stop Property Development) • Bronze Award in Innovation Awards for Safety and Environmental Excellence (Yau Tong Ventilation Building Property Development) • Bronze Award in the Innovation Award for Safety and Environmental Excellence (Replacement of Air-Cooled Chillers at MTR Stations and Depots) • Bronze Award in the Considerate Contractors Safety Award (Replacement of Air-Cooled Chillers at MTR Stations and Depots) • Merit Award in Innovation Awards for Safety and Environmental Excellence (Yau Tong Ventilation Building Property Development) • Merit Award in Innovation Awards for Safety and Environmental Excellence (The Southside P1 Property Development) • Merit Award in Outstanding Environmental Management Performance Awards (Yau Tong Ventilation Building Property Development) • Merit Award in Outstanding Environmental Management Performance Awards (Tin Wing Stop Property Development) • Merit Award in Consideration Construction Site Awards (The Southside P1 Property Development) • Merit Award in Outstanding Environmental Management Performance Awards (The Southside P1 Property Development) 	<p>Development Bureau and Construction Industry Council</p>

We continue to monitor staff injuries across our operations and implement suitable measures to eliminate potential hazards as much as practicable.

Lost Time Injuries¹ per 100,000 man-hours in Hong Kong

	2020	2021	2022
Corporate Support Functions	0.04	0.08	0.17
Hong Kong Transport Services Business Unit	0.43	0.46	0.33
Capital Works Business Unit	0.04	0.07	0.00
Hong Kong Property Business Unit	0.16	0.20	0.16

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

In 2022, we continued to achieve zero fatalities in our construction projects in Hong Kong. Different safety initiatives have been implemented in Hong Kong to protect the safety and health of our contractors. These include the provision of welfare facilities and proper care for construction site workers to prevent site accidents, direct engagements with workers through training, workplace campaigns, mentoring and a variety of communication initiatives.

Hong Kong Project Construction Fatalities

	2020	2021	2022
Staff Fatalities	0	0	0
Contractor Fatalities	0	0	0

Lost Time Injuries¹ per 100,000 man-hours for Contractors in Hong Kong

	2020	2021	2022
Corporate Support Functions	0.32	0.20	0.34
Operations Railway	0.24	0.27	0.28
Project Construction – Railway Extension Projects	0.49	0.26	0.22
Project Construction – Network Improvement Projects	0.00	0.15	0.00
Property Development and Investment Projects	0.03	0.03	0.01
Investment Property	0.21	0.13	0.20
Management Property	0.19	0.17	0.15

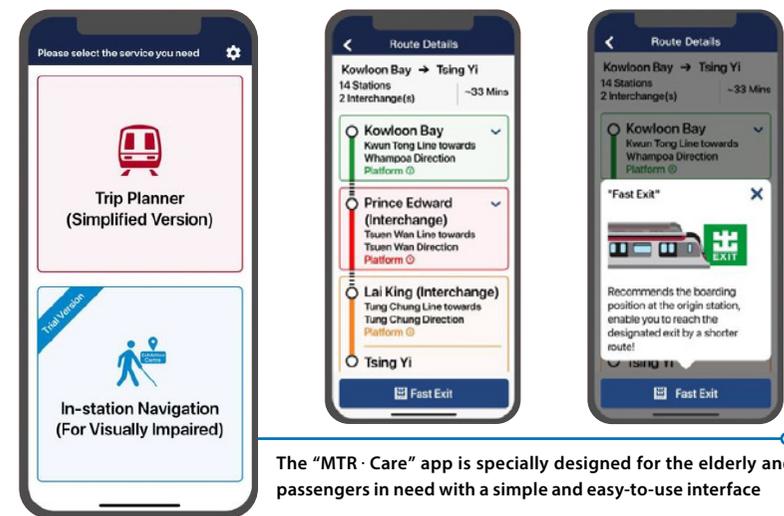
1. Lost time injury means a work-related injury results in medical sick leave for 1 day or more.

Enhancing and 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. In May 2022, the first vertical lifting platform was put into service at Tin Hau Station, facilitating wheelchair users and passengers with disability to travel easily. Other facilities include:

- Provision of additional escalators, external lifts, stair lifts, wide gates, wheelchair aids, portable electric wheelchair, socket for powered wheelchair, portable ramps, accessible toilets for mobility impaired passengers;
- “Information Card” for communicating with passengers with either vocal or hearing difficulties;
- Braille signs, tactile station layout maps, guide paths and dynamic route maps, escalator destination announcement and indoor navigation at selected stations for visually impaired passengers; and
- Multi-purpose spaces designated within train compartments for the convenience of wheelchair users and persons with special needs.

In November 2022, we launched a brand-new “MTR · Care” app which provides smart functions to facilitate the travel needs of the elderly and passengers in special need. The app offers two inaugural functions, including a simplified and elderly-friendly version of “Trip Planner” and the “In-station Navigation” function at Exhibition Centre Station for visually impaired passengers. Additional functions will be launched in the “MTR · Care” app, including a portable ramp booking service for mobility impaired passengers, “call for assistance” function for the hearing impaired, as well as the provision of real-time operation status of station lifts. It is expected that phase 2 of the app with the expansion of Visually Impaired function will be launched in 2023 and complete by 2025.



The “MTR · Care” app is specially designed for the elderly and passengers in need with a simple and easy-to-use interface

“Caring for Dementia” Programme

Recently, we launched the “Caring for Dementia” programme to assist the police in locating missing persons through the automatic fare collection system of the MTR network.

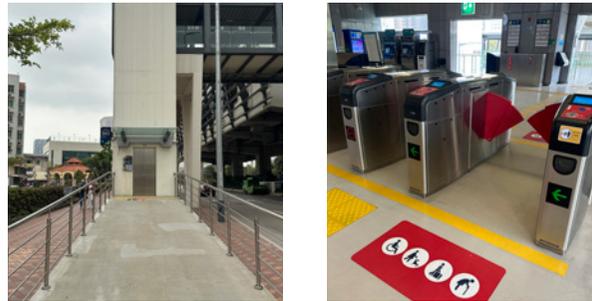
Under this programme, we have added new functions to the automatic fare collection systems of the heavy rail, Light Rail and MTR Bus and enhanced facility including entry/exit gates at MTR Stations, Octopus processors and the backend systems. After registering the Octopus numbers of the missing persons with dementia or elderly persons in our system, alerts will be sent to our staff when they enter the MTR network with the registered Octopus. Our staff will inform the police of their locations immediately, and the missing person cannot pass through the exit gate at MTR station using the registered Octopus.

Apart from the police, we have also worked with other organisations in this programme. For example, we have worked with the Jockey Club Centre for Positive Ageing to install the “Dementia’s Secret Angel” app in mobile tablets at 95 Customer Service Centres at MTR stations and the Light Rail to assist caretakers in locating their missing family members with dementia. The Jockey Club Centre has also provided training for over 3,000 MTR frontline staff to enhance their communication skills with persons with dementia and elderly passengers.

OVERSEAS HIGHLIGHTS

MTR (Macau)

MTR (Macau) endeavours to enhance and maintain various facilities to provide safe and barrier-free transportation for the elderly, passengers with disabilities and those in need. Some of the easy-access facilities include lifts at all Macao Light Rapid Transit (“MLRT”) stations and portable ramps for boarding and alighting of wheelchair passengers to MLRT train.



Easy-access facilities in MLRT stations

Metro Trains Melbourne

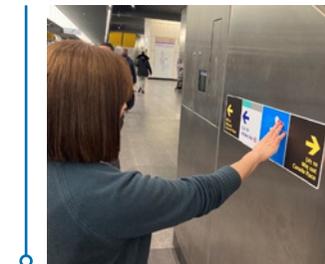
In 2022, Metro Trains Melbourne launched a three-year Accessibility Action Plan which sets out the accessibility and inclusion vision for the network and the workplace. The plan details the actions to be taken by Metro Trains Melbourne to reach its accessibility goals such as extensive internal and external consultation, including with Metro’s Accessibility Reference Group, to develop the strategic priority areas.

Metro Trains Melbourne also joined the Sunflower Hidden Disabilities scheme in 2022, and developed a bespoke training module to educate frontline staff on the meaning of the lanyards and wristbands that passengers with hidden disabilities may choose to wear.

MTR Elizabeth line

MTR Elizabeth line strives to run a railway accessible for all, including those with mobility or visual impairments. The Elizabeth line is an entirely step free railway network, meaning all customers to its 41 stations can access the route with ease. This greatly enhances the accessibility for all members of the community. All station staff are trained to provide Iconic Customer Service, part of this involves accessible travel. Station staff can advise customers on step free access routes throughout London, accompany customers who need help boarding the train, arrange boarding ramps where needed, arrange for staff to meet customers who need assistance at their final destination, accompany customers to the lift if required and give customers confidence in using the railway by arranging specific customer confidence sessions if requested.

In May 2022 MTR Elizabeth line opened 9 new stations in central London, to service the new railway that connects east and the west of London. The new state of the art stations have been built with accessibility in mind and include features such as signage in braille for those with visual impairments and step free access from train to platform. Before the stations were opened, MTR Elizabeth line hosted a number of engagement sessions with local disability groups to ensure they were satisfied with the service from staff, and getting around the station. The feedback was very positive. Since opening MTR Elizabeth line has been a popular means of travel for these members of the community.



Various signage in braille for visually impaired customers

Fare Concessions

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 since 2012. The Scheme extends to aged 60 to 64 using JoyYou Card with effect from 27 February 2022. In 2022/23, we made no adjustment of MTR fares, making it the third consecutive time the Fare Adjustment Mechanism results in no fare increase, including the 1.85% fare reduction. We have also further extended the special 3.8% fare rebate till 31 January 2023 to ride together with the public under the pandemic. Furthermore, we have offered HK\$600 million-worth of fare promotions, including:

- Top-up the committed 3% rebate for every trip under FAM to 3.8%;
- No price adjustment for “Monthly Pass Extras”, “MTR City Saver” and “Tuen Mun – Nam Cheong Day Pass”;
- Extension of the 35%-off “Early Bird Discount Promotion” for another year until 31 May 2023; and
- Interchange discount (HK\$0.3 or above) with Green Minibuses, covering over 500 designated routes.

At the same time, we offered approximately HK\$2.1 billion-worth of on-going fare concessions in 2022 to customers from different walks of life, including commuters, the elderly, children, eligible students and persons with disabilities. It is our target to benefit no less than 1 million average daily passenger trips from our fare concessions in 2023.

OVERSEAS HIGHLIGHTS

MTR Elizabeth line

To support local people with employment and ensure social mobility, along with other London transport operators, MTR Elizabeth line has allowed free travel on the Elizabeth line for Londoners aged 60+, those with a Veterans Oyster photocard, those with a Freedom pass (disabled, visually or hearing-impaired Londoners) and children under 10 (excluding between West Drayton and Reading). MTR Elizabeth line has also offered

discounted services for children over 10, students, apprentices and the unemployed. MTR Elizabeth line has also collaborated with other British transport companies to provide free travel rides for Ukrainian Refugees upon entering the UK, enabling them to get to their destinations safely and for free.





Diversity and Inclusion

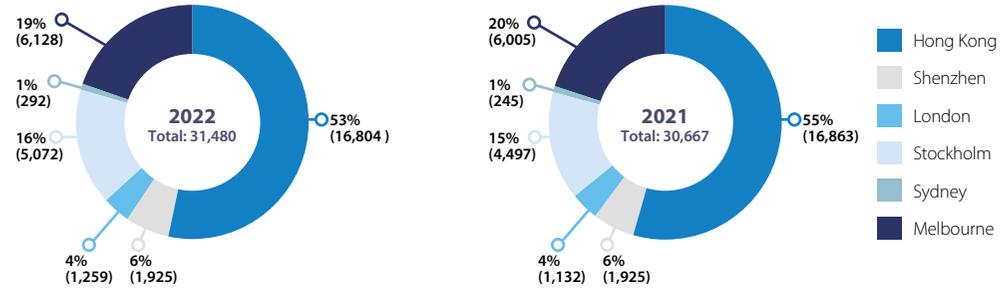
We commit to eliminating discrimination in our practices and policies and to increasing the diversity of our workforce.

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 online training programmes which help them understand relevant legislations. Within the Corporation, the Code of Conduct is reviewed and updated periodically to ensure appropriateness and compliance with corporate and regulatory requirements. The review of diversity, equity and inclusion (DEI) clauses in the Code of Conduct and Equal Opportunity Policy was completed and the revised Code was released to all staff in February 2022. To signify our commitment to fostering social inclusion and equal opportunities, we signed the Racial Diversity & Inclusion Charter for Employers initiated by the Equal Opportunities Commission in July 2022.

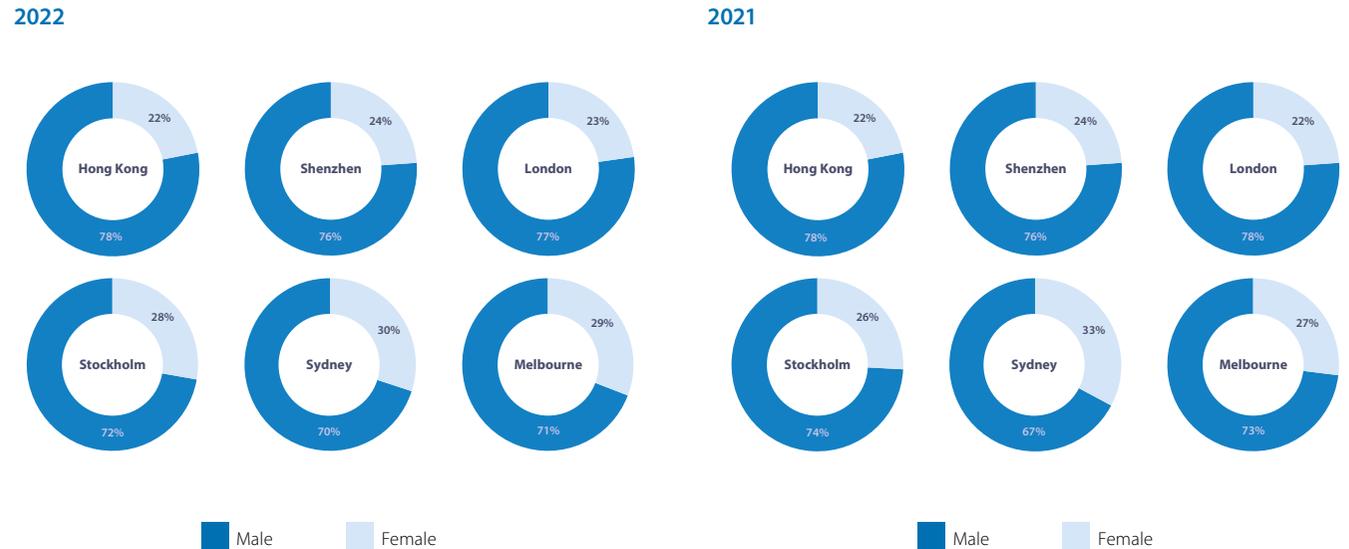
Recognising and embracing the benefits of diversity in the boardroom, we have established the [Board Diversity Policy](#) to demonstrate our commitment to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of the Corporation's business strategy and in order for the Board to be effective. Our target is to achieve a 25% of female Members on the Board by 2025 and the current composition is 21%.

We have set high 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, work experience and job performance.

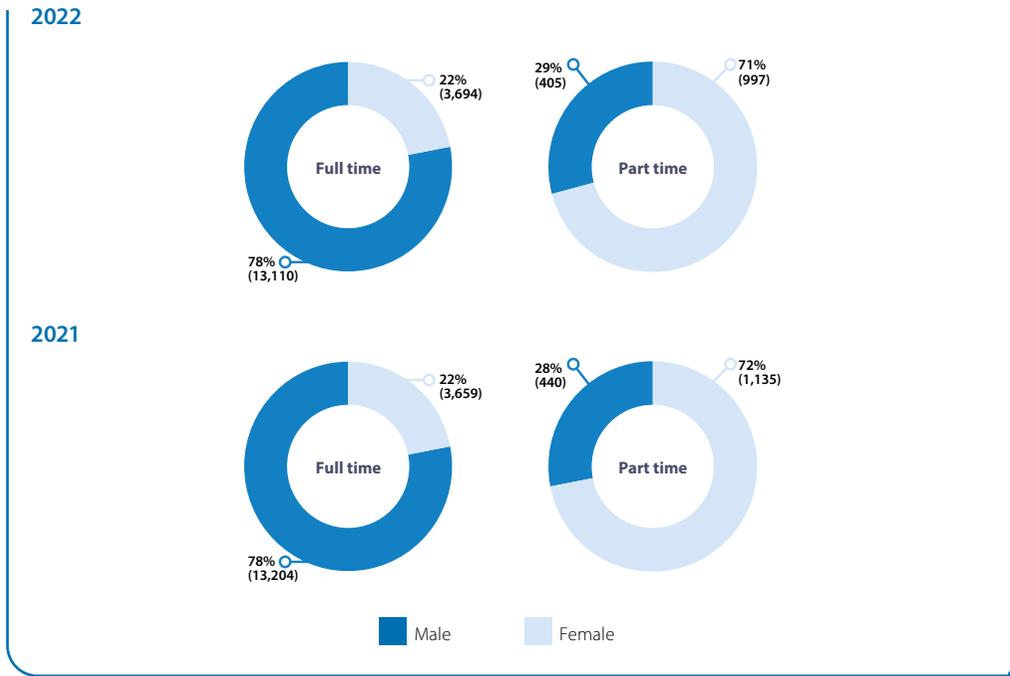
Breakdown of Full-time Employees by Location



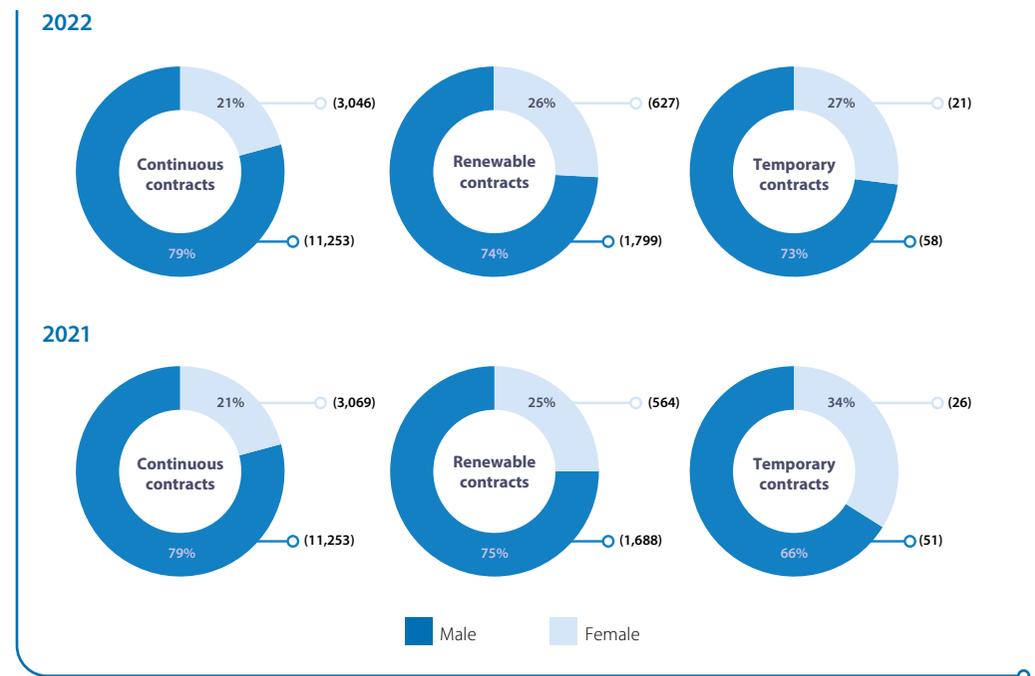
Gender Distribution of Workforce by Location (Full-time Employees)



Breakdown of Total Workforce by Employment Type by Gender in Hong Kong



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



Persons with Disabilities Employed in Hong Kong





In support of our diversity and inclusion commitment, we have conducted over 230 DEI training events for staff, such as communication biases, cross-generational coaching and inclusive workplace for different groups of staff in 2022 to foster social inclusion and promote equality in MTR, well exceeding our targets. DEI elements have also been added to a number of Corporate Development Programmes. Learning and Development Department (“L&DD”) was licensed to facilitate “Think In and Out of the Box” for Corporate Development Ladder Programme which is a diversity and inclusion tool helps participants to bring awareness and empathy for others. We also developed the “Eldpathy” programme, an experiential learning designed for Integrated Staff Development Programme (“ISDP”) alumni which helps participants recognising the value of a diverse and inclusive workforce, especially amongst people in different age groups and abilities. In addition, we offered more than 100 customer service training sessions to our Hong Kong Transport Services colleagues covering topics on how to handle passengers with special needs.



“Think In and out of the box” during Corporate Development Ladder Programme

Externally, we promoted apprenticeship scheme and Technician Associate programme to more than 120 secondary-level students and students from Vocational Training Council of ethnically diverse backgrounds to encourage them to consider their career in the Corporation. We also offered internship opportunities to tertiary-level students and support diversity and inclusion. The Corporation has recruited 110 summer interns in 2022. Among them, 8 students with special educational needs and 2 ethnically diverse students were recruited under the Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme, accounting for 9% of our summer interns. They have been assigned to various business units or corporate functions to acquire practical work experience. To equip colleagues with appropriate skills in interacting with the students, speakers from NGOs were invited to conduct a training workshop in June.



Eldpathy x ISDP Experiential Learning Workshop

To promote gender equity in workplace, a series of events were held throughout the year. A lunch talk “Live Your Own Story: Sheroes at Work” was held in May, featuring young females in the traditionally male-dominated industries such as aviation, technology, engineering and railway industries. Colleagues were inspired to pursue their personal and professional growth and embrace authenticity of themselves.

A focus group session “Equality for Women” was also held in August to understand the views and needs of female colleagues and male allies on various gender-related topics in workplace in preparation of the setup of Women’s Network.



Lunch seminar “Live Your Own Story: Sheroes at Work”

We target to implement more DEI initiatives next year such as conducting a corporate-wide survey on DEI to understand our demographic, arranging 150 DEI training events for staff including a DEI workshop for all executives, and launching an internship programme for Persons with Disabilities or from ethnically diverse background.

MTR's First Social Inclusion Week

In collaboration with over 30 NGOs and social enterprises, the Corporation launched its first-ever Social Inclusion Week ("SIW") in September 2022. The SIW aims to raise staff awareness of social inclusion, one of the Corporation's Environmental and Social Objectives, enabling them to embrace diversity, inclusion and equal opportunities in their daily life, and to strengthen the bond with NGOs and social enterprises with the aim of building a more inclusive and caring community together.

A series of activities were held in the SIW including:

- Inclusive Concerts by the True Colours Symphony;
- "Dialogue in the Dark" Experiential Learning;
- Diversity and Inclusion Fun Challenge;
- Cross-Industry Cultural Diversity Webinar;
- Cross-hubs exchange on gender equity;
- Pop-up Cinema on mental health related topics;
- Massage Service by visually impaired persons; and
- Marketplace from Social Enterprise supporting underserved groups like elderly, ethnically diverse, People with Disability and women.



The Opening Ceremony cum Inclusive Concert kicked off the Social Inclusion Week

The Corporation also launched a Women's Network during the SIW to support female colleagues in the workplace. It was subsequently renamed to a Gender Equity Network to further enhance workplace diversity and inclusion through providing an aspirational platform and supporting network. Activities will be organised to raise awareness on gender equity and to support personal growth, well-being, equal opportunities and psychological safety of colleagues.

The SIW was widely supported by over 3,000 staff with active participation and positive feedback in which 95% of the participants agreed the SIW has strengthened their understanding of the Corporation's Environmental and Social Objectives, and 86% of participants agreed that the Corporation's commitment to social inclusion would enhance their sense of belonging.

In conjunction with the SIW, we organised a Nunchaku Workshop together with InspiringHK Sports Foundation in Paradise Mall to promote gender equality, social inclusion and healthy living through bringing an unconventional sport into the community. More than 100 people of different races and ages participated in the workshop.



Henna drawing workshop to appreciate cultural difference



Pop-up Cinema encouraged colleagues to discuss and care about mental health inclusion



The Nunchaku workshop welcomed people of all ages, building intergenerational harmony through sports

OVERSEAS HIGHLIGHTS

MTR Nordic

MTR Nordic has partnered with the Global Village, the foundation that founded Järvaveckan which is a local initiative that aims to tackle unemployment problem in Järva area through engaging citizens, politicians, authorities and business sector. This initiative targets individuals that are not already politically involved or has an interest of societal issues. In 2022, MTR Nordic has conducted sharing sessions for local citizens and hired over 100 new employees for work at MTR Nordic under the initiative since 2018.

Metro Trains Melbourne

In April 2022, Metro Trains Melbourne commenced a 12-month partnership programme with Work180, an NGO promoting organisational standards that raise the bar for women in the workplace. Metro Trains Melbourne is one of the 240 employers endorsed by Work180 that are committed to making real progress so that women can expect better. The partnership and endorsement enable Metro Trains to receive the Work180 branding as an employer of choice and post job opportunities on Work180's website that has a reach of 5 million women per month. Metro has been recognised by Work180 as an employer in the top 101 organisations in Australia that support women.

Metro Trains Melbourne launched its second Reflect Reconciliation Action Plan ("RAP") in 2022 in support of Aboriginal and Torres Strait Islander Peoples. The RAP has been developed with support from Aboriginal employees and advisors, and other stakeholders across Metro Trains Melbourne and the community. Metro Trains Melbourne led a community forum on career development with members from its RAP community partner, discussing employment opportunities at Metro Trains Melbourne and other transport-affiliated employers.

MTR Elizabeth line

MTR Elizabeth line is committed to creating a diverse workforce similar to the communities it serves. During the year, MTR Elizabeth line continued to reduce the gender gap. 24% of staff are now female, an increase of 4% since established in 2015. We have also made improvements in the ethnic diversity of our business, 42% of staff are from non-white backgrounds, an increase of 13% since 2015. MTR Elizabeth line focuses on inclusion of all employees and has celebrated various religious festivals over the year such as Holi, Ramadan, Passover, Easter, Eid, Diwali, Hanukkah and Christmas.

MTR Elizabeth line has made efforts to encourage female entering into the railway industry, around 12.5% of its train drivers are female (over double the industry average). MTR Elizabeth line also celebrated its female drivers' achievements with the first two trains running on the central operating section launch day, 24th May, driven by female drivers.

MTR Elizabeth line also partnered with a number of railway companies to support the production of a new children's book, 'My Mummy Is a Train Driver'. Three MTR Elizabeth line female train drivers participated in the development of the book. This initiative aims to inspire children to consider a future career in railway industry and to showcase the welcoming and inclusive work environment the industry continues to foster.

Equal Opportunities

We commit to helping excluded and underserved populations access their fair share of opportunity.

Investing in Communities

With the mission to connect and growth the community, we strive to contribute to the sustainable development of the cities we serve. Our employees regularly contribute their own time to organise and participate in community services and activities. In view of the pandemic, the number of volunteering projects has greatly reduced as we have shifted 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. We continue to offer free advertising space to 68 NGOs to promote their services and rent NGOs certain station shops along Tuen Ma Line at nominal rate to support their services for the community. In 2022, a total of 10 station shops were leased on this basis. We have also sponsored venues at MTR Malls for 20 events organised by NGOs.

In 2022, our Hong Kong employees contributed over 9,500 volunteer hours in 111 projects, while the Corporation offered in-kind donations valued at HK\$29 million and invested HK\$25 million in various community programmes. We target to spend HK\$100 million on direct local community investment and donations from 2022 to 2025 and 200,000 people will benefit from our community programmes and volunteering projects from 2022 to 2025.

Building a Train-themed Classroom to Support Students with Special Educational Needs

Since 2021, the Corporation has been working closely with social partners to give retired trains and relevant parts a second life under the “Legacy Train Revitalisation Programme” (“LTRP”). One of the projects was using train parts to set up a train-themed classroom at Fortress Hill Methodist Secondary School, one of the very few secondary schools in Hong Kong serving 100% students with special educational needs (SEN). With the train-themed classroom, the academic study of the SEN students can be enhanced. It also created an amicable environment to train up the social skills of the students so that they can travel to school

independently. The classroom is open to various underserved groups including elderly, kindergarten students and other NGOs serving the SEN community. Over 20 students have volunteered to help take care of the classroom and to serve as the railway classroom ambassadors to introduce the classroom facilities and share railway information with visitors.

For details on the LTRP, please refer to the [Waste Management section](#) in this Report.



A train-themed classroom at Fortress Hill Methodist Secondary School

Awards & Recognition	Organisers	Awards & Recognition	Organisers
<p>Hong Kong Sustainability Award 2022 (Large Organisation Category)</p> <ul style="list-style-type: none"> • Distinction Award • Special Award – Excellence in Economic Sustainability Initiative • Special Award – Excellence in Pandemic Resilience 	<p>The Hong Kong Management Association</p>	<p>Top Fundraising Company Award of Dress Pink Day 2021</p>	<p>The Hong Kong Cancer Fund</p>
<p>GBA Corporate Sustainability Award 2022</p> <ul style="list-style-type: none"> • Excellence in Green Sustainability (Climate Action) • Excellence in Social Sustainability (Sustainable Cities & Communities) • Excellence in Corporate Governance 	<p>Metro Finance</p>	<p>15 Years Plus Caring Company Logo</p>	<p>The Hong Kong Council of Social Service</p>
<p>TVB ESG Awards 2022</p> <ul style="list-style-type: none"> • Best in ESG Practices • Best in ESG Report • ESG Project Innovation Award • Innovative Climate Technology Award 	<p>Television Broadcasts Limited</p>	<p>HR Excellence Awards 2021/22</p> <ul style="list-style-type: none"> • Merit Employee Engagement Award • Special Award for COVID-19 Response 	<p>Hong Kong Institute of Human Resource Management</p>
<p>Social Capital Builder Awards 2022</p> <ul style="list-style-type: none"> • Social Capital and Sustainability Sectoral Awards 	<p>Community Investment and Inclusion Fund under the Home and Youth Affairs Bureau</p>	<p>The Investor and Financial Education Award 2022 (Corporation)</p>	<p>Investor and Financial Education Council</p>
<p>Good MPF Employer Award 2021-22</p>	<p>Mandatory Provident Fund Schemes Authority</p>	<p>The Most Promising Corporate Partnering Award</p>	<p>Tung Wah Group of Hospitals</p>
<p>Hong Kong Volunteer Award 2022: Individual Excellence Gold Award (500 hours or above volunteer hours)</p>	<p>The Agency for Volunteer Service</p>	<p>Breastfeed Friendly Workplace</p> <ul style="list-style-type: none"> • Certificate of Appreciation – Most Responsive Partners of SayYesToBreastfeeding 2022/2023 	<p>UNICEF Hong Kong</p>
<p>Award of Excellence 2021/2022</p> <ul style="list-style-type: none"> • Diamond Award Corporate and Employee Contribution Programme • 3rd Top Fund-raiser Award, Employee Contribution Programme • 2nd Highest Donation Award for CARE Scheme (Companies & Organisations Category) • 3rd Highest Donation Award for Love Teeth Day 	<p>The Community Chest</p>	<p>Social Enterprise Supporter Award Scheme 2021</p> <ul style="list-style-type: none"> • Social Enterprise Supporter Plus Award 	<p>Fullness Social Enterprises Society</p>

Community Investment Programmes

Supporting Underserved Businesses

We have offered a nominal rate to support their services for the community under the station shops rental programme.

Dignity Mama Bookstore

In November 2022, we supported Dignity Mama Hong Kong to open the Dignity Mama Bookstore at Tsing Yi Station. The aim of the collaboration is to provide job opportunities with dignity to families with special needs while offering low-income families with quality books at an affordable price as well as promoting waste reduction.



Dignity Mama Bookstore at Tsing Yi Station aims at fostering a reading culture amongst low-income families

The Zubin's Family Centre

We also supported The Zubin Foundation to open the Zubin's Family Centre, serving special needs of ethnically diverse women and children. We have provided the centre with a convenient shop location at a nominal rate in Austin Station, close to Hong Kong's largest ethnically diverse community in Yau Tsim Mong District. The centre provides an accessible location for children and families in the neighbourhood as well as those living in the New Territories.

"Exploring the MTR" School Talk Programme

As part of our community outreach effort, we conduct a one-hour talk to primary schools in Hong Kong to deliver messages including MTR's history, service performance, courtesy and safety messages, our Rail plus Property development model, community engagement and new projects. In 2022, over 10,100 students attended these talks with positive feedback.

HKTB x MTR ARTour of West Kowloon

From 24 June to 14 July 2022, we joined hand with the Hong Kong Tourism Board ("HKTB") to organise the "HKTB x MTR ARTour of West Kowloon" exhibition in MTR Hong Kong Station. The exhibition displayed artworks created by students from the Education University of Hong Kong, so that passengers could appreciate the cultural and artistic features of the new and old areas of the West Kowloon neighbourhood.



The "HKTB x MTR ARTour of West Kowloon" exhibition in MTR Hong Kong Station



The Zubin's Family Centre offers counselling and workshops for children from ethnically diverse groups with special educational needs

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. In 2022, upon the commissioning of the East Rail Line Cross-Harbour Extension, new station artworks "Mapping Our Way" and "Water Memory" are placed at Admiralty Station and the new Exhibition Centre Station respectively. The "Water Memory" is composed of about 1,200 photographs capturing the seascape right in front of the Exhibition Centre Station at different moments, as if submerging the station in variations of waves, hues and reflections. Over 90 artworks from established local and international talent have been showcased in more than 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.

Currently, we have over 60 Community Art Galleries throughout our railway network, presenting homegrown talent to the community.



"Water Memory" artwork on an extensive wall facing the direction of the sea at Exhibition Centre Station

MTR x M+: Yayoi Kusama Train launch

In collaboration with M+, the first ever Yayoi Kusama thematic train which was wrapped with her signature design of polka dots and pumpkins in yellow background, was in service in Tuen Ma Line during 9 November to 27 December 2022. Passengers taking the specially decorated train could immerse themselves into the world of Kusama through her exquisite artworks, her inspiring quotes showcasing her art vision and connection with pumpkins. An audio guide to know more about the story of the artist's life and the pumpkin work can be accessed via a QR code.



M+ Yayoi Kusama-themed MTR train

“East Rail Line · Fun Fun Art”

In collaboration with the Hong Kong Youth Arts Foundation, we launched the “East Rail Line · Fun Fun Art” train in August 2022 to create large-scale artworks filled with East Rail Line elements and local cultural characteristics along the Line, together with two local artists, some primary and secondary students studying in the schools along the East Rail Line. In addition to the launching ceremony held at Racecourse Station, we specially arranged a showcase of the “East Rail Line · Fun Fun Art” train at Sha Tin Station on 3 September 2022 to allow more members of the public and railway fans to appreciate the illustrations of the art train. More than 50 participants from 24 NGOs and representatives from the Development Bureau joined this exclusive visit. Besides, over 30 parents and children from the Heep Hong Society joined a specially arranged art workshop on the art train with the assistance from the “More Time Reaching Community” volunteers.



Over 30 parents and children from the Heep Hong Society joined an art workshop on the “East Rail Line · Fun Fun Art” train

To spread the festive joy to passengers, the art train with Christmas decoration was displayed at Sha Tin Station on 17 December as a Christmas Delight event to engage with passengers and celebrate the festive season. More than 60 participants from the Hong Kong Society for the Aged and the SALEM Family Net Social Service Centre visited the art train together with the volunteers.



Highlights of Our Volunteering Initiatives and Projects

Distributing Anti-pandemic Supplies to the Community

To support the community under the pandemic, 140 MTR Volunteers participated in a series of events organised by the HK Community Anti-Coronavirus Link in March and April 2022 to pack and deliver anti-pandemic supplies to Hong Kong citizens. These events help extended our support to the general public in fighting against the pandemic, keeping Hong Kong moving.



MTR Volunteers packed and delivered anti-pandemic supplies to those in need

“More Time Reaching Community” Scheme

In 2005, we established the “More Time Reaching Community” (“MTRC”) Scheme to provide funding support and organise various projects to serve the community. To support the International Volunteer Day on 5 December, the MTRC Scheme participated in the “Do Good · Feel Good · Help with Kindness” organised by the Agency for Volunteer Service. Our colleagues were invited to submit a caring photo and share it with a short text on social media platforms to inspire others to do good for those in need. In addition, we invited colleagues to join the “Inter-company International Volunteer Week” between 3 and 12 December 2022 to participate in cross-companies volunteer activities to contribute and exchange volunteering experience.

MTR Volunteers participated in the “Meal Packing Event” which was one of the activities under “SERVE-A-THON Hong Kong” organised by HandsOn Hong Kong. Our volunteers gathered at “Food Angel” to pack meal boxes for those in need and over 6,000 meal boxes were prepared.



MTR Volunteers prepared over 6,000 meal boxes for people in need

MTR Volunteering Month (MVM) 2022

We launched the MTR Volunteering Month (MVM) under the theme of “Go Green Grow Love” in June and July 2022, including a series of volunteering activities to promote our three Environmental and Social Objectives: Social Inclusion, Advancement & Opportunities, and Greenhouse Gas Emissions Reduction. Partnering with various NGOs, a total of 5 volunteering activities were organised with over 130 staff volunteers, enablers and project leaders participated. The MVM activities were specially designed to serve people with intellectual disabilities, visual impairment, underprivileged and ethnically diverse children as well as youngsters with special educational needs.



MTR Volunteering Month 2022 “Go Green Grow Love” promotes social inclusion, advancement & opportunities and greenhouse gas emissions reduction



MTR Volunteers visited the Boys' and Girls' Clubs Association of Hong Kong to introduce green infrastructure and facilities of Hin Keng Station and Hong Kong West Kowloon Station to local and ethnically diverse students.



We partnered with Ebenezer School and Home for the Visually Impaired in organising the "Evergreen" event. MTR Volunteers upcycled unused wood from our Rolling Stock Maintenance Department to make cash drawers for visually impaired students.



Supporting Low-income Families and the Homeless During the Pandemic

During the pandemic, we have partnered with two charitable organisations, Food Angel and ImpactHK, to provide assistance for low-income families and the homeless to ease their burden. We donated food vouchers to over 1,500 eligible underprivileged families through Food Angel and offered designated areas at Tai Wo Hau Station, Ocean Walk and Luk Yeung Galleria for installing an Automated Food Dispenser to provide food assistance for eligible families. We also supported ImpactHK to purchase food vouchers and provide emergency shelter service to give a helping hand to 530 homeless people.



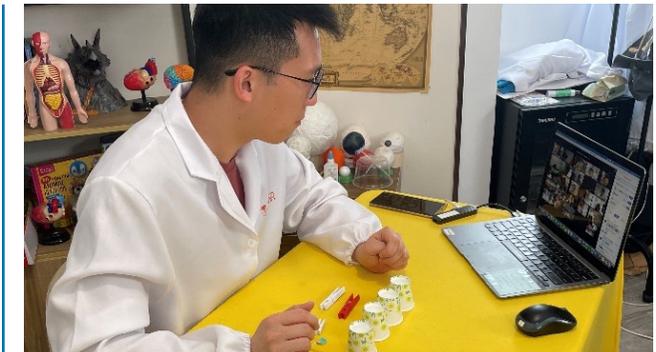
Automated Food Dispenser provides food assistance for underprivileged families

During the pandemic, the Corporation supported its social enterprise partner Gingko House to pilot a home disinfection service to the elderly and families living in sub-divided flats and public housing estates, benefitting around 300 families. The programme also provided job opportunities for people affected by the pandemic. Our volunteers visited some of the families and assisted in disinfecting their homes and conveyed our care to the families.

The Corporation also collaborated with the Hong Kong Family Welfare Society ("HKFWS") to provide a STEM Education Programme for 500 primary school students from low-income families during the pandemic.

Three lessons were conducted online from June to July, teaching STEM knowledge on railway and sustainability with interesting experiments and IT literacy with interactive activities. MTR volunteers helped deliver the STEM teaching materials to HKFWS' centre and the participating primary schools.

We also supported the HKFWS' "Pla-mily" project which aims to promote family well-being through playing and toy recycling. A total of 1,500 families with 300 families from under-represented groups benefitted from the project.



Virtual STEM Education Programme for primary school students

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

In 2022, Metro Trains Melbourne positively impacted over 17,000 people through community investment and education activities and provided around AUD\$280,000 of direct financial support for the community. Key initiatives included:

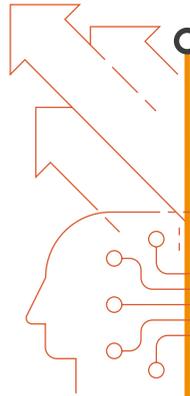
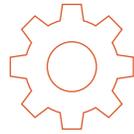
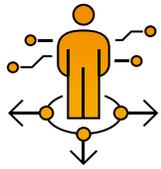
- Supporting Mental Health – Metro Trains Melbourne’s “Back on Track Community Grants” programme provided AUD\$100,000 for eight not-for-profit organisations, delivering mental health wellness and education services to the community. Metro Trains Melbourne also continued its longstanding partnership with Lifeline to support the delivery of vital crisis support services. Together with its employees, Metro Trains Melbourne contributed AUD\$53,000 through donations and money raised during the Hope Cycle initiative, a charity ride to raise critical funds for Lifeline which provides Australians experiencing emotional distress with access to 24 hour crisis support and suicide prevention services. These donations funded the answering of around 1,360 potentially life-saving calls.
- Charity Promotion – Metro Trains Melbourne supported Melbourne City Mission’s Christmas and Winter Appeals with free advertising space in City loop stations (valued at AUD\$96,000). Funds raised by the campaigns were used to provide support for young people in crisis, helping those with immediate needs, providing intensive individual support and finding longer-term stable accommodation.

MTR Elizabeth line

In 2022, the community ambassador team of MTR Elizabeth line once again supported MyLondon/ Café Art initiative and sold calendars for 2023. The calendar contains amazing photos provided by a wide selection of talented photographers who suffer or have suffered from homelessness. A total of 100 cameras were given to participants to take photos, and 12 photos were selected for each month of the calendar. All the profits from selling the calendars were given to the photographers. The initiative aims to get people experiencing homelessness confidence and empowerment, benefiting their mental health and supporting them in their future. A total of £18,900 was raised by staff and customers of MTR Elizabeth line through the sale of the calendars.

The teams also continued their work with St Ann’s School in Hanwell, a special needs school for 11 to 19-year-old students. As part of this collaboration, our colleagues arranged a tour on the Elizabeth line to these students, visiting Hanwell to Paddington.

Executive members of the MTR Elizabeth line and community ambassadors’ team took part in a sponsored walk for Rail Aid, a UK Rail fundraising initiative on behalf of the Railway Children – an international children’s charity working with street children in the UK, India and East Africa. The route covers the new Elizabeth line central operating section from Woolwich to Paddington and the team raised a total of £43,500 to help street children.



FOSTERING ADVANCEMENT AND OPPORTUNITIES

Over 50,000
staff globally

290
green products and
services in our Green
Procurement List

**Signed collaboration
agreements with 4
key local players**
to foster future skills
and innovation

**On MTR Sustainability Website:
Read our Management Approach**

- > [Social Inclusion](#)
- > [Advancement & Opportunities](#)

Our Policies and Guidelines

- > [Board Diversity Policy](#)
- > [Code of Conduct](#)
- > [Supplier Code of Practice](#)
- > [Green Procurement Policy](#)
- > [MTR Corporation Modern Slavery and Human Trafficking Statement](#)
- > [Corporate Responsibility Policy](#)

In This Chapter:

GRI: 2-6, 203-1, 203-2, 205-1, 404-1, 404-2, 404-3, 413-1, 413-2

HKEX: GD-B1, GD-B3, GD-B4, GD-B5, KPI B3.2, KPI B4.1, KPI B5.2, KPI B5.3, KPI B5.4, KPI B8.1, KPI B8.2

SDGs:





As we fulfil our vision to connect and grow communities, we create opportunities for others to develop themselves and grow alongside us.

Employee Development and Wellness

We commit to helping employees grow personally and professionally through learning and opportunities for career advancement, and to fostering their well-being.

Learning and Development

We foster a culture of continuous learning to drive the growth and success of our employees. We are committed to offering a wide range of learning resources, training programmes and schemes to support the personal growth and professional development of our operating and technical staff as well as our management staff.

Our Learning & Development Department (“L&DD”) offers a comprehensive learning and development curriculum on topics ranging from leadership, corporate effectiveness to customer services. In addition to skill-based workshops, this curriculum is delivered in virtual classroom webinar, experiential learning and other learning platforms.

Our Operations Training Department (“OTD”) offers a training curriculum covering operations and safety training, technical training and IT training to assist staff and contractors in performing their duties efficiently while meeting the operational, safety, technical and maintenance requirements of the Corporation.

To strengthen corporate learning culture, our Learning Management System (“LMS”) enables learning to be easily accessible to staff anytime and anywhere. In 2022, we have continued to provide curriculum programme covering ESG and DEI and work ethics topics through the LMS. Moreover, we continued to make use of technology, such as virtual reality (VR) and mixed reality (MR), in enhancing the diversity and effectiveness of training.

We also strive to develop and maintain a robust talent pipeline through various apprenticeship schemes and graduate development programmes. In 2022, around 140 young people joined various development schemes in pursuit of a career in the railway industry

and we recruited 73 high potential talents as Graduate In-takes to be developed as fast-track general management and professional talents for the Corporation. We also conducted 2 high potential programmes, covering 45 junior managers and senior supervisors, to assess their potential and develop them as future general management leaders. During the year, we have provided over 350 employment and pre-employment opportunities for young talents.

Average Training Days per Employee

Locations/Lines	Days		
	2020	2021	2022
Hong Kong	4.8	5.2	6.1
Shenzhen Metro Line 4	18.9	8.8	8.7
Melbourne’s Metropolitan Rail Service	7.0	7.3	9.4
Sydney Metro North West Line	3.5	5.9	3.6
Stockholm Metro	3.4	2.7	3.1
Stockholms Pendeltåg	1.1	1.2	2.6
MTRX	2.8	2.2	3.9
Mälartåg	n/a	n/a	2.8
Elizabeth line	6.5	9.5	1.9

Total Staff Training in Hong Kong (man-day)



OVERSEAS HIGHLIGHTS

MTR Nordic

MTR Nordic has launched different schemes and programmes to grow its talent pipeline. For example:

- Talent Management Scheme – a process to unleash the potential of employees at all levels within the organisation and to build effective and sustainable talent pipeline. This also helps achieve long-term talent acquisition and secure the succession to critical positions.
- Internal Apprenticeship – an opportunity for staff who has completed higher education and possesses a degree to take up a new role through a 6-month apprenticeship within MTR Nordic. Participants’ performance and the potential to have a permanent employment will be evaluated after the apprenticeship.
- “Växa” (grow in Swedish) – a 6-month programme for operative staff who has the potential to groom for a managerial position. The content of this programme includes leadership training and work tasks that enable participants to gain leadership experience.
- Summer Internship – an 8-10 weeks programme for university students pursuing a bachelors’ or masters’ degree. The programme aims at providing opportunities for students to try a potential future occupation that matches with their study curriculum, as well as engaging with potential future employees and spreading the knowledge about the MTR brand.
- Graduate Programme – a programme for university students who have recently completed a masters’ degree. The purpose of the programme is to attract high calibre individuals and give them a broad MTR base to prepare for an advanced specialist or managerial position. The two-year programme is individually tailored based on the educational background and interests of the Graduate Trainees and offered them the opportunity to work within different departments.

Sense of MTR Community

We are honoured to be an employer of choice with over 50,000 dedicated staff globally. We begin with a market competitive remuneration package and comprehensive benefits for employees as well as family-friendly practices to support their work-life balance. In 2022, our voluntary staff turnover rate in Hong Kong was 7.5%, which is much lower than the average turnover rate of 10.5% in Hong Kong as of mid-2022. During the year, 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.

Voluntary Turnover Rate by Location

Locations / Lines	%
Hong Kong	7.5
Shenzhen Metro Line 4	9.2
Melbourne’s Metropolitan Rail Services	12
Sydney Metro North West Line	19.7
Stockholm Metro	5.2
Stockholms Pendeltåg	7.3
MTRX	12.5
Mälartåg	23.8
Elizabeth line	10.3

We maintain a close dialogue with our staff through different channels to build a sense of MTR Community. Two Management Communication Meeting (“MCM”) were held in June and November 2022 respectively. With the theme “Shaping our Future Together”, over 1,400 managers from Hong Kong, Mainland China, Macau, Australia, the UK and Sweden joined each of the meetings, where CEO and other Executives of the Corporation shared the latest business highlights and other business updates, in Hong Kong and overseas.

Our staff is a key partner in the fight against the pandemic. Since March 2022, we have set up a 24-hour dedicated medical hotline and provided virtual medical consultation for our staff and their eligible family members who have been infected with COVID-19. We have also set up a “Pandemic Caring Team” with over 300 staff volunteers to deliver anti-pandemic supplies and medications to infected staff with emergency needs.

To support the total well-being of our staff, we provided a wide range of health talks and programmes to promote healthy lifestyle and raise their awareness of preventing communicable and non-communicable diseases. The health talks covered nine topics addressing various staff’s health needs such as COVID-19 Vaccines vs Pregnancy vs Fertility, Know More and Protect Yourself Against Monkeypox, Melioidosis, Malaria, Beyond COVID-19: Health and hygiene practices. Besides, two health programmes, “Flex and Stretch” and “10,000 Steps a Day Campaign”, were organised to encourage staff to do more physical exercise. Over 5,000 staff participated in these talks and programmes. We plan to arrange at least 10 wellness related activities or events for our colleagues in the coming year.

Celebrating the 45th Anniversary of Metro Recreation Club, a series of ESG activities under the theme of “Go Green · Go Health · Go Fun” were organised between September and December 2022 for staff and their families and friends. New initiatives, such as organic farming, Green Virtual Run and health seminars were held with overwhelming responses from club members.

OVERSEAS HIGHLIGHTS

MTR Elizabeth line

In 2022, MTR Elizabeth line has upskilled key personnel on mental health, and possessed over 30 qualified Mental Health First aiders, including Driver Team Managers. This enables trained staff to help colleagues experiencing mental health struggles, improving employee wellness. In June 2022, MTR Elizabeth line held the Wellness Week featuring various activities and seminars for colleagues. Specialist information was added to the employee ‘Wellbeing Station’ on the intranet to further promote wellness.

MTR Elizabeth line has also participated in Mental Health Awareness week, International Women’s Day and International Men’s Day. The International Men’s Day Campaign was focussed on breaking down the stigma associated with men’s physical and mental health. The Campaign highlighted different messages such as ‘Men DO Cry’, ‘Men can be sensitive’, ‘It’s okay to show emotion’ and ‘Asking for help DOES NOT make you weak’, which men and boys are bought up with and adapted them to support men’s wellbeing.

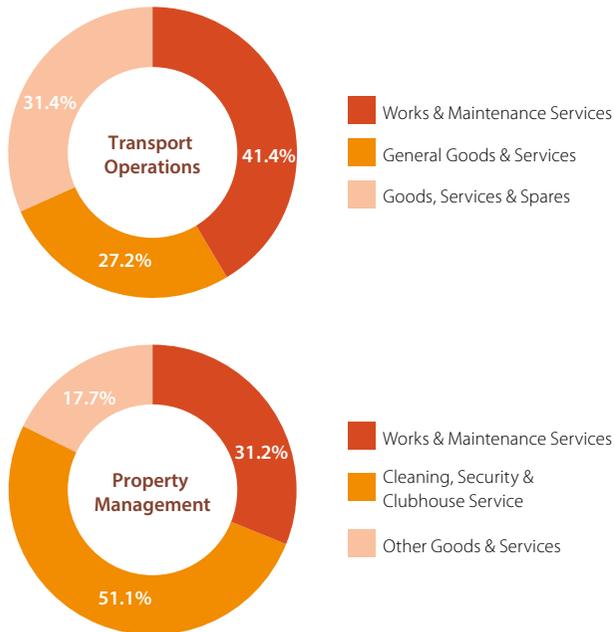
Enabling Development of Our Business Partners

We commit to supporting small and medium sized enterprises with increased spending and setting environmental and social key performance indicators for business partners.

Managing our Supply Chain

We diligently track our procurement-related expenditure as part of the analytics within our comprehensive supply chain assessment procedures. Our suppliers are categorised under three separate groups based on the operation they serve – transport operations, property management and railway extension projects.

Percentage of Spending by Major Categories in 2022



Note: Proportional spend data of railway extension projects is not shown due to the cyclical nature of spending.

We identify and assess our supply chain-related risks through our Enterprise Risk Management System. A study to assess our supply chain risk management framework was completed in 2022. Based on the findings of the study, a detailed roadmap to develop a new comprehensive framework to manage all types of supply chain risks systematically was recommended. To enhance risk monitoring across our supplier network, we will adopt a new supply chain risk management digital solution in 2023, providing real time risk monitoring and alerting functions and risk analytics to aid decision-making and recommend follow-up action where appropriate.

As part of our management approach, we have established a Green Procurement Policy by making reference to the ISO 20400:2017 Sustainable Procurement Guidelines to provide our employees with the key guiding principles when carrying out procurement practices. All of our suppliers are mandated to comply with our **Supplier Code of Practice** to ensure high standards in relation to human and labour rights, environmental protection, supply chain management and ethical business practices are met.

We have been monitoring our spending on green procurement and are committed to spend HK\$250 million on green procurement in 2025, rising to HK\$350 million in 2030. We have completed an analysis to define the green procurement items and established a MTR Green Procurement List in 2022 with reference to government guidelines and eco-labelling schemes. A total of 290 green products and services relevant to MTR procurement activities have been incorporated in the Green Procurement List. Our annual green procurement spending for 2021 and 2022 is around HK\$ 307 million and HK\$ 114.1 million respectively.

During the year, we completed a study to identify the number of local small and medium sized enterprises (“SMEs”) that we are using and our current expenses on local suppliers. The Study results provide us with the existing status, enabling us to explore possible ways to increase procurement opportunities for local SMEs to support our future operations.

Supporting Local Designers, Young and Women Entrepreneurs

To promote the creative industry in Hong Kong, we launched a new retail business, namely LOUDER in 2022. With the mission to provide an integrated Online-to-Offline retail platform for local designers and young entrepreneurs, LOUDER enables local artists to showcase their products in MTR Malls and to promote local brands to different communities. In addition to our retail shops at Maritime Square and The LOHAS, LOUDER’s e-Shop was open in December 2022. We have recruited over a hundred merchants who are SMEs and sole proprietors, and have accumulated over 5,000 number of products for the retail platform.



LOUDER retail shop at The LOHAS

In December 2022, we supported the Women In Work to open its first Gift Shop by offering a nominal rate under the station shops rental programme. Located at Tsim Sha Tsui East Station, the Gift Shop aims to empower female founders and startups by providing a platform to showcase and promote their products.



First Women In Work Gift Shop opened in Tsim Sha Tsui East Station

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

In 2022, Metro Trains Melbourne established its first Social Procurement Framework and Strategy with a focus on supplier diversity with Indigenous businesses and target outcomes including diversity, equality, environment, under-represented workers and workplace practices. Metro Trains Melbourne also became a member of Supply Nation, a supplier diversity organisation focused on Indigenous businesses, entitled to join membership activities to raise awareness of Indigenous procurement within Metro Trains Melbourne and explore opportunities to work with Indigenous suppliers.

During the year, Metro Trains Melbourne completed and published its third **Modern Slavery Statement** which outlines the actions Metro Trains Melbourne has taken to reduce the risk of modern slavery activity within Metro Trains Melbourne and along its supply chain.

MTR Elizabeth line

MTR Elizabeth line has been working with local small and medium enterprises (SMEs), with an aim to provide indirect employment for local people. For example, in 2022 the MTR Elizabeth Line's Procurement and Property and Projects Team held a Property and Projects Supplier Day to introduce the future pipeline of works and invite existing SMEs and others who expressed interests in working with MTR Elizabeth line to bid for the works. During the engagement sessions, MTR Elizabeth line listened to suppliers views on blockers to win the bid and possible process enhancement to support qualified SMEs to bid for the works.

Supplier Engagement

We actively engage our business partners along our supply chain and support them to adopt and implement best sustainable practices beyond compliance to cultivate a sustainable value chain.

As a founding member of the Sustainable Procurement Charter launched by the Green Council, we have established a sustainable procurement programme to guide our efforts in mitigating underlying risks in our supply chain. Under the programme, we have completed a review of our approach and policies to sustainable procurement and performed a supplier segmentation analysis. A data-driven approach was adopted for our supplier segmentation analysis to evaluate our business partners along the supply chain based on the inherent risks 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.

In October 2022, we organised a training session to promote and raise awareness on ESG along our supply chain. The session was attended by over 110 participants including representatives from 57 key suppliers. External experts were invited to share their insights on ESG-related topics such as climate change, carbon reduction and setting of ESG KPIs. The Corporation also introduced our current ESG initiatives and KPIs to suppliers during the training session to solicit their support to achieve our three Environmental & Social Objectives. The Corporation plans to conduct another training session to enhance awareness and share best practices of relevant ESG topics with at least 60 suppliers next year as well as covering ESG in at least 15 Supplier Review Meetings in 2023.

To promote good sustainability performance of our main contractors and subcontractors, we continued to carry out the Environmental Improvement Incentive Scheme to recognise high quality, safety, environmental and stakeholder engagement performance from them.

In 2022, we have conducted 5 supplier audits to review the operations, quality, safety and ESG performance of our suppliers. We will continue to conduct audit for more suppliers, with a target of completing 15 supplier review audits in 2023.

Future Skills and Innovation

We commit to collaborating with local schools and universities, as well as startups and the technology ecosystem to foster innovation.

Empowering the Youth

We actively invest in community programmes benefiting different social segments and adopt a multi-faceted approach to support youth development and to unlock their potential.

'Train' for Life's Journeys 2022

In 2022, our summer youth programme 'Train' for Life's Journeys resumed face-to-face activities and attracted over 300 enrollments with 66 students selected participants, including ethnically diverse students. Entering the 14th year, the programme aims to support secondary school students in their career and life planning as well as whole-person development. With the theme of "Achievement, Inclusion, Dream", the 2022 programme consisted of a wide-range of activities such as career-and-life planning workshops, a day camp, community

sharing and visits, job tasting with visits to MTR stations and depots, and experienced virtual reality and augmented reality simulations of our behind-the-scenes operations, enabling students embracing diversity and inclusion and offering them a holistic career and life planning experience to set goals for future development.



Students visited fascinating art pieces in MTR stations as well as participating in an elderly travelling experience workshop



Students participated in a neighbourhood tour with a twin-track focus on community and poverty. They also engaged in a cultural experience with traditional clothes.

Moreover, we collaborated with various institutions and organisations to support different programmes and initiatives which align with one of our Environmental and Social Objectives "Advancement and Opportunities". These programmes and initiatives include:

- Sponsorship of scholarship for 8 Vocational Training Council Higher Diploma engineering students.
- With a view to engaging secondary school students through virtual Career Expo for S.K.H. St. Benedict's School organised by the Rotary Club of Kings Park Hong Kong on 15 January 2022. Our sharing covered the Corporation's information, future development and career opportunities with positive feedback from students.
- Career talk for MTR Academy students on 30 May 2022, attended by 18 students from engineering stream. The talk covered an introduction of career opportunities and sharing of career development and personal growth stories within the Corporation. Positive feedback was received with some participants expressing interests in exploring career opportunities in MTR.



A career talk was organised for MTR Academy students

- Participation in the Pitch Perfect Programme organised by the Hong Kong General Chamber of Commerce together with the Home and Youth Affairs Bureau. The Corporation joined the pitching competition on 30 May 2022 to provide interested university students with group interview and job pitching experience and sharing.



The Pitch Perfect Programme helped improve the competitive edge of university students

- We sponsored two young delegates of Hong Kong to take part in the 2041 ClimateForce Antarctica Expedition 2022 which was a 12-day 'carbon-negative' expedition conducted in March 2022. Through the expedition, we aim to inspire, develop, and train the next generation of leaders to create a more sustainable future. A lunch talk was organised in July 2022, inviting the young delegates to share their learning from the expedition and insights on carbon emissions reduction and ecological conservation with our staff.



A sharing session conducted by two Hong Kong young delegates of the 2041 ClimateForce Antarctica Expedition 2022

OVERSEAS HIGHLIGHTS

MTR (Shenzhen)

MTR (Shenzhen) developed a total of 7 new computer fault simulation scenarios in 2022. The comprehensive computer fault simulation scenarios cover topics from train incident handling to station operations procedural training, enhancing the diversity and effectiveness of training to relevant staff.

MTR Nordic

In 2017, MTR Nordic founded a Higher Vocational Education programme for train drivers and established an additional programme for train technicians in 2019. The train driver programme lasts for one year and about 45% of the training consists of work placements with various train operators. In 2022, a total of 55 students graduated from the train driver programme and the train technician programme. Among the graduates, 37 students have been recruited by MTR Nordic.

MTR Nordic has been working with Luleå Technical University to review some of the training plans offered by the Higher Vocational Education programme to enhance the contents and to ensure that the training plans are up to date according to recent research.

MTR Elizabeth line

MTR Elizabeth line has supported 'Women into Transport and Engineering' ("WiTnE") programme organised by the Supplier Skills Team of Transport for London ("TfL"). This was a four-week pre-employment programme opened to women of all ages, through TfL's network of organisations to support women entering into transport and engineering work or returning from a career break. The successful candidates undertook a two-week pre-employment training at CONEL College and met with Smart Works, a charity that provides clothing and coaching for unemployed women, helping them build confidence and prepare for the job. In November 2022, 5 candidates joined MTR Elizabeth line on a two-week work placement, where they attended company induction, played the Equally Yours game, shadowed Customer Experience Assistants at Woolwich and Canary Wharf



Graduates from the Train Driver Programme

stations, and joined the Community Ambassador team to support the Santa Express event.

Under MTR Elizabeth line's on-going apprenticeship programme, 7 Customer Experience Assistants joined the Passenger Transport Operative (Level 2) Apprenticeship and 2 colleagues from Control have started an apprenticeship with the Chartered Institute of Railway Operators in 2022. MTR Elizabeth line also offered 2 internships to the London Interdisciplinary School ("LIS"). The scheme received very positive feedback and plans are in place to offer more internships to LIS students in 2023.

Fostering Innovation

Innovation and technology are key enablers to help the Corporation realise its vision and create new growth opportunities.

Internally, we run a workshop under the theme of Low Carbon Smart Community, with The Hong Kong University of Science and Technology (“HKUST”) in March 2022. Attended by over 60 staff from different business units and corporate functions, the workshop aimed to identify specific areas of collaboration, leading to the development of research and development project proposals to help reinforce our research capability and core business especially on smart mobility and community. We also provided robotic and artificial intelligence (“AI”) training to equip apprentices and Technician Associates with the basic knowledge and skills aligning with the smart city trend in Hong Kong. In 2022, we also launched the Technology 101 Learning Series and organised a series of webinars on innovation and digitalisation to equip staff with technological and digital skills and to build the internal innovation ecosystem synergy. We have also been actively developing strategic partnerships, sponsoring and participating in tech conferences, and using our own innovation fund managed by the Technology and Innovation Steering Committee to enable pilot projects across the company.

Externally, we have marked a milestone by signing collaboration agreements with various key players in the innovation and technology sector. For instance, in August 2022, we signed an agreement with Hong Kong Science and Technology Parks Corporation (“HKSTP”) to set up a three-year collaboration framework focusing on the application of innovative technologies, data collaboration and co-investment on tech ventures. A core component of this agreement is to work with HKSTP to explore the establishment of a Living Lab within MTR’s operational environment to validate solutions provided by tech ventures. The Lab will first be set up in Hong Kong, such as an MTR station, mall or property, and may be extended to our footprints outside Hong Kong in the future.

To expedite innovative technology development in the city, we have signed a Memorandum of Understanding (“MOU”) with Hong Kong Cyberport Management Limited to set up a two-year collaboration framework for joint investment in digital technology startups. The collaboration aims to bring smarter services to customers through the strategic alliance with startups and contribute to the development of Hong Kong into a smart city.

We will continue to work with different partners and our mid-term target is to invest over HK\$300 million in startups from 2022 to 2025 to foster future skills and innovation.



A Collaboration Agreement with HKSTP to explore setting up a Living Lab and promote an open innovation and technology ecosystem



MTR Corporation and Cyberport signed an MOU to join hands in investing in start-ups



The Corporation supported the “She Loves Tech 2022 Global Startup Competition” for female entrepreneurs, by sponsoring its Hong Kong and Macau SAR Round and the Global Final Round. The competition attracted thousands of registrations from start-ups around the world, and 28 regional competition rounds were held across 70 countries.

The Corporation also sponsored the She Loves Tech 2022 Global Conference themed “Daring to Be” held in Singapore in November covering a range of topics such as incorporating gender differences in designing smarter cities, femtech, purpose-driven tech, climate change, the future of work and early-stage investing. We supported the events as speakers and judges and shared our views and experience on diversity and inclusion, innovation, and sustainable design with the participants.

Throughout the year the Corporation also supported various case competition for youth including AIESEC Outlier Challenge, Hong Kong Shared Good Value Competition and HKMA Business Simulation Competition.



“She Loves Tech 2022” aims to accelerate entrepreneurs and technology for transformative impact

MTR Academy

In 2016, the **MTR Academy** (the “Academy”) was established, with the aim of building a talent pool in railway industry and acting 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.

The Academy now runs three accredited Diploma and Advanced Diploma programmes under the Hong Kong Qualification Framework with around 140 full-time and part-time students, nurturing 75 graduates in 2022. The Academy has also supported the provision of an Applied Learning subject under the Education Bureau since 2018 and the subject has been popular among the DSE candidates, with a total of 164 HKDSE students on the enrolment list in 2022.

In June 2022, the Corporation, in tandem with the Academy has signed an MOU with Hong Kong University of Science and Technology (“HKUST”) on the establishment of the “HKUST-MTR Joint Research Laboratory”, which is the first-ever research laboratory we have set up with an institution of higher education. Combining the strengths of HKUST and MTR, this collaboration is set to further enhance Hong Kong’s research and development capacity in smart city and sustainable development, and contribute to the city’s carbon neutrality goal. In the same month, the Corporation and the Academy signed an MoU with The Hong Kong Polytechnic University on a three-year collaboration to establish a partnership to explore advanced and innovative railway technologies and to facilitate smart railway asset and operations management, as well as intelligent maintenance.

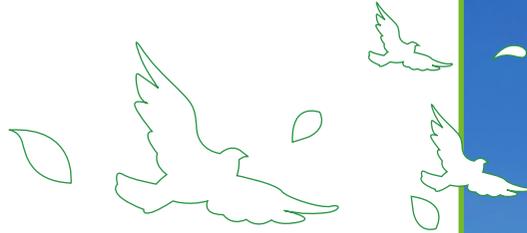
mtrAcademy



Establishment of the “HKUST-MTR Joint Research Laboratory”



Tripartite collaboration between MTR Corporation, MTR Academy and The Hong Kong Polytechnic University



REDUCING GREENHOUSE GAS EMISSIONS



Recorded 470 tonnes CO₂e saved through the green actions captured in Carbon Wallet

Over 2,100 flexible solar panels installed at Pat Heung Depot

18 Water dispensers installed at stations

Two ifc accredited with LEED Platinum Certification

On MTR Sustainability Website: Read our Management Approach

- > [Greenhouse Gas Emissions Reduction](#)
- > [Sustainable Investment](#)

Our Policies and Standards

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

In This Chapter:

GRI: 302-1, 302-2, 302-4, 303-1, 305-1, 305-2, 305-3, 305-4, 305-5, 306-1, 306-2, 413-2

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

SDGs:



MTR offers a low-carbon solution connecting communities we serve. As an operator of a reliable, efficient and environmentally friendly transportation system, we are playing our part in transiting Hong Kong to a carbon neutral city by 2050. Apart from implementing climate mitigation and adaptation measures, we will continue to incorporate green features and energy efficiency measures in the planning, design, construction and operation of our railway network and properties.

Reducing Carbon Emissions, Adopting Clean Energy and Enhancing Energy Efficiency

We are committed to integrating low-carbon measures into our policies, strategies, planning and operations as well as strengthening our resilience and adaptation to climate-related risks. Moreover, we are committed to improving our energy efficiency and increasing the generation of renewable energy in our operations.

Energy Reduction and Efficiency

Purchased energy is the largest source of our carbon emissions. In 2022, we consumed 3,330.65 GWh of electricity worldwide. In Hong Kong, our railway operations and property business accounted for 79% and 21% of our electricity consumption respectively. We continue to benchmark the electricity intensity and carbon intensity of our heavy rail network in Hong Kong with overseas counterparts through the COMET Benchmarking platform. Please refer to Performance Benchmarking in our [Performance Metrics](#) for further information.

Electricity Consumption of Heavy Rail Operations by Location (GWh)¹

Locations / Lines		2020	2021	2022
Hong Kong	Hong Kong Operating Network	1,484.03	1,503.68	1,495.53
Mainland of China	Shenzhen Metro Line 4	101.66	143.77	124.22
United Kingdom	Elizabeth line	112.13	108.29	248.42²
Sweden	Stockholm Metro	168.53	172.05	168.68
	MTRX	14.56	15.33	19.28
	Stockholms Pendeltåg	201.29	204.28	193.00
Australia	Mälartåg	n/a	n/a	94.43
	Melbourne's Metropolitan Rail Service	445.75	465.64	439.35
	Sydney Metro North West Line	87.74	84.62	82.10
	Total	2,615.69	2,697.66	2,865.01

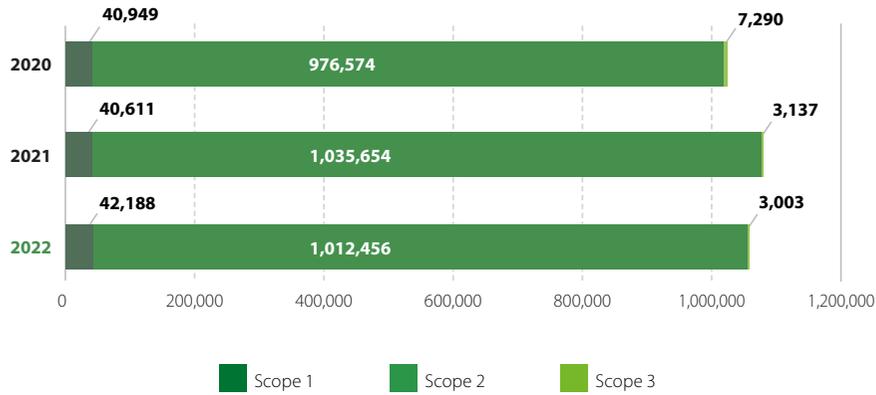
1. Electricity consumption from our operation in Macao is not disclosed in this Report as the Corporation is not the sole owner of the data under the O&M service contract with the client in Macao.
2. Electricity consumption has increased since the opening of Central Operating Section of the Elizabeth line in May 2022, more train services have been offered to passengers.

Electricity Consumption in Hong Kong (MWh)

Locations / Lines		2020	2021	2022
Railway Operations ³	Heavy Rail	1,484,030	1,503,677	1,495,525
	Light Rail	50,461	51,534	49,821
	Sub-total	1,534,491	1,555,211	1,545,346
Properties ⁴		376,220	411,914	415,819
	Total	1,910,711	1,967,125	1,961,166

3. This accounts for energy use from revenue generating activities only.
4. 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).

Total GHG Emissions in Hong Kong (in Tonnes CO₂e)



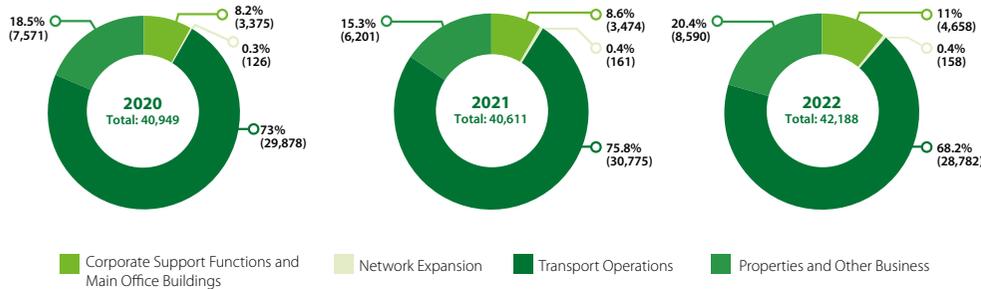
Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Corporation, such as emissions from fossil fuels burned on site.

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.

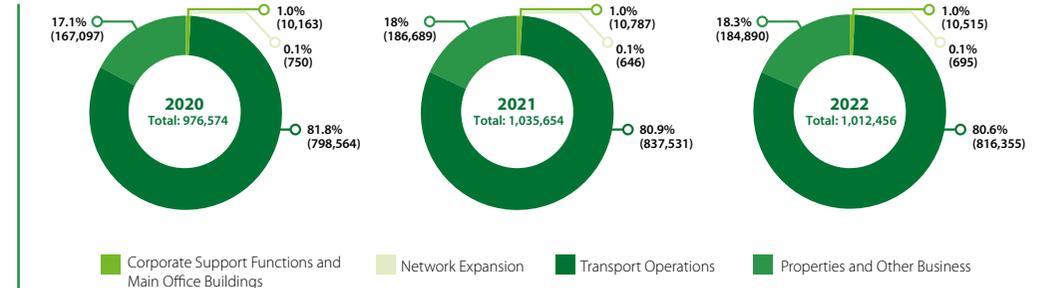
Scope 3 emissions include selected indirect GHG emissions from sources not owned or directly controlled by the Corporation but related to our activities. Coverage of our Scope 3 emissions includes water consumption and sewage treatment, paper consumption, staff business travel, and general waste disposed to landfill.

Details of our GHG inventory, including the scope and boundary, are provided in [Performance Metrics](#).

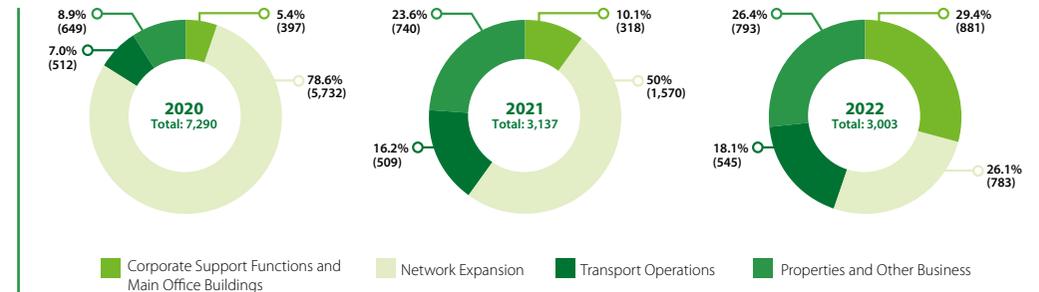
Breakdown of Scope 1 Emissions in Hong Kong (in Tonnes CO₂e)



Breakdown of Scope 2 Emissions in Hong Kong (in Tonnes CO₂e)



Breakdown of Scope 3 Emissions in Hong Kong (in Tonnes CO₂e)



In 2020/21, we completed a carbon reduction study to develop a long-term decarbonisation roadmap for the operation and development of our railway and property businesses in Hong Kong through analysing our carbon footprint, reviewing feasible technical solutions and industry best practices around the world, and assessing their applicability to our operation. The study has considered a comprehensive range of factors including the latest climate science, technology trends, Hong Kong's Climate Action Plan 2050, the risks and opportunities for our business, and the views of key internal and external stakeholders. Following the endorsement of the decarbonisation roadmap by the Board in early 2022, we have made an announcement of setting 2030 science-based targets ("SBTs") for our railway and property businesses in Hong Kong, with a longer term goal of achieving carbon neutrality by 2050. We submitted our commitment letter to the Science Based Targets Initiative ("SBTi") in July 2022 and MTR's commitment has been recognised on the SBTi website. We have submitted technical documents detailing our 2030 carbon reduction targets and they are

pending for SBTi's validation. We will publish our 2030 SBTs together with the decarbonisation roadmap upon endorsement by SBTi.

Under the recently established HKUST-MTR Joint Research Laboratory, we are working with HKUST to measure the embodied carbon emissions arising from our new railway development projects. Commenced in November 2022, this 2-year project aims to develop a quantification tool to track and benchmark embodied carbon of our new railway development projects and to explore the use of blockchain technology for carbon footprint reporting in our new railway construction projects. This project enables us to gauge our embodied carbon and identify potential areas for further reduction, which helps us achieve our 2030 carbon reduction targets and carbon neutrality goal by 2050.

To support the use of electric vehicles (EVs), we are committed to installing over 200 additional EV charging stations across our office buildings, shopping malls and station car parks by 2025.

Our Railway Operations

Chillers account for up to 40% of our total energy consumption in MTR stations in Hong Kong. We have continued our large-scale chiller replacement project at stations and depots. In 2022, we completed the first phase of our programme to replace 154 chillers with 133 new chillers of more energy efficient models. The second phase including replacement of 31 chillers in our stations will be completed by 2026, with an expected chiller energy saving of at least 20% after replacement.

In Hong Kong, we have adopted regenerative braking technology to convert kinetic energy produced during train braking to electrical energy which is then fed back into the traction power supply network for use by other trains through the overhead 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 further expand our usage of regenerative braking energy, we have completed the installation works of 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 in 2022. The systems can capture total estimated average of 1,700 kWh of regenerative energy per day, which is converted to low-voltage AC electricity to power station facilities such as lighting, escalators and lifts.

In March 2021, we successfully applied for the funding of acquiring one double-decker electric bus from the New Energy Transport Fund. Tendering process of the electric bus was completed and contract was awarded in April 2022. The electric bus is scheduled to be delivered in 2024. Meanwhile, the tendering for the procurement of the charger and the associated installation electrical and civil works is underway. It is our target to introduce at least 30 e-buses by 2026. We will also develop a pilot battery energy storage system for our diesel engineering wagons by 2024 to electrify our engineering vehicles.



Our Property Operations

We have adopted a wide range of energy saving measures in our invested and managed properties, including:

- Replacement of traditional lights with LED lights;
- Installation of high energy efficient air conditioning systems for plant rooms, common areas and main lobbies, and installation of variable speed drive ("VSD") at the ventilation fans of air handling units;
- Installation of motion and optical sensor-controlled lighting with a dimming function for rear staircases and mechanical floors;
- Upgrade of lighting controls for our building management systems;
- Modernisation of lifts and escalators;
- Proactive replacement with high efficiency equipment;

- Upgrade of Building Management System; and
- Installation of Sun Control Window Films at Clubhouse.

During the year, we have engaged tenants in various energy-saving initiatives in all our shopping malls such as supporting WWF's Earth Hour, participating in the HKSAR Government Energy Saving Charter and No Air Con Night, and liaise with tenants in Elements to reduce shopfront lighting hours. We also continue to closely monitor air-conditioning usage and adjust temperatures in the main lobbies and club houses of our managed properties to reduce energy use. Going forward, we will conduct energy audit for our managed residential properties for the common areas and existing shopping malls with full operation in 2022 and develop the associated energy saving plan progressively. We will also conduct a pilot programme in one of our

shopping malls to engage and assist tenants in identifying energy saving measures next year.

In our Headquarters, we continued our plan to gradually replace approximately 10,000 fluorescent light tubes with LED tubes, which consume 50% less energy. As at the end of 2022, around 75% of fluorescent light tubes at our Headquarters have been replaced with LED lights. In 2022, we have also installed an additional 40 electric vehicle ("EV") charging stations across office buildings and malls carparks. To further reduce our carbon emission, we will complete our chiller plant replacement programme in Headquarters in 2024, with an expected energy saving of around 20% chiller energy consumption as compared with 2019. In addition, 50% of our executive private vehicles will be replaced with EV or be cancelled by 2024.

OVERSEAS HIGHLIGHTS

MTR (Shenzhen)

MTR (Shenzhen) has adopted a range of energy saving measures in stations, including:

- Setting up of energy saving timetable with daily monitoring for all stations, e.g. switching off standby escalators and lighting for station advertisement during non-peak hours;



Escalators in stations are switched off during non-peak hours

- Switching off Automatic Fare Collection System during non-peak hours; and
- Switching off chillers of facility area at selected stations during cooler months when outdoor temperature is below 22°C.

MTR Nordic

MTR Nordic is the first Nordic traffic operator that committed to setting a science-based target ("SBT"). Endorsed by the Science Based Targets Initiative ("SBTi"), MTR Nordic's SBT is to decrease its carbon emissions in scope 1, 2 and scope 3 purchased goods and services, fuel- and energy-related activities, and upstream transportation and distribution GHG emissions 25.2% by 2025 from a 2019 base year.

Examples of initiatives implemented within MTR Nordic to achieve the goals include:

- 100% renewable energy for railway operations since 2019;
- Installation of sensors for demand controlled ventilation in one of the train depots;
- Installation of LED in the service pit in two depots;
- Further energy optimisation of the ventilation in the big central station and several depots;

- 100% renewable fuel in replacement buses since 2021;
- Phased out fossil fuels and increased share of renewable fuels in own cars to 94.2%;
- Target set to have 100% renewable fuel in cars by 2023 and 50% electric cars by 2025;
- Requesting suppliers to set their own emission reduction targets and providing emission reports; and
- Conducted a travel habits survey among employees to understand the travel patterns so as to identify improvement opportunities.

Other than setting a SBTi-approved target, the calculation of MTR Nordic's carbon emissions has been reviewed and validated by an independent third party to confirm that its carbon neutrality status is in line with PAS2060. This covers its entire carbon footprint (including Scope 1, Scope 2 and Scope 3), and demonstrates that MTR Nordic has reduction plans in place and has compensated 100% of its carbon footprint through Clean Development Mechanism "CDM" certified projects in renewable energy.

Clean Energy and Innovation

We continued to make progress in supporting the generation of renewable energy in 2022. Hardware installation of solar facilities in Hin Keng Station, including flexible solar panel, conventional solar panel and solar glass, and grid connection were completed. Following the contract award in December 2021, the solar panel installation works at Pat Heung Depot, Chai Wan Depot, Sunny Bay Station and Siu Hong Station are underway. Separately, the tender for the installation of solar panel systems for Tai Wai Depot and Tuen Mun Depot was awarded in October 2022 and the design is currently in progress. Among all, the solar panel system at Pat Heung Depot comprises over 2,100 panels, which is the largest flexible system in a single building in Hong Kong.

We have joined the Fit-in-Tariff Scheme for some of our solar PV systems, and part of the rebates, including those from our Headquarters Building and Hung Hom Building, have been used to purchase Renewable Energy Certificates to support the development of renewable energy in Hong Kong.

Apart from our stations and depots, we will also install solar panels at Luk Yeung Galleria and Paradise Mall to support the building facilities of the two shopping malls. It is our short-term target to generate 1 million kWh of renewable energy by 2023.



Solar panel systems at Pat Heung Depot

We always identify and explore new technologies to help decarbonise our operations. For example, we have conducted a trial project to apply a fully automated AI system to control a chiller plant at station in order to optimise energy performance in real time while maintaining a level of passenger comfort that suits each station's environment. The AI system is expected to achieve better energy efficiency with annual energy savings of approximately 8.7%. In our properties, we have implemented a cloud-based big data analytic software platform at Two ifc and saved 12% annual energy consumption of the central chiller plant in 2022. Besides, we have commenced a pilot project to develop an integrated AI solution combining system energy efficiency and occupancy monitoring to achieve energy savings at Elements. It is expected to reduce electricity consumption of the chiller plant upon completion in 2024.

OVERSEAS HIGHLIGHTS

MTR (Shenzhen)

In 2022, MTR (Shenzhen) signed a cooperation agreement on the distributed solar demonstration project in Longhua District with CLPe Solutions, a wholly owned subsidiary of CLP Holdings. More than 2,000 solar panels with a capacity of 1.24GW will be installed on the roof of Longhua Depot. The project is the first collaboration project between MTR (Shenzhen) and CLPe Solutions for building a distributed solar power system, while it is also a model project for Hong Kong-Shenzhen energy cooperation to reduce carbon emissions. The project is estimated to be able to generate 1.3 MWh of renewable energy annually and reduce carbon emissions by 16,000 tons during the contracting period.



The renewable energy initiative is a model project for Hong Kong-Shenzhen energy cooperation to reduce carbon emissions

Metro Trains Sydney

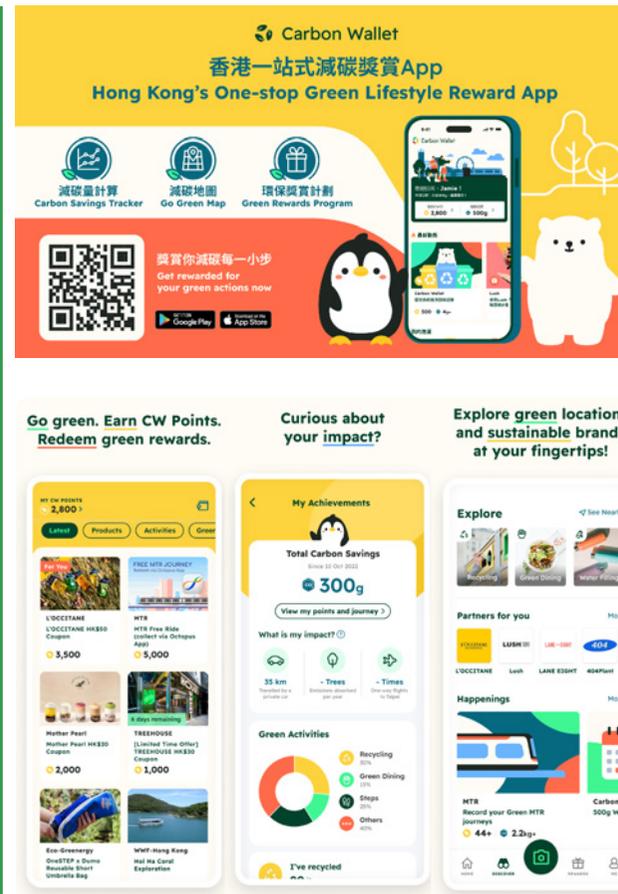
Metro Trains Sydney has offset its operational electricity use for the entire network through purchasing large-scale generation certificates under the Green Products Purchase Agreement with the Beryl Solar Farm at Gulgong New South Wales. The solar farm will be expanded together with the network to support the operations of Metro Trains Sydney in the long run. This arrangement not only helps secure the low-carbon operation of Metro Trains Sydney's network, but also brings significant social and economic benefits to the local community of Gulgong with the creation of 150 local jobs during construction as well as ongoing full-time positions for the operation and maintenance of the solar farm. Since signing the agreement, Metro Trains Sydney has offset over 83,000 tons CO₂e from its operations.



Engaging the Community

Carbon Wallet

Carbon Wallet, a one-stop green lifestyle reward app, was introduced in March 2021 to encourage the public to adopt a low carbon lifestyle. The app promotes carbon reduction actions across four lifestyle categories: recycling, dining, shopping and mobility. Through practising carbon-conscious behaviour, users can earn points based on the carbon emissions saved, which may in turn be redeemed for green products and 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. The number of downloads has reached over 80,000 since its launch. In 2022, Carbon Wallet partnered with more than 28 sustainable businesses, vegetarian restaurants, cafés and green groups to promote carbon reduction actions. Overall, users have submitted more than 250,000 recycling records in total. Combining all green actions captured in the app, our community saved 470,000 kg CO₂e, which is equivalent to the amount of carbon dioxide emitted by around 1,728 households' electricity consumption in a month in Hong Kong. Carbon Wallet will continue to expand its ecosystem and co-organise campaigns with partners to engage our staff and the public to practice low-carbon lifestyle in their daily lives.



Carbon Wallet - Hong Kong's one-stop green lifestyle reward app

ReThink HK 2022

The Corporation has supported the ReThink HK, one of the leading events on sustainable development in Hong Kong, for the second consecutive year as a headline theatre sponsor. The two-day event enabled connection and engagement with various industry practitioners to exchange views, share best practices and foster collaboration in multiple sustainability aspects. To encourage using low-carbon transportation and practising green lifestyle, we have worked with Carbon Wallet to offer a free MTR ride for each visitor who travelled to the event venue by MTR.



Exhibition booth and discussion panel session at ReThink HK 2022

Green T Baby

To further promote environmental protection to the public in a fun and friendly way, we introduced our Green Ambassador “Green T Baby” recently. “Green T Baby” is friendly, passionate and knowledgeable about protecting the environment while sharing lots of creative ideas, environmental tips as well as MTR’s green and low-carbon initiatives. Green T Baby will serve as an ambassador promoting MTR’s commitments and efforts to achieve carbon neutrality by 2050. Please watch the [video](#) to view the birth of Green T Baby.



MTR green ambassador - Green T Baby, with a heart-shaped nose and a bag of magic tricks



Green T Baby promoting our green initiatives at stations and trains

WWF’s “Earth Hour”

MTR continued to sponsor and support WWF’s “Earth Hour” campaign which was held on 26 March 2022. We have invited our business units and corporate functions to switch off external and façade lights of some of our managed buildings, and lightings of external logos on our office buildings and depot entrances for 1 hour on the event day.

Environment and Ecology Bureau’s Charter on External Lighting

We have also supported the Charter on External Lighting to switch off lighting installations of decorative, promotional or advertising purposes which affect the outdoor environment during the pre-set time to minimise nuisance to the surrounding environment. A total of 18 properties including 3 of our office buildings joined the Diamond level of the Charter, switching off external lighting from 10 pm to 7am on the following day.

Waste Management

Waste contributes to about 7% of carbon emissions in Hong Kong, with the bulk of them being the greenhouse gas generated from decomposition of waste in landfills. Waste reduction and resources circulation can help reduce carbon emissions and foster a low-carbon and sustainable lifestyle.

With millions of passengers and customers travelling along our extensive railway networks and through our integrated properties, we recognise the importance of waste management and commit to reducing waste generation through prevention, reduction and recycling.

To minimise the amount of waste generated from our operations and ultimately disposed at landfill, 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 behaviour change and promoting proper waste handling and recycling.

Our Railway Operations

In addition to the three-colour recycling bins placed in the concourse of all MTR stations, we have been installing drinking water dispensers and water vending machines at different MTR stations since 2018. As of December 2022, a total of 18 water dispensers have been installed at various MTR stations, especially interchange stations or stations close to gathering points of hikers, to encourage passengers to use refillable drinking bottles and hence reducing the use of single-use plastic beverage containers, saving over 1 million pieces of bottles. Our plan is to install 8 more dispensers in 2023-2024.

Since the launch of a trial on upcycling of spoil ballast generated from East Rail Line ballast replacement project in February 2021, approximately 8,300 tons of waste ballast have been upcycled for making about 4.4 million pieces of eco-paver. Some of them were used as eco-brick planters in Hin Keng Station.

Our “Legacy Train Revitalisation Programme” – Giving a Second Life to Retired Train Parts

Serving Hong Kong for over four decades, MTR train has a great sentimental value to all Hong Kong people. Since 2021, we have been working closely with different partners to give our retired trains and relevant parts a second life under our “Legacy Train Revitalisation Programme” (“LTRP”). This programme aims to revitalise and upcycle valuable resources for the betterment of the society through preserving the whole train cars, and recycling or upcycling train compartments and components. Retired trains are upcycled to divert operational waste from landfill while raising awareness of waste reduction and upcycling, and benefiting the community. Up to now, we have collaborated with more than 20 NGOs, social partners and government departments, jointly turning over 400 pieces of decommissioned train parts into different uses. For instance,

passenger seats have been donated to senior centres, schools and the public community as recreational facilities. Some train parts were transformed into arm-stretching equipment, which was installed by our MTR Volunteer team in the elderly homes.

Recently, we have donated a train compartment of a retired Mid-life Refurbishment train of the East Rail Line and a retired “Phase 2” Light Rail Vehicle to Ying Wa College and Ying Wa Primary School, passing on precious stories of Hong Kong railway development to students.

Watch the videos ([LTRP](#) and the [Ying Wa project](#)) to learn more about the LTRP.



Donation of train components to elderly centres, schools and NGOs



A train compartment of a retired Mid-life Refurbishment train and a retired “Phase 2” Light Rail Vehicle were donated to schools



Eco-brick planters in Hin Keng Station



Train-themed classrooms with an integration of arts and technology elements to inspire students’ learning interest

OVERSEAS HIGHLIGHTS

Metro Trains Melbourne

Metro Trains Melbourne has developed an environmentally responsible solution for the decommissioning of the oldest Comeng trains to maximise reuse and recycling so as to reduce the amount of waste disposal to landfill. For example, train parts such as seats, cushions, pneumatic valves, gauges and other components were collected for reuse in other trains, where feasible. After removing the reusable and recyclable parts, trains are then transported to a metal recycling facility to break down the segments into pieces, and ferrous metals are loaded directly from the recycle facility into the steel foundry where they are repurposed into various steel products.

To work towards a circular economy, Metro Trains Melbourne rolled out a recyclable corflute program, implementing a new working model for ordering, installing, removing and recycling corflute signage used to communicate temporary service changes at stations and guide passengers to take alternative transport when needed.

Since July 2021, Metro Trains Melbourne has worked with a corflute supplier on the solution that involved a new printing process to meet recycling specifications, the bulk storage and transport of used corflutes to the recycling contractor for pelletising for material reuse in the production of new corflutes. The program achieves a circular model that reduces single-use plastic material going to landfill. In 2022, Metro Trains Melbourne has recycled approximately 6,000 kilograms of corflute signage.



Improved corflute signage with insert pocket or brochure holder which can be reused

Our Property Operations

We work closely with the Owners' Committees and Incorporated Owners to identify opportunities to promote different source separation of waste programmes to residents. Different types of recyclables such as used papers, used clothes and glass bottles are being collected through recycling facilities in our managed properties. For instance, 52 estates of our managed properties have participated in "Green Collect", a one-stop recycling service launched by the Environmental Protection Department ("EPD") to enhance the recyclable collection services at housing estates. We also joined the Umbrella bags Reduction Accreditation Program organised by Greeners Action at our main office buildings and shopping malls to reduce the use of disposable umbrella bags on rainy days.

During the year, we continue to participate in the "Reverse Vending Machine ("RVM") Pilot Scheme" rolled out by the EPD. All our 12 shopping malls have installed the RVMs, collecting over 3.6 million plastic beverage bottles for recycling as of December 2022.



Reverse Vending Machine at our shopping malls to encourage residents, tenants and customers to recycle plastic bottles

In 2022, we supported the first-ever closed loop reusable food packaging pilot programme in Hong Kong funded by the Environment and Conservation Fund. Co-organised by WWF-Hong Kong and foodpanda Hong Kong, the pilot programme was launched in October 2022 to encourage users to choose reusable containers from participating restaurants when ordering take aways, and return them after use through the smart collection machines at nine different collection points including two of our premises – World-wide House and Admiralty Centre. Users will be rewarded with foodpanda vouchers and Carbon Wallet points when returning the food containers.



Smart collection machines at Admiralty Centre and World-wide House

We continue the two-year waste separation and food waste recycling trial in Heng Fa Chuen, where residents are encouraged to practice clean sorting and recycling through earning electronic points to redeem gifts. Food waste collected is transported to the O-PARK1 for further processing to turn food waste to renewable energy and re-usable compost. Besides, Elements, Maritime Square and Admiralty Centre have joined the Food Waste Recycling Pilot Scheme organised by the EPD to engage our food and beverage tenants in collecting and sending food waste to the O-PARK1.

Internally, all of our 14 staff canteens have been collecting and sending our food waste to the O-PARK1 since December 2022.



Green and Low-carbon Designs

Buildings account for about 90% of Hong Kong’s total electricity consumption, and over 60% of our carbon emissions is attributable to generating electricity for buildings. In order to achieve carbon neutrality, we need to step up efforts to improve energy efficiency performance of buildings by integrating energy efficient facilities and adopting green and low-carbon designs in new development projects.

We recognise the importance of adopting green and low-carbon designs to achieve carbon neutrality and commit to developing sustainable infrastructure with increased resource-use efficiency, greater adoption of clean and environmentally sound technologies, and enhanced ecological value of the surrounding environment.

Green and Low-carbon Design

We strive to integrate environmentally conscious features into our projects and the surrounding areas as far as practicable during the design, planning, construction and operation of new lines, buildings and properties. We are aiming to achieve a minimum of BEAM Plus Gold accreditation for all our future new stations and new residential development projects. In 2022, we attained BEAM Plus Provisional Gold accreditation for our proposed Tung Chung East and Tung Chung West stations. We will also add over 1,400 bike parking spaces around our stations and managed properties by 2025 to encourage low-carbon living.

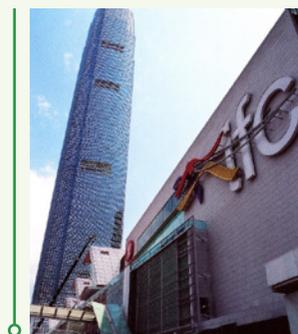
Hin Keng Station is the first railway station in Asia to achieve BREEAM certification, achieving a ‘Very Good’ rating under BREEAM In-Use (BIU). BREEAM is the world’s first sustainability assessment method for the built environment and the most widely used rating scheme worldwide. Station improvement works are in progress aiming to upgrade the existing “Very Good” rating to “Excellent” rating under the latest version of BIU. We target to obtain the new certificate by 2023.

Two ifc Accredited with LEED Platinum Certification

Two International Finance Centre (Two ifc) has received Leadership in Energy and Environmental Design (LEED) Platinum certification for Operations and Maintenance: Existing Buildings v4.1, becoming the first project in Hong Kong obtained the highest standard in this certification programme.

Established by U.S. Green Building Council, LEED is the most widely used green building rating system in the world. It provides a framework for creating a healthy, efficient and cost-saving green building.

To provide owners, tenants and visitors with a better quality of life as well as lowering carbon emissions, reducing electricity and water usage and building a healthier environment, we have implemented practical enhancement measures in areas including water savings, energy efficiency and indoor environment quality.



Two ifc has achieved LEED Platinum certification for Operations and Maintenance: Existing Buildings v4.1

List of property in MTR’s property portfolio achieved Gold or Platinum rating under the Hong Kong Green Building Council’s BEAM Plus scheme is provided below:

Year	Property	BEAM Plus Standard Awarded
2022	LOHAS Park Package 9 (Marini, Grand Marini and Ocean Marini)	Final Gold
	LOHAS Park Package 8 (Sea to Sky)	Final Gold
	LOHAS Park Package 7 (Montara and Grand Montara)	Final Gold
2022	Long Ping Station (South) Residential Development (Sol City)*	Final Gold
	LOHAS Park Package 6 (LP6)	Final Gold
	LOHAS Park Package 5 (MALIBU)	Final Platinum
	LOHAS Park Package 4 (Wings at Sea)	Final Gold
	Tsuen Wan West Station (Bayside) Residential Development (Ocean Pride and Ocean Supreme)*	Final Gold
2020	Nam Cheong Station (Residential) (Cullinan West, Cullinan West II, and Cullinan West III)*	Final Gold
2019	Tsuen Wan West Station (Cityside) Residential Development (PARC CITY)*	Final Gold
	Tsuen Wan West Station (Tsuen Wan 6) Residential Development (THE PAVILIA BAY)*	Final Gold
2018	Long Ping Station (North) Residential Development (The Spectra)*	Final Gold
2017	Austin Station Residential Development (The Austin and Grand Austin)	Final Gold

* MTR act as agent for West Rail Developments.

Water Conservation

We use water primarily to clean our trains, railway infrastructure, stations and premises in our operations. To manage and reduce our water usage, we have introduced water recycling systems and water saving devices across our railway and property operations. Water used to clean trains is collected and recycled for another round of train washing or as toilet flushing water in the depots. A grey water recycling system has been installed at LOHAS Park to recycle wastewater for landscaping and cleaning of outdoor public spaces. We also install sensor in water taps, flow restrictors and dual flush toilets in our office premises and MTR Malls.

A self-innovated “walking tank” has been developed and applied to our residential properties to conserve water during regular cleaning of water fountain. Water is purified and reused in the fountain to avoid draining out large amount of water whenever cleaning the water fountain.



Self-innovated water-saving “walking tank”

Besides, all MTR office buildings, depots and shopping malls as well as management offices of our residential property have pledged to support the Enterprise Cherish Water Campaign (“ECH₂O”) initiated by Water Supplies Department (“WSD”) to cherish water through implementing water saving measures and setting water conservation targets. WSD awarded one of our colleagues with the Bronze Award in Outstanding ECH₂O Manager in 2022. Our targets are to reduce 2.5% of water consumption in depots in 2023 with 2022 level as baseline as well as saving 5% of water use in our shopping malls in 2025 with 2018 level as baseline.

Biodiversity

We are committed to protecting the natural habitats and maintaining the diversity of plants and animals within the areas in which we operate, adhering to the relevant environmental legislations and requirements, and avoiding and minimising, where feasible, our adverse impacts on ecology and biodiversity relating to our operations and new development projects.

Our commitment to protecting the natural habitat is well demonstrated from our management and conservation work at Lok Ma Chau wetland which included 32 hectares enhanced wetland habitats consisting of 3 main sections: Reedbeds, Marshlands and Fishponds, as well as ongoing ecological monitoring. Over 280 bird species have been observed, including the endangered Black-faced Spoonbill. During the 2022 breeding season, over 110 pairs of birds representing 9 different species were spotted. The wetland also hosts dragonflies, reptiles, mammals and amphibians including those classified as endangered, vulnerable and near-threatened. More details about our work at the Lok Ma Chau wetland could be found in the [Lok Ma Chau Wetland Website](#).

To continuously enhance our tree management initiatives, we have developed a Tree Intrusion Detection System (“TriDS”) to monitor tree conditions more effectively. With the use of 3D mapping technology, Light Detection And Ranging (LiDAR) and AI platform, the new system can be installed in Light Rail Vehicles (“LRV”) to capture tree data such as detection of tilting trees. This System enables us to identify potential risk of fallen trees and tree intrusion during LRV operations so as to plan for and carry out suitable mitigation measures. During the year, our Tree Management Team has started to use the TriDS system on a trial basis. The system is able to enhance our ongoing tree management regime, including regular monitoring and maintenance for around 25,000 trees along the railway lines.

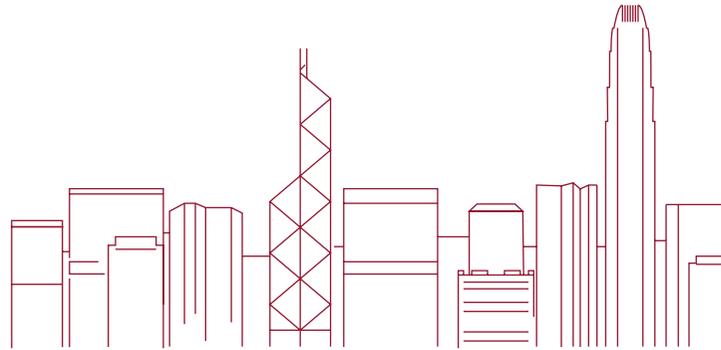
During the year, we also supported the Hong Kong Bird Watching Society (“HKBWS”), a local NGO aiming at appreciating, studying and conserving Hong Kong birds and natural environment, by donating its Field Guide to the Birds of Hong Kong and South China to all local primary schools. The Field Guide is a good reference for all birdwatchers, especially beginners, to appreciate the beauty and variety of bird species in Hong Kong and South China area. Through this collaboration, we aim to build bird protection concept at young age.

Enhancing Bird Protection at Mei Foo Station

In view of the occurrence of bird strike outside Mei Foo Station, we have taken the initiative to make Mei Foo a bird-friendly station. With the advice from HKBWS, the bird strikes might have been caused by window facades at the station reflecting trees in the park nearby and birds hitting the glass panels by mistake. In response to the issue, we conducted a trial with anti-bird collision window films at the station and once it was proved feasible, applied the films on over 100 window facades in Mei Foo Station to provide better protection for birds. Bird strike outside the station significantly reduced after the films were applied. We also plan to decorate windows along the interchange walkway in the station with graphics resembling birds to raise awareness on bird protection amongst our commuters.



Installation of anti-bird collision window films on over 100 window facades in Mei Foo Station



CLIMATE-RELATED FINANCIAL DISCLOSURES



Strategic oversight
by the board-level Environmental and Social Responsibility Committee

Following a **3-pronged Climate Change Strategy**

Completed a high-level climate diagnostic study

Setting **2030 science-based targets**

On MTR Sustainability Website:
Read our Management Approach

- > [Greenhouse Gas Emissions Reduction](#)
- > [Sustainable Investment](#)

Our Policies and Standards

- > [Corporate Responsibility Policy](#)
- > [Climate Change Strategy](#)

In This Chapter:

GRI: 302-4

HKEX: GD-A1, GD-A2, GD-A4, KPI A1.5, KPI A2.3, KPI A4.1

SDGs:



As climate change is a material issue which poses both risks and opportunities to our existing operations as well as future development, we have been publishing climate-related financial disclosures with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) since 2020.

Governance

Our board-level Environmental & Social Responsibility Committee (“E&SRC”), led by the Chairman of the Corporation, is responsible for providing strategic guidance and review our environmental and social practices and performance, including matters related to climate change. The responsibilities of the E&SRC and details on its work during the year are available in the [Corporate Governance Report](#) of the Annual Report.

Within the Corporation, the Executive Committee chaired by the Chief Executive Officer is tasked with the day-to-day management. The Environmental & Social Responsibility Steering Committee (“E&SRSC”), led by the Legal and Governance Director, focuses on driving and reviewing the implementation of environmental and social initiatives, including climate change, across all MTR business units and corporate functions. Members of the E&SRSC include members of the Executive Directorate and colleagues representing MTR’s major business units and corporate functions.

Significant environmental & social issues, including climate change, will be reported to and sought advice from the Board. For example, the Corporation’s long-term decarbonisation roadmap including commitment to set 2030 science-based targets for our railway and property businesses in Hong Kong, with a longer term goal of achieving carbon neutrality by 2050 has been thoroughly discussed and endorsed by the Board in 2022.

Strategy

We have formulated a three-pronged approach [Climate Change Strategy](#), focusing our efforts to provide a low-carbon transport network, improve energy efficiency and strengthen climate adaptation and resilience measures in our operations.

Three-pronged Approach Climate Change Strategy

1. Serving as a Low-carbon Public Transport Network

In Hong Kong, MTR strives to support the HKSAR Government to utilise railway operations as the backbone of Hong Kong’s low-carbon public transport network. We have been working closely with the HKSAR Government in taking forward the railway expansion plans stipulated in the Railway Development Strategy 2014 to develop a safe, efficient, economically viable and environmentally friendly transport system in Hong Kong. We are committed to continuously looking for new opportunities in network expansion to secure a significant step towards the low carbon future and apply the Rail plus Property model, where appropriate, to enhance the walkability and connectivity of the city as well as promoting low carbon urban mobility.

Apart from Hong Kong, MTR will also continue to seek opportunities to grow strategically into overseas and regional markets and leverage our experience to connect more communities with a low-carbon public transport system.

Details of our network expansion are available in our [Annual Report](#).

2. Implementing Carbon Reduction Measures

Apart from complying with applicable regulatory requirements, MTR is committed to taking a proactive approach in adopting more stringent energy efficiency requirement beyond compliance. We will continue to adopt the latest green building standards, such as BEAM Plus for our new residential building development and new stations to reduce associated climate-related impacts arising from energy and waste and increase

resilience. We will also work closely with our project partners in planning and constructing new rail and property development projects to ensuring the incorporation of low carbon (including reduction of embodied carbon), energy efficient and climate resilient design in such long-standing infrastructure.

In the meantime, we will explore the possibility of generating more renewable energy, where feasible, and participate in communication with government and energy suppliers in Hong Kong to encourage and promote decarbonisation of energy supply and improving the access to low carbon energy. We will also actively review the suitability and practicality of opportunities that can offset or remove our carbon emissions.

Details of our carbon reduction measures are available in [Reducing Greenhouse Gas Emissions section](#).

3. Climate Adaptation and Resilience

MTR will continue to improve our infrastructures’ resilience to the changing climate and take measures to adapt to different climate conditions. For example, the entrance/exits of most MTR stations are by design at least 450mm above street level and equipped with 1.2m high flood boards, waterproof doors are installed at the underground entrances/exist connecting MTR stations and other facilities as needed, floodgates are also installed at the immersed tube tunnel of railway tunnels where necessary to prevent ingress of flood water. We will constantly review our design manuals and incorporate appropriate measures to strengthen climate resilience of our railway and property infrastructures. In addition, we will conduct climate-related scenario analysis as recommended by TCFD to better understand the potential implications of climate-related risks and opportunities on the Corporation.

Examples of our flood prevention measures at MTR stations and preparedness for typhoon at MTR properties can be found on our [Sustainability Website](#).

Risk Management

Climate-related risks are monitored, reviewed and updated annually through our Enterprise Risk Management (“ERM”) Framework. Representatives from business units and corporate functions report climate-related risks to the Enterprise Risk Committee (“ERC”) who is responsible for reviewing the Corporation’s top risks and key emerging risks on an annual basis, including those related to or associated with climate change. The Chairman of the ERC will report the top risks to the Executive Committee and the board-level Audit & Risk Committee quarterly and to the Board on a six-monthly basis. The corporate-level climate-related risks map is reported to the ERC and the Executive Committee annually by the Head of Sustainability and the Chairman of the ERC respectively.

The Corporation has already identified several climate-related risks that may potentially impact our business. These include the increased likelihood of extreme weather, changes in rainfall patterns leading to flooding 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 upkeep and enhancement 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.

In addition to physical risks, we are aware of the transition risks and opportunities posed by climate change, including those associated with policy and legislation change, and market and technology shifts as well as the potential reputational damage resulting from failing to respond to climate change. 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.

Examples of Climate-related Risks & Opportunities Related to Our Operations

Risks & Opportunities	Timeframe	Impacts	Responses
Physical Risks			
Extreme weather	Long-term (>10 years)	Increased occurrence of extreme weather events may increase the chance of damaging power lines, obstructing railway tracks, damaging assets, and accelerating outdoor infrastructure deterioration, and hence affecting railway operations.	Handling procedures for extreme weather in place.
Changes in rainfall patterns	Long-term (>10 years)	Excessive or heavy rain may expose our stations and facilities to flood risk, which is especially significant for our underground stations, resulting in potential service disruptions.	Flood handling procedures in place as well as regular maintenance, regular review of flood protection measures and on-going improvement works for at-grade stations and critical equipment.
Rising ambient temperature	Medium-term (6-10 years)	Higher temperature and/or heatwaves may increase the strain on our cooling systems and induce deformation and defects leading to service disruptions.	Replacement of chillers with better Coefficient of Performance and monitoring of the outdoor equipment health conditions regularly.
Transition Risks			
Unforeseen regulatory pressure in responding to climate change	Medium-term (6-10 years)	More stringent requirements on energy reduction and resilience of new infrastructures to climate change, leading to increase in capex and programme delay.	Monitoring power consumption and driving energy saving measures as well as reviewing design manuals and project programme/ budget when regulations are updated.
Reputational impact	Medium-term (6-10 years)	Increased public concerns about climate change may lead to dissatisfaction and criticism from green groups on our carbon reduction efforts against their expectations.	Enhancing publicity on our actions and achievements in improving carbon reduction and energy efficiency as well as commitment to carbon and energy reduction.
Opportunities			
Supporting low-carbon transport	Long-term (>10 years)	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.	Support the government to continue serving as a low-carbon railway network and expanding our network as planned.
Resource efficiency	Medium-term (6-10 years)	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.	Adoption of more energy efficient products, where appropriate.

In 2022, we have completed a high-level climate diagnostic study on our railway and property assets in Hong Kong to assess their exposures to climate-related physical risks under different time horizons and climate scenarios based on the Representative Concentration Pathways (RCP) designed by the Intergovernmental Panel on Climate Change. The Study reviewed the risk profiles of our assets at 320 locations and derived risk scores for current state and future state based on different climate scenarios (RCP 2.6, RCP4.5, and RCP8.5) in Year 2030, 2050, and 2100. The Study helped us identify critical exposed assets at risk, enabling us to plan for a more in-depth scenario analysis for our relatively high risk assets.

For further details on our governance structure and risk management process, please refer to the [Corporate Governance section](#) on our sustainability website and the [Corporate Governance Report](#) in our Annual Report.

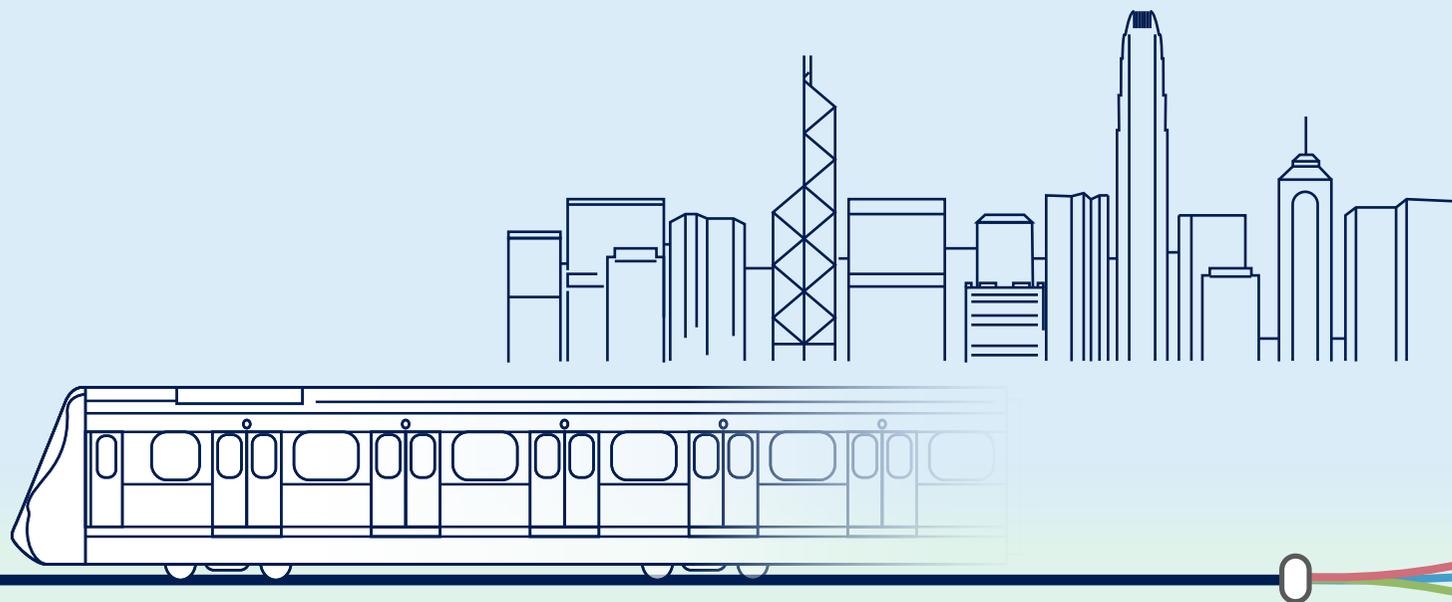
Metrics and Targets

In 2022, we completed a study to set long-term carbon reduction targets for both of our railway and property businesses in Hong Kong and develop a practical roadmap to decarbonise our operations. The study involved comprehensive review on our planned carbon reduction initiatives, extensive engagement with relevant business units and corporate functions, as well as exploring new and emerging carbon reduction measures that may be applicable to our operations, with an aim to set reduction targets which are in line with the climate science. Following the study, we have already committed ourselves to:

- Setting 2030 science-based targets (“SBTs”) for our railway network and property portfolio in Hong Kong; and
- Achieving carbon neutrality by 2050.

We have submitted our commitment letter to the Science Based Targets initiative (“SBTi”) in July 2022 and MTR’s commitment has been recognised on the [SBTi website](#). We have submitted technical documents detailing our 2030 carbon reduction targets and they are pending for SBTi’s validation. We will publish our 2030 SBTs together with the decarbonisation roadmap upon endorsement by SBTi.





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