

Sustainability

An important characteristic of MTR Corporation is the very broad context in which we see our role, and our commitment to creating a sustainable growth path

During 2005, the energies of MTR Corporation in the area of sustainability, including CSR, were focused on Enterprise Risk Management (ERM), moving forward the engagement of stakeholders through a formalised CSR agenda and the application of best practices.

Building a culture of sustainability

Two years ago, MTR Corporation identified the key risks in our business as they might affect different stakeholders through an ERM system. Throughout 2005, the Company worked to formalise this management system and develop this approach in our everyday working life through concrete initiatives.

To this end, divisional campaigns were launched that are designed to build a culture of sustainability among staff and external stakeholders. Key among these were the work/life balance initiative, the "From the Heart" campaign, "More Time Reaching Community" campaign and the continuing Art in Stations programme.

In November, an important milestone in this process was achieved when Management approved the MTR Corporation CSR Guideline and established a Sustainability and CSR Steering Committee.

Deepening community engagement

Engagement with the wider community centred on the further development of the WIL engagement process that began in 2003 and the Community Rail programme. These initiatives focus on developing a network of rail-linked community centres that provides the best transport services whilst delivering upon the social aspirations of the local communities.

The working consultation group for WIL demonstrates how MTR Corporation seeks to integrate sustainability into the community by proposing "pedestrianisation" of the line's various developments, through the use of walkways, overhead escalators, shoreline public spaces and design features that aim at a revived street life.

During the year, culture and the arts found new impetus for customer services. Live performances, artists' exhibitions and local community art displays added a lively dimension to the Art in Stations programme. MTR Corporation also staged Hong Kong's first race walking event "MTR Hong Kong Race Walking 2005" in conjunction with the Hong Kong Amateur Athletic Association, to

bring about healthy lifestyle awareness for the community, and raised money for future health education activities.

Sustainability in international business

The increased momentum behind sustainability was also felt in the Company's international business. MTR Corporation has always sought to bring our sustainability principles to bear on our overseas investments, notably those in the Mainland of China, where its "rail and property" business model is being used to develop sustainable communities relying on mass transportation.

The Shenzhen Metro Line 4 project, for example, encompasses urban planning for green communities along a green rail "spine", to provide a series of transport hubs supported by secondary road-based access. To realise this, the Company has been working to create understanding of and support for sustainability through a process of education in best practices, as well as strategic planning together with Mainland business partners.

Working with the industry

Seeing its role in the widest context, the Company has for some time also been central to efforts by the rail transport industry to address sustainability issues. As chairman of the Commission on Sustainable Development of UITP, MTR Corporation assisted in publishing the UITP report "Bringing Quality to Life - Better Mobility for People Worldwide" in June. In September, as leader of the Community Business Leadership Team under Community Business, the Company facilitated the establishment of Hong Kong's first CSR Charter.

Sustainability reporting

The creation of a sustainability culture has been fostered by integrating such issues into corporate reporting, and MTR Corporation published our first Sustainability Report in 2001. The 2003 report received the Best Sustainability Reporting Award from ACCA Hong Kong in May. This extensive report can be downloaded from the Sustainability webpage, www.mtr.com.hk/sustainability.