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## Performance Metrics



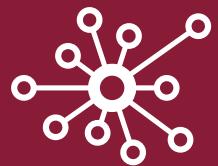
# MAINLAND OF CHINA AND INTERNATIONAL BUSINESS

From our base in Hong Kong, we have expanded into the Mainland of China and taken on a range of railway-related projects and operations internationally, with presence in Australia, Sweden and the United Kingdom. Based on the successful "rail plus property" development model in Hong Kong, we have expanded into the Mainland of China with property businesses in Beijing, Shenzhen and Tianjin.



9

Number of rail services in operation outside of Hong Kong



&gt;960 km

Total operating route length outside of Hong Kong

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# INTRODUCTION

We are exercising prudence in our approach to the expansion of our global footprint. When considering future plans outside of Hong Kong, we have a strong preference for consolidating our position in countries and cities where the Company already have a presence.

**LEARN MORE...**

Refer to our [Annual Report 2016](#) for detailed information on our Mainland of China and International Businesses.

**SWEDEN*****Stockholm Metro***

- Operated by MTR Tunnelbanan AB\*
- Rolling stock maintenance by MTR Tech AB\*

***MTR Express intercity train service***

- Operated by MTR Express (Sweden) AB\*

***Stockholm commuter rail******(Stockholms pendeltåg)***

- Took over in December 2016
- Operated by MTR Pendeltågen AB\*
- Rolling stock maintenance by Emtrain AB#

**UNITED KINGDOM*****TfL Rail / Elizabeth Line***

- Operated by MTR Corporation (Crossrail) Limited\*

***London Overground***

- Until November 2016
- Operated by London Overground Rail Operations Limited#

In this section, we highlight the key sustainability performance of major railway operating subsidiaries around the world by location. Key performance indicators (KPIs) for these railway operations are also [available](#).

**Average weekday patronage by region:**

- **Mainland of China** – +2.9m,
- **Europe** – (+1.8m)  
(incl LOROL LOROL but not Stockholm commuter rail which concession only starts in December 2016)
- **Australia** – +800k

**MAINLAND OF CHINA*****Beijing Metro Line 4, Daxing Line, Beijing Metro Line 14 and 16 (Phase 1)***

- Operated by Beijing MTR Corporation Limited#

***Hangzhou Metro Line 1 and extension***

- Operated by Hangzhou MTR Corporation Limited#

***Shenzhen Metro Line 4 (Longhua Line)***

- Operated by MTR Corporation (Shenzhen) Limited\*

**AUSTRALIA*****Sydney Metro Northwest***

- Operation will commence in 2019
- Operated by Metro Trains Sydney Pty. Limited#

***Melbourne's Metropolitan Rail Service***

- Operated by Metro Trains Melbourne Pty. Limited#

\* 100% owned subsidiary of MTR Corporation

# Joint Venture/Consortium of which MTR Corporation is a shareholder

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## Management Approach

### GUIDING FRAMEWORK

#### Governance of subsidiaries and associates outside of Hong Kong

The Chief Executive Officer is responsible for oversight on governance of subsidiaries and associates. He is supported by the Managing Director – Operations and Mainland Business, the Legal and European Business Director and the Deputy Director – Australian Business.

Notwithstanding these subsidiaries and associates are separate legal entities, the Company has implemented a management governance framework (the "Governance Framework") to ensure that it exercises an appropriate level of control and oversight as a shareholder of these subsidiaries and associates.

In 2016, we undertook a review of the Governance Framework to refine the management governance requirements and enhance the implementation process, promoting increased collaboration of the corresponding functions at the Company on the one hand and the subsidiaries and associates on the other hand.

Pursuant to the Governance Framework, the Company exercises its control and oversight through formulation of a governance structure that is tailored for individual subsidiaries and associates through adoption of management practices and policies that are appropriate to the business nature and local situation, taking into account of the management governance requirements of the Company. The governance structures of the subsidiaries and associates, as a result, will ensure adequate internal controls, consultation with and notifications to the Company on important matters, and complemented by regular reporting and assurance. Compliance with the relevant management practices and governance structure is reported by subsidiaries and associates with significant operations on an annual basis.

#### Management Directives

In order to ensure good corporate governance and management of financial and reputational risks, we exercise oversight over our subsidiaries and associates. Beyond this, we are committed to promoting best practices in all areas where we have substantive control or influence.

Our wholly-owned and majority-owned subsidiaries are mandated to adopt a set of management directives relating to internal controls, consultation and reporting:

- Internal controls — implement appropriate procedures and management systems to ensure compliance with relevant laws and regulations, as well as the Company's specific requirements on safety, enterprise risk and asset management, among other issues.
- Consultation — headquarters must be consulted on matters relating to material variation of the concession or franchise agreement, appointment of senior managers, litigation and non-compliance with relevant laws and regulations, amongst others.
- Reporting — provide timely reporting on financial, operational and safety performance.

#### Operating Agreements

Our subsidiaries and associates participate in various forms of agreements with local authorities, including Operations & Maintenance (O&M), Public-Private Partnerships (PPPs), and Build-Operate-Transfer (BOT) arrangements. Our ability to influence the environmental, social and governance impacts through the activities of our subsidiaries and associates is largely determined by the specific terms of these agreements as well as the local conditions and circumstances.

#### Fair and ethical business

We promote a culture of fair and ethical business practices. With respect to prevention of bribery and illegal practices, whenever the laws or customs of another country impose stricter standards than our own anti-bribery regime in Hong Kong the higher standard always prevails.

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All members of staff, irrespective of their location of employment, are expected to abide by the Code of Conduct. They should not only conduct themselves in accordance with the highest ethical standards at all times, but also to identify and address any instances of behaviour by other members of staff that are not in accordance with the Code.

**KEY PRINCIPLES AND PROCESSES****Risk Management**

We require subsidiaries and key associates to establish Enterprise Risk Management ("ERM") system as an integral element of the corporate governance framework. Measures are taken to identify, evaluate and manage significant risks arising from recurrent and growth businesses and from the constantly changing business environment, and covers a range of categories from financial and business environments, safety and health, security, service and business performance, environment, reputation as well as political issues. Risks are captured in risk registers for regular review and monitoring.

We collaborate and communicate with Risk Managers from different business units through the annual in-house "Audit & Risk Forum" held in Hong Kong, and periodic teleconference meetings for cross-learning of the latest developments in risk management and risk management challenges.

**Assurance and audit**

We conduct thorough assurance and regular audits, including a safety assurance assessment and enterprise risk management review, before the start of operations and following any substantive change in operational or business activity.

**Local talent**

In general, our subsidiaries and associates are run by local teams; whenever possible, we bring on board people who share our values and contribute to fostering our unique corporate culture in their local context.

**Learning and sharing**

In order to promote the flow of information and development of an open, trusting relationship, staff across the Company are encouraged to develop relationships with their counterparts and implement a culture of sharing and learning.

**Safety**

We have an enhanced corporate safety governance framework based on a benchmarking study of international best practices. The resulting enhancements to the framework include providing independent risk assessment from headquarters to cover major operational changes, and requiring businesses to plan and achieve specified maturity levels.

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## MTR IN THE MAINLAND OF CHINA

The table below summarises our main businesses in the Mainland of China.

Click on the name of each line for more information about the operation.

### Our Main Businesses in The Mainland of China at a Glance

#### Railway Construction, Operation and Maintenance

	MTR Corporation Shareholding	Business Model	Commencement of Franchise/Expected Date of Commencement of Operation	Franchise/Concession Period (years)	Number of Stations	Route Length (km)
<b>Projects in operation</b>						
<u><a href="#">Beijing MTR Corporation Limited</a></u>						
Beijing Metro Line 4 ("BJL4")	49%	Public-Private-Partnership ("PPP")	September 2009	30	24	28.2
Daxing Line of BJL4	49%	Operations and Maintenance ("O&M") Concession	December 2010	10	11	21.8
Beijing Metro Line 14 ("BJL14")	49%	PPP	Phase 1 West Section: May 2013 Phase 2 East Section: December 2014 Phase 3 Middle Section: December 2015	30 Note 11	Phase 1 West Section : 7 Phase 2 East Section : 12 Note 1 Phase 3 Middle Section : 11 Note 1	Phase 1 West Section : 12.4 Phase 2 East Section : 14.8 Phase 3 Middle Section : 16.6
Beijing Metro Line 16 ("BJL16")	49%	Operations and Maintenance ("O&M") Concession	Phase 1 : Dec 2016	Until full line opens Note 2	Phase 1 : 10 Note 2	Phase 1 : 19.6
<u><a href="#">MTR Corporation (Shenzhen) Limited</a></u>						
Shenzhen Metro Longhua Line	100%	Build-Operate-Transfer Note 3	Phase 1 : July 2010 Phase 2 : June 2011	30	Phase 1 : 5 Phase 2 : 10	Phase 1 : 4.5 Phase 2 : 16

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	MTR Corporation Shareholding	Business Model	Commencement of Franchise/Expected Date of Commencement of Operation	Franchise/Concession Period (years)	Number of Stations	Route Length (km)
<u>Hangzhou MTR Corporation Limited</u>						
Hangzhou Metro Line 1 ("HZL1")	49%	PPP	November 2012	25	31	48
HZL1 Extension	49%	O&M Concession	November 2015	End together with HZL1 concession	3	5.7
<b>Projects In Progress</b>						
Beijing Metro Line 14, Mainland China	49%	PPP	Full Line: After 2018	30 <small>Note 11</small>	Full Line : 37	Full Line : 47.3
Beijing Metro Line 16, Mainland China	49%	PPP	Full Line: After 2018	30 <small>Note 12</small>	Full Line : 29	Full Line : 49.8
<b>Property Development, Rental and Management</b>						
Properties	MTR Corporation Shareholding	Business Model	Award land use right/ Commencement of services	Gross Floor Area (sqm)		
<u>MTR Property Development (Shenzhen) Company Limited</u>						
Tiara	100%	Property Development and Management services	2011	~206,000		
<u>MTR (Beijing) Commercial Facilities Management Co. Ltd.</u>						
Ginza Mall	100%	Property rental and management services	2006	~30,000		

Note 1: BJL14 Phase 2 East Section has 12 stations, 11 opened [1 are currently bypassed]. BJL14 Phase 3 Middle Section has 11 stations, 9 opened [2 are currently bypassed].

Note 2: The O&M concession of BJL16 Phase 1 will run until full line opens, now has 10 stations and 9 opened [1 is currently bypassed].

Note 3: Shenzhen Metro Longhua Line Phase 1 assets are owned by the Shenzhen Municipal Government and MTR Corporation (Shenzhen) Limited took over the operation of Phase 1 in July 2010.

Note 11: BJL14 PPP concession started on 31 December 2015.

Note 12: BJL16 PPP concession will start after full line opens.

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## Shenzhen Metro Line 4 (Longhua Line)

### Introduction

MTR Corporation Shenzhen [MTR (SZ)], a wholly-owned subsidiary, has operated Line 4 of the Shenzhen metro network since July 2010. On 16 June 2016, MTR (SZ) celebrated its fifth anniversary. Also known as the Longhua Line, our service runs north-south from an interconnection with the East Rail Line in Hong Kong at the Futian Checkpoint to Qinghu in the Longhua New District. It intersects with six other lines in the Shenzhen metro network that are managed by other operators.

### KEY FACTS AND FIGURES FOR LINE 4 (LONGHUA LINE) IN 2016

- 1 rail line
- 15 stations
- Total route length 20.5 km



Total passenger trips

**199 million**

### TOTAL ELECTRICITY CONSUMPTION (MWh)

2015 **89,879**

2016 **88,768**

Year-on-year decrease of **1.2%**

### INCIDENCE OF LEGAL NON-COMPLIANCE

**NO**

health & safety cases

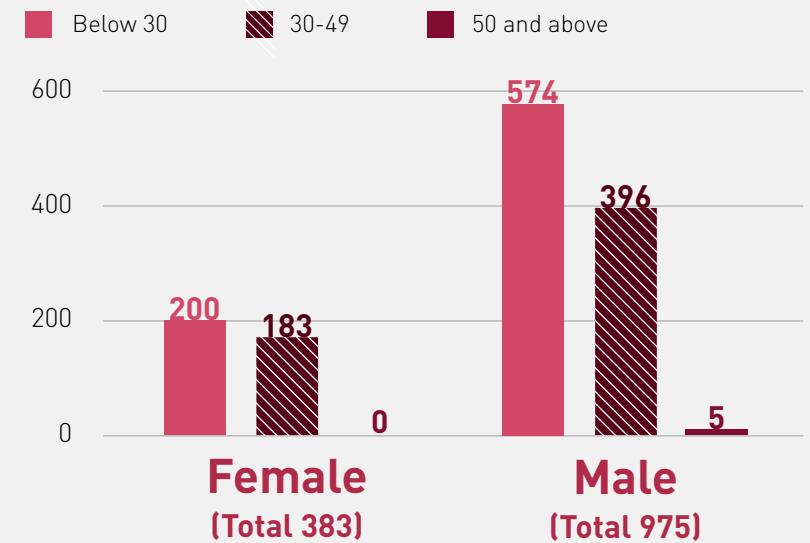
**NO**

corruption cases

**NO**

environmental fines

### TOTAL WORKFORCE BY AGE GROUP



**28.2%**

are female

**57.0%**

are aged below 30 years

**0.4%**

are aged 50 and above

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Traditionally a less developed part of the city, Longhua New District is becoming popular as a residential area due to rising living costs in the Central Business District (CBD) and good connectivity with the rest of the city using the Shenzhen metro network. Line 4 is primarily a commuter service for workers moving in and out of Shenzhen's CBD at rush hour. As a consequence, our challenges are mostly associated with the weekday customer travelling pattern and their demography.

**Conversion from 4- to 6-car Service Initiative**

In 2015 we completed the conversion to 6-car trains to ease congestion during rush hours. The project was a technical and customer service success with all trains having been converted safely, ahead of schedule and with minimal disruption to passengers. The conversion has been pivotal in easing crowding on board during peak hours.

**Operational Performance**

In 2016, MTR (SZ) achieved 99.99% of passenger journeys on time, 99.95% train punctuality and 99.96% train service delivery.

We introduced a number of customer service improvement initiatives in 2016, such as:

- Adding 60 train trips per month since June 2016, increasing overall carrying capacity by some 110,000 passenger journeys per month;
- Adding 60 train trips per week since October 2016, further increasing overall carrying capacity by some 500,000 passenger journeys per month;
- Shortened train intervals during peak hours, the shortest headway has been reduced to 2.5 minutes

**Operational Performance for Line 4 (Longhua Line)**

Service performance Item	2015	2016
Passenger Journeys on time	99.99%	<b>99.99%</b>
Train punctuality	99.91%	<b>99.95%</b>
Train reliability	19,565,412 revenue car-km/incident	<b>4,986,119 revenue car-km/incident</b>
Train service delivery	99.95%	<b>99.96%</b>

**Investing in our stations**

MTR (SZ) is responsible for the maintenance and upkeep of stations along Line 4. We also work together with other operators of the Shenzhen metro network to ensure smooth management of Line 4 platforms in interconnecting stations. During 2016, MTR (SZ) continued to invest in sustaining a high standard of general appearance and good facilities in all its stations, including signalling system renewal, installation of additional gate, and improvement to the ticketing system.

**Commitment to Customer Service**

Building on a strong foundation, we continue our efforts in enhancing customer service, including installing queuing guides, enhancing signage and the ticketing system, streamlining passengers flow. We have also increased the number of platform assistant during peak hour and provided more customer service training. To demonstrate our commitment to customer service, in 2016, we have reviewed our procedures on how to respond to incidents, including how to provide better assistance and better information to affecter customers. In addition to direct engagement, we also collect feedback from our customers through the annual customer satisfaction survey. Scrutiny by our customers drives us to improve continually.

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**Performance Metrics****Customer Service Review Mechanism**

An internal review of our customer service mechanism put forward to frontline staff in 2015 helped to identify areas for providing better service quality. We have introduced "secret passengers" survey in stations, and in 2016, the survey has been expanded to cover more job roles in stations. All the findings were provided to stations for follow-up, and shared with MTR(SZ) senior managers. The "afternoon tea time" and "transparent train" are two new initiatives that open the dialogue between customers and MTR(SZ) representatives. It provides a platform to directly listen to our customers, and drives us to improve continuously.

**Safety Engagement**

We have developed a range of programmes to engage with customers to promote safe and comfortable journeys. We have posters in stations warning our customers of different risk areas, such as gates, train doors and staircases. A series of videos on escalator safety is broadcasted in stations and on trains. Along with other safety promotion campaigns in the community and in schools, our "Little Station Master" programme has been upgraded to "Little Professionals", to educate children on how to travel in safe and courteous manners, and encourage them to share their learnings with their friends and family.

**Safety Performance**

	2015	2016
Passenger Fatalities	0	<b>0</b>
Staff Fatalities	0	<b>0</b>
Contractor Fatalities	0	<b>0</b>
Passenger Injuries (per million passenger journeys)	1.11	<b>1.21</b>
Staff Injuries (per 100,000 man hours)	0.21	<b>0.08</b>
Contractor Injuries (per 100,000 man hours)	0.12	<b>0.23</b>

In collaboration with local government departments and other stakeholders in the community, we held two emergencies drills in 2016. These drills rehearsed how to collaborate with other departments including the Fire Department and the Police, and prepared our staff on train and station evacuation. It also helped us review the existing procedures and identify room for improvements.

**Staff**

We continued our partnership with a Shenzhen-based training institute to provide internship opportunities for young people. In addition to helping us develop a pool of talented young people for recruitment into our business, we hope this initiative will also provide valuable learning opportunities for young members of our community.

**Full-time Employees****1,358****Voluntary Staff Turnover****11.9%****Training Days per Employee****8.9****Environment**

As the operator of a single line in the Shenzhen metro network, MTR (SZ) has minimal direct impact on the environment. In 2016, in spite of 5.3% passengers increase, we reduced our electricity consumption by 1.2%. This is achieved through various energy-saving initiatives, such as turning off the standby train air conditioners and standby escalators, switching off station fans during non-operation hours, etc.

Over the past three years, water consumption has increased by 5% with the rise of the passenger numbers. In 2016, we promoted waste sorting at office building. The Environmental Management Committee also organized site visit to the waste incineration power plant and relevant lecture to raise general awareness amongst staff.

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**ENVIRONMENTAL PERFORMANCE FOR LINE 4  
(LONGHUA LINE)**  
**Greenhouse Gas Emissions (Tonnes CO<sub>2</sub>e)**
**SCOPE 1**

2015 315

2016 310

**SCOPE 2**

2015 85,286

2016 84,232

**TOTAL WATER CONSUMPTION (m<sup>3</sup>)**

2015 185,935

2016 195,709

**Community**

Our community plan underscores that we are operating a community railway and focuses on youth development, community outreach and public art.

In October, we launched an open day and invited public to join the "role play" as MTR (SZ) staff. Of over 500 overwhelming registrations, 60 passengers were selected to play three different roles - customer service staff, train attendants and railway protection team member. Through the trainings and communications, they have the chance to understand and recognize our efforts in delivering good customer services, commitments to upholding safety procedures and other hard works behind the scene.

In 2016, our employee volunteering scheme has organised several activities to help those in need. Volunteers donated curtains to primary schools in rural areas and helped with the installation as well. They also sent warmth to those travellers during peak season at spring festive. In addition, volunteers paid site visit to special orphans, bringing birthday parties and clothes to them.

MTR (SZ) introduced the "Little Station Master" programme working with several primary schools along the line to promote safety education to children. In 2016, the programme was upgraded to "Little Professionals" which comprised of three sections – "Little Station Master", "Little Policeman" and "Little Banker" in collaborations with local police and bank. After receiving trainings on sense of responsibility, safety tips, courteous behaviours and the emergency handling, 60 primary children accompanied by the station frontline staff worked as "Little Station Master". The programme aims to educate children more on the importance of responsibility and safety behaviours.

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## MTR IN EUROPE

It has been ten years since we started our first rail operations in Europe. Since then, we have grown our presence with two main hubs comprising our Europe railway business:

- United Kingdom: MTR Crossrail (for the concession of Elizabeth Line) and LOROL (for the concession of London Overground, which ended in Nov 2016).
- Sweden: MTR Nordic AB, which holds 100% control in MTR Stockholm AB, MTR Tech AB (rolling stock maintenance for Stockholm Metro), MTR Express AB, MTR Pendeltågen AB (the operating entity for Stockholm commuter rail), and 50% control in Emtrain AB (rolling stock maintenance for Stockholm commuter rail).

### European Railway Businesses at a Glance

#### Railway Construction, Operation and Maintenance

	MTR Corporation Shareholding	Business Model	Commencement of Franchise/Expected Date of Commencement of Operation	Franchise/Concession Period (years)	Number of Stations	Route Length (km)
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#### Projects in operation

<u>MTR Corporation (Crossrail) Limited</u>						
TfL Rail/Elizabeth Line, United Kingdom	100%	O&M Concession	May 2015	8	40 (28) Note 4	118
<u>MTR Tunnelbanan AB</u>						
Stockholm Metro, Sweden	100%	O&M Concession Note 5	November 2009	14 Note 6	100	110
<u>MTR Express (Sweden) AB</u>						
MTR Express, Sweden	100%	Open Access Operation	March 2015 Note 7	N/A Note 8	5 Note 9	455

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	<b>MTR Corporation Shareholding</b>	<b>Business Model</b>	<b>Commencement of Franchise/Expected Date of Commencement of Operation</b>	<b>Franchise/Concession Period (years)</b>	<b>Number of Stations</b>	<b>Route Length (km)</b>
<u><a href="#">MTR Pendeltågen AB</a></u>						
Stockholm commuter rail (Stockholms pendeltåg), Sweden	100%	O&M Concession <sup>Note 10</sup>	December 2016	10	53	241

Note 4: MTR Crossrail will manage 28 out of the total 40 stations in the Elizabeth Line network.

Note 5: Rolling stock maintenance is provided by our subsidiary MTR Tech AB.

Note 6: In September 2015, the eight-year operating concession of Stockholm Metro was extended for another six years (from 2017 to 2023) to a total of 14 years by the Stockholm authority.

Note 7: MTR Express initial service commenced on 21 March 2015 with full schedule starting in August 2015.

Note 8: The train path allocation is subject to renewal.

Note 9: MTR Express is not responsible for the management of these stations.

Note 10: Rolling Stock maintenance is provided by Emtrain AB, a 50:50 associate jointly owned by MTR and Euro Main Rail AB.

**DID YOU KNOW?**

TBT was established as a 50:50 joint venture between MTRS and Mantena AS to provide rolling stock maintenance for MTR Stockholm. In February 2016, MTR Nordic completed the acquisition of Mantena's 50% share and renamed the company to MTR Tech AB, a MTR wholly-owned subsidiary.

**DID YOU KNOW?**

MTR Nordic was also awarded the concession for the Stockholm commuter rail (Stockholms pendeltåg) for an initial period of 10 years, that the government could extend for a further four years. It is the second largest railway franchise in Sweden after Stockholm Metro. We began operating the service in December 2016.

**MTR Express**

2016 was the first year of full operation of MTR Express on the 455km route between Stockholm and Gothenburg, Sweden's two largest cities, with 90 weekly services. MTR Express had a very high level of operational performance with punctuality consistently above market performance. Passenger numbers have continued to increase and customer satisfaction remains at high level. Overall in 2016, MTR Express was rated as the best rail operator in Sweden by an independent survey. Furthermore, MTR Express continued to strengthen cooperation with infrastructure owner Trafikverket.

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## The Stockholm Metro



### Introduction

We have experienced significant growth in Sweden in 2016: our presence in Stockholm is deepened as our operations of the Stockholm commuter train commenced in December 2016; MTR Tech AB, renamed from TBT, which provides rolling stock maintenance for MTR Stockholm, has also become a fully-owned subsidiary of MTR Nordic through acquisition.

This year's report will focus on the Stockholm Metro, operated by MTR Tunnelbanan, and supported by MTR Nordic and MTR Tech AB.

### MTR Nordic

**Responsible for:**

- Management, follow-up, coordination
- Culture/values, brand, policies, processes
- Specialist expertise
- Business development

### MTR Tunnelbanan

- Operations of the Stockholm Metro

### MTR Express

- Intercity service between Stockholm and Gothenburg

### MTR Tech

- Rolling stock maintenance for MTR Tunnelbanan

### MTR Pendeltågen

- Operations of the Stockholm commuter rail

MTR Tunnelbanan (MTRS), has operated the metro system in Sweden's capital city since November 2009. According to our O&M agreement with Stockholm's public transport agency, AB Storstockholms Lokaltrafik (SL), we have full responsibility for passenger experience with the metro. Our scope of work covers railway operations, stations, in-station services, and related projects. Fleet maintenance is handled by MTR Tech AB, formerly known as TBT.

Stockholm's population is increasing at the rate of 40,000 residents per year, making it one of the fastest growing cities in Europe. In order to satisfy the transportation demands of this dynamic and expanding city, we are committed, under the terms of our operating franchise, to achieve high standards for safety, punctuality, cleanliness and customer service. We also work closely with SL to procure new technology for upgrading the metro system and to receive regular feedback on our performance.

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**Performance Metrics**

Since taking over the operation of the metro in 2009, MTRS has introduced a range of operational and customer service enhancements, including increasing the service punctuality from 92% to a record high of more than 97% this year. On the 11th of December 2016 we added a new business, the Stockholm Commuter Trains, to our portfolio. Preparation and mobilisation for the operations began a year in advance. The existing management team and additional resources from MTR worked intensively during 2016 to

enable a smooth and successful takeover. We delivered the service without disruption on the first day of operations, and migrations of all systems and connections went according to plan. Main challenges for us going forward are to stabilise the IT-environment and ensure vehicle availability due to a general unfavorable fleet situation at the time of the takeover. The Public Transport Authority, SL, and the Swedish Transport Administration congratulated MTR Pendeltågen for the most successful takeover since the deregulation.

**KEY FACTS AND FIGURES FOR STOCKHOLM METRO IN 2016**

- 3 rail lines
- 100 stations
- Total route length 110 km



Total passenger trips

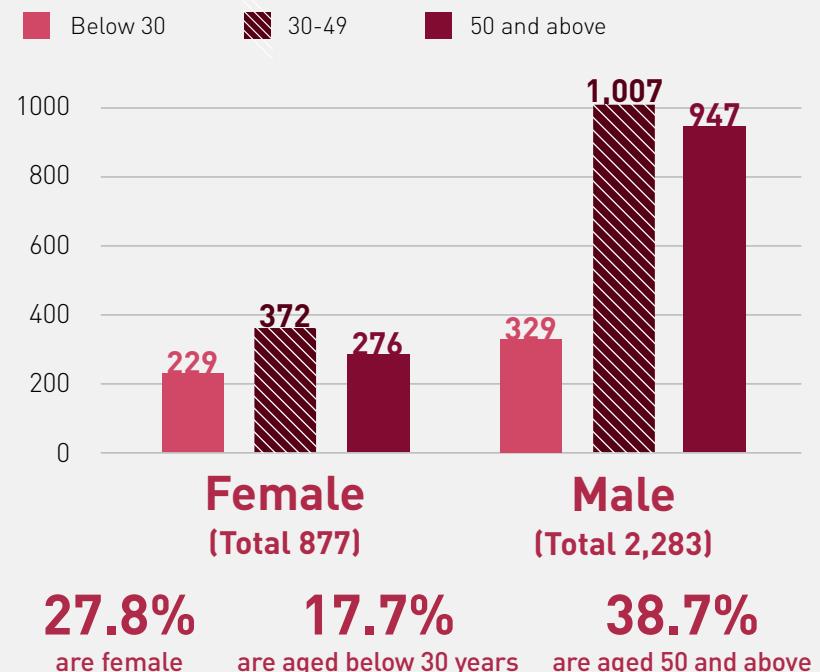
**349 million****TOTAL ELECTRICITY CONSUMPTION (MWh)**

2015 188,147

2016 159,891

Year-on-year decrease of **15.0%****INCIDENCE OF LEGAL NON-COMPLIANCE**
**NO**  
health & safety cases

**NO**  
corruption cases

**NO**  
environmental fines
**COMPOSITION OF OUR WORKFORCE BY AGE (YEARS)**

Note: Part-time staff is included in this composition.

**CHARITABLE CONTRIBUTIONS**Equivalent to approx. **HK\$116,000**

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For more information about sustainability at MTRS, please refer to the [MTRS and MTR Tech sustainability report](#).

**Management Highlights**

MTR Tunnelbanan is making significant progress in several key aspects of our business. Perhaps most importantly, feedback from our customers regarding overall journey experiences continues to improve, in 2015, at 81%. As a result of focused management attention, we are achieving better cross-functional coordination between teams within our own organisation and with MTR Tech. In 2016, we were deeply gratified to learn through the results of our annual staff survey that staff morale is improving again, now to 93%.

**Safety performance**

Each year, MTRS develops a comprehensive safety plan with targets for key performance indicators based on the previous year's result. We are encouraged that during 2016, there were no passenger fatalities.

**Safety Performance for Stockholm Metro**

	2015	2016
Passenger Fatalities	3	<b>0</b>
Staff Fatalities	0	<b>0</b>
Contractor Fatalities	0	<b>0</b>
Passenger Injuries (per million passenger journeys)	1.47	<b>1.15</b>
Staff Injuries (per 100,000 man hours)	0.32	<b>0.29</b>
Contractor Injuries (per 100,000 man hours)	n/a	<b>n/a</b>

\* Note: MTRS does not monitor contractor injuries. Please refer to Performance Metrics for details.

**Suicide prevention**

Two of the key safety challenges that we face are to prevent and to respond to suicide attempts on our railway network, particularly during winter months when the overall trend for suicide increases. We continue our programme for suicide prevention with Karolinska University Hospital and working in partnership with not-for-profit organisation SOS Alarm, providing direct contact with ambulance services.

**Ensuring security**

The security of all passengers travelling on our trains and passing through our stations is a high priority for MTRS. During 2016 we have participated in a number of activities together with the Municipality, the Police and other local stakeholders to highlight the security issues connected to the subway and surrounding areas. Also, we have been working with a new Security Policy that has been implemented since early-2017.

**Operational performance**

MTRS has stringent targets for train service delivery – 100% of scheduled train services should operate and at least 95.5% of trains should arrive on time. We also closely monitor the level of customer satisfaction with our services and the quality of passenger information that we provide.

In 2016, we continued to achieve the best performance for train punctuality in the history of Stockholm's metro system. This is a result of additional measures implemented throughout the year, such as a new analysis tool and cross-functional approach to quality control. Looking to the future, one of the biggest operational challenges that we face is how to cope with increasing congestion on our platforms and trains due to growing demand for our services.

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Service performance Item	2015	2016
Passenger Journeys on time	Not available	<b>Not available</b>
Train punctuality	97.7%	<b>97.7%</b>
Train reliability	52,562 revenue car-km/incident	<b>51,939 revenue car-km/incident</b>
Train service delivery	99.4%	<b>99.4%</b>

**Engaging with our staff**

MTRS fosters an open and caring culture among all staff. During 2015, we continued to roll out the "Our Joint Journey" initiative that was launched in 2013, now also involving structured dialogue within MTR Express and MTR Tech. We have also planned and made the set up for the journey of MTR Pendeltågen. To be launched in Q1 2017. We conducted dialogue on core values, strategy and goals led by team managers, and conduct workplace meetings with discussion on continuous improvement to promote better job satisfaction and stronger commitment to our vision. We have also started a work with VMV Awards including all five companies

In 2015, we announced our vision for the Work Improvement Team (WIT) for 2020 involving fortifying the culture of continuous improvement, to support our goal of becoming known as a world-class operator in Sweden. We want to make WIT the natural way of how we improve our daily work in all parts of the company. In 2016 we took a significant step towards the vision by educating manager at all levels and subsidiaries of our organization in the method and tools. This contributed significantly to increasing the use of the method as well as employee involvement.

**Social Performance for Stockholm Metro**

Full-time Employees	Voluntary Staff Turnover	Training Days per Employee
<b>2,252</b>	<b>3.6%</b>	<b>2.4</b>

**Leader in green transportation**

The Stockholm Metro is unique among our subsidiaries and associates because it is powered 100% by renewable electricity generated from water and wind. This means that our railway operations in Stockholm produce nearly zero greenhouse gas emissions and can truly be described as the greenest mode of transport.

**ENVIRONMENTAL PERFORMANCE FOR Stockholm Metro**  
**Greenhouse Gas Emissions (Tonnes CO<sub>2</sub>e)**
**SCOPE 1**2015 **264**2016 **190**

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**Performance Metrics**

## Vision for the future

Sweden's population is one of the fastest growing in Europe. It reached 10 million in 2016 and is expected to surpass 11 million by 2024. In response to the rapid growth, an estimated 700,000 new housing units are needed before 2025, while at the same time the Parliament has committed to a target of achieving a fossil fuel-free transport sector within the next 15 years.

MTR Nordic strives to support meeting these challenges in line with our vision to connect and grow sustainable communities. During the Swedish political week in Almedalen, Gotland, in July 2016, we arranged a final seminar on the joint-project Vision Gothenburg 2070. The vision has thereafter been used in relevant fora, when discussing the future development of Gothenburg.

As a consequence of the imminent challenges with a lack of available housing, not least in the Stockholm area, we established a new partnership with Skanska, WSP and Scania, three multinational companies based in Sweden. The joint task for the partnership was to develop a realistic concept on how to build new cities along existing public transport systems or in connection to new infrastructure investments. We will apply our experience from transport hubs and property development, and we aspire to play a key role in making this concept a reality in the near future.

We engaged further in other Nordic markets in 2016. For the first time, we arranged a seminar during the Danish political week, which have opened up new contacts that were followed up with individual meetings during the fall.

In Norway, the government continued the deregulation process within the railway sector with the first tenders of railway "packages" expected during the spring of 2017. In anticipation of the tenders, we initiated dialogues with relevant stakeholders.

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**LEARN MORE...**

[Stockholm 2070](#) is our sustainable development plan for Stockholm formulated in partnership with Skanska and Sweco.

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### Performance Metrics

## TfL Rail/Elizabeth Line

### Introduction

On 30 July 2014, MTR Corporation (Crossrail) Limited ("MTR Crossrail"), a 100% owned subsidiary of MTR Corporation, was awarded the concession to operate the new Elizabeth Line (initially referred to as "Crossrail") train service across London.

MTR Crossrail commenced services on 31 May 2015 between Liverpool Street and Shenfield under the interim brand banner of "TfL Rail", MTR Crossrail initially runs existing trains that operate on that route. Additional Elizabeth Line services will be introduced in phases as work proceeds

### KEY FACTS AND FIGURES FOR TfL RAIL/ELIZABETH LINE IN 2016

- 1 rail line
- 14 stations



Full service expected to commence in December 2019

**118KM**  
Total Route Length

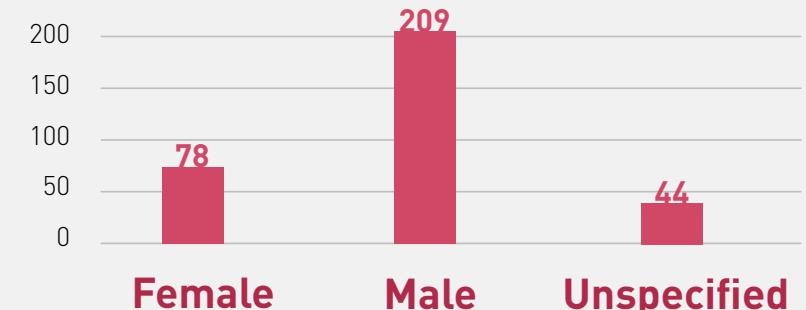
### TOTAL ELECTRICITY CONSUMPTION (MWh)

**2016** 43,769

on the building of the new tunnels and stations, existing stations are upgraded and new trains brought into service. Fully integrated Elizabeth Line services are scheduled to commence by December 2019 on a 118km route with 40 stations through London, providing inter-urban and metro passenger services connecting the City, Canary Wharf, the West End and Heathrow to commuter areas east and west of London.

Since 31 May 2015, the business has grown from 350 employees to over 850, including our contractors who are integral to our workforce. We have had two successful employee surveys with high return rates. We had a return rate of 87% in our 2016 employee survey.

### COMPOSITION OF OUR WORKFORCE BY AGE (YEARS)



Note: Part-time staff is included in this composition.

\* excludes 528 contractors staff

### INCIDENCE OF LEGAL NON-COMPLIANCE

Category	Incidence
health & safety cases	NO
corruption cases	NO
environmental fines	NO

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As a business, we have been recognised in the industry with a variety of awards for performance, recruitment and engineering.

In 2016, we were recognised at the London Transport Awards in March for our partnership with Network Rail in delivering the London Liverpool Street to Shenfield line and showing fantastic collaboration across both businesses. This partnership was further recognised at the National Transport Awards where both MTR Crossrail and Network Rail were highly commended.

The hard work and persistence of our Engineering team was recognised shortly afterwards at the 2016 National Rail Awards for their work as part of the Fleet Refreshment Programme, which took place throughout 2015. Within the first six months of the MTR Crossrail concession in 2015, the Engineering team, alongside Ever sholt Rail Group and Bombardier Transportation successfully completed the programme which fully refreshed and rebranded the existing Class 315 fleet, including visible modifications such as exterior livery design, new interior panels, seat cushions and overall train presentation improvements.

Additionally, fleet reliability had increased significantly by eliminating long-term inherited faults and identifying the root cause of incidents to prevent re-occurrence.

In addition to the National Rail Award, the Fleet team also picked up the award for Depot Team of the Year at the 2016 Rail Staff Awards for their improvements to fleet reliability.

When considering performance, MTR Crossrail have overseen an impressive improvement to service and punctuality on the Liverpool Street to Shenfield line. In addition to the consistently higher PPM numbers, TfL Rail finished the last three periods (8,9 &10) as the best performing TOC in the country for PPM, 6.3% higher than the national figure. These numbers led to a Silver Whistle Award for Operational Performance in London & the South East at the 2016 Golden Whistle Awards.

The combination of an improvement in the upkeep and maintenance of the fleet and improved performance culminated in significant improvements to scores in the Spring National Rail Passenger Results, which lifted from 77% overall in Spring 2015 to 79% in Spring 2016.

Main areas of improvement in 2016 Spring National Rail Passenger Survey:

- Punctuality and reliability of trains – improved by 10%
- Cleanliness of train – improved by 17%
- Upkeep and repair – improved by 18%
- How we dealt with delays – improved by 25%

**Service Performance for TfL Rail/Elizabeth Line**

	2015	2016
Train punctuality	Not available	<b>94.1%</b>
Train service delivery	Not available	<b>96.9%</b>

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**Performance Metrics****Engaging with Staff**

At MTR Crossrail, we recognise that people are our biggest asset and employee recognition is a key driver in ensuring that a high level of engagement and satisfaction remains.

In May 2016, MTR Crossrail held its first internal awards ceremony, 'Celebrating You'. This event recognises individuals and teams throughout the business who have delivered over-and-above their role, gone the extra mile, demonstrated the company values and delivered excellent customer service with an evening of entertainment and recognition among their colleagues.

MTR Crossrail also has an internal employee recognition scheme called 'Shout Outs'. The Shout-Out recognition scheme is an instant way for colleagues to recognise each other's hard work and commitment as well and demonstration of the MTR values. Shout-Outs are issued weekly and communicated via the internal communication channels. In one year, we received over 400 shout outs commending colleagues within the business.

We also launched our first ever Sustainability Month which included Health and Well-being Roadshows including cholesterol and blood pressure checks as well as training sessions on sleep, nutrition, alcohol and exercise.

**Safety Performance**

We are pleased that there has been no fatality in our operation in 2016, and we have achieved our passenger safety target.

We are working to improve our safety performance continually. Stringent safety standard has been adopted for the construction of the project, as health and safety are the key concerns. Crossrail operates a health and safety management system which is certificated to BS OHSAS 18001:2007. The Crossrail health and safety management system sets out the arrangements to manage the health and safety risks to its employees as well establishing minimum standards for its contractors. In addition to this standard, Crossrail along with its industry partners have signed an HSE agreement setting out key leadership behaviours that will be demonstrated by Crossrail and its Industry Partners. Contractors working for Crossrail are also asked to sign the agreement. As the train operating company that will manage the Elizabeth Line, we are applying the same management principles that Crossrail has set up for the operation phase of Crossrail project.

**Safety Performance for TfL Rail/Elizabeth Line**

		<b>2016</b>
Passenger Fatalities	Target	<b>0</b>
	Performance	<b>0</b>
Staff Fatalities	Target	<b>0</b>
	Performance	<b>0</b>
Contractor Fatalities	Target	<b>0</b>
	Performance	<b>0</b>
Passenger Injuries (per million passenger journeys)	Target	<b>3.03</b>
	Performance	<b>2.75</b>
Staff Injuries (per 100,000 man hours)	Target	<b>0.70</b>
	Performance	<b>0.86</b>
Contractor Injuries (per 100,000 man hours)	Target	<b>n/a</b>
	Performance	<b>0.33</b>

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## Environmental Performance

We went through the process of implementation an Environmental Management System according the ISO 14001:2015 standard. In June 2016, we successfully achieved the certification demonstrating we have processes in place to reduce our environmental impact, reduce environmental accidents and manage and improve our environmental performance. Considering the constraints of being a new company, with less than a year of operations and still defining the process and activities, it was a challenge and a huge achievement recognised by staff and also external auditors. We will continually improve our processes and are working on the integration of the energy management system with the environmental management system.

## Community Performance

### Community Ambassadors

To create a personalised service by listening and responding to the views of passengers is one of the aims of MTR Crossrail. Early on, they recruited a number of Community Ambassadors who will work on developing relations with local communities in and around every station. In doing so, it aims to strengthen not only crucial relationships within the communities, but also to transmit a sense of unity, pride and ownership with stakeholders. In 2016, we held a number of community roadshows, such as in Romford, to respond directly to queries raised by residents in that area. These community roadshows also provide us with the opportunity to talk about barrier-free access facilities, planned closures, scheduled works and rail safety. We found these initiatives help build stronger relationships with our local stakeholders, as well as enable us to keep our customers engaged and informed.

## Strategic Labour Needs and Training: Supporting London

Initiated by the Greater London Authority to tackle skills shortages such as youth unemployment, MTR Crossrail's operating agreement includes provisions related to these four areas:

- Apprenticeships: Offer apprenticeship opportunities over the next eight years in various departments. Currently six apprentices work with us.
- Worklessness: Opportunities available to unemployed candidates where we provide wider awareness on the topic; develop partnerships with relevant agencies and attend recruitment fairs and provide pre-employment training.
- Educational/career support: Offer placement days over the concession period to enable individuals to learn, develop or enhance their knowledge and skills in relation to the employment market. As part of our School Engagement Plan to deliver school engagement days with specific reference to Science Technology Engineering Maths Network (STEMNET) subjects.
- Job creation: Vacancies advertised through the corporate website and published in local and diverse press.

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## MTR IN AUSTRALIA

### Australian Railway Businesses at a Glance

#### Railway Construction, Operation and Maintenance

	MTR Corporation Shareholding	Business Model	Commencement of Franchise/Expected Date of Commencement of Operation	Franchise/Concession Period (years)	Number of Stations	Route Length (km)
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#### Projects in operation

##### Metro Trains Melbourne Pty. Ltd.

Melbourne's Metropolitan Rail Service	60%	O&M Concession	November 2009	8	218	390
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#### Projects in operation

##### Metro Trains Sydney Pty. Limited

Sydney Metro Northwest, Australia	Mixed	PPP (Operations, Trains & System)	2019 Note 13	15	13 Note 14	36 Note 14
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Note 13: Subject to arrangement of the government of New South Wales, Australia.

Note 14: Sydney Metro Northwest has eight new stations and five retrofitted stations, and a 13-km existing line extended with a 23-km new line construction.

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## Melbourne's Metropolitan Rail Services

### Introduction

Metro Trains Melbourne (MTM), a majority-owned subsidiary, took over the franchise for operations and maintenance of Melbourne's Metropolitan Rail Services in November 2009. Under the terms of our O&M Agreement with the Government of the State of Victoria, we have achieved complete vertical integration in our management of rolling stock, infrastructure, stations and facilities. Our franchise is being re-negotiated for an extension of another 7 years, and the result is expected to be available by middle of 2017.

Originally opened in 1854, Melbourne's railway network is one of the world's oldest systems, but it is now one of the busiest railways in Australia. We deliver 14,000+ weekly services, with over 2,000 of these being added during the current franchise.

Our ability to meet the increasing demands on public transport, and in maintaining the metro system relies on our strong culture of safety and innovation. In 2016, we were named among the top 50 innovative companies in the country by the Australian Financial Review.

The Victorian government is investing heavily in major projects to upgrade and expand the city's rail network. Together with our consortium partners, we have enhanced our project delivery capability to play a significant role in the delivery of a huge project pipeline. Our Projects and Planning Division has grown considerably in size, complexity and expertise.

In 2016, we received several accolades and certifications. We also received certifications to the new ISO 9001:2015 on Quality, ISO 14001:2015 on Environment, as well as the current AS4801:2001 on Occupational Health and Safety Standards.

### DID YOU KNOW?

The Melbourne rail network contains 30 sites listed on the Victorian Heritage Register, a status that has statutory significance under the Heritage Act 1995. Many places of Aboriginal cultural significance can also be found around the network. In addition, there are also many places or objects protected by local councils including trees, vehicles, gardens and parts of buildings. All of these require care and consideration during upgrades to the rail network in order to ensure that we preserve our historic railway for future generations.



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## KEY FACTS AND FIGURES ABOUT MTM IN 2016

- 15 rail lines
- 218 stations
- Total route length 390 km



Total passenger trips

**233 million**

## TOTAL ELECTRICITY CONSUMPTION (MWh)

2015 450,867

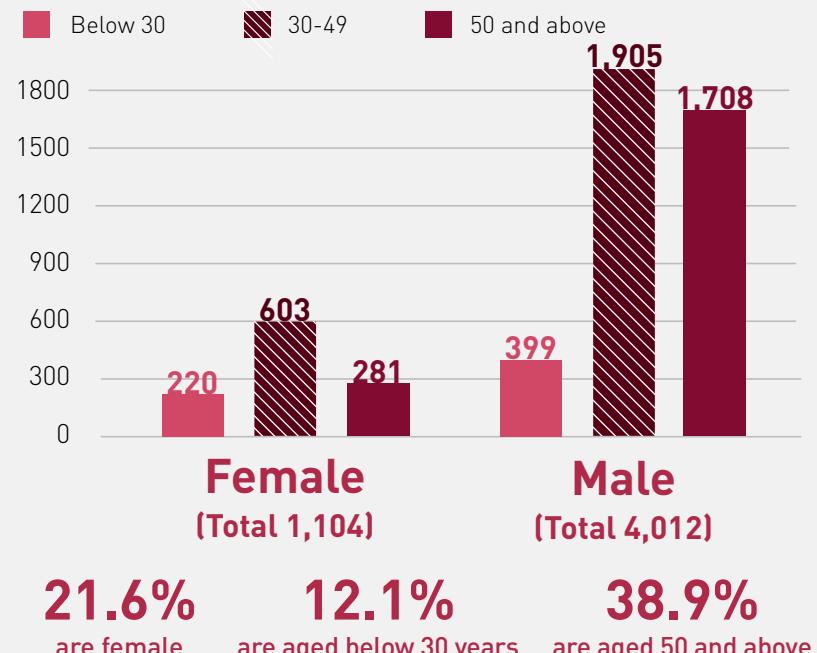
2016 452,093

Year-on-year increase of 0.3%

## INCIDENCE OF LEGAL NON-COMPLIANCE

**NO** health & safety cases    **NO** corruption cases    **NO** environmental fines

## COMPOSITION OF OUR WORKFORCE BY AGE (YEARS)



Note: Part-time staff and contractor are included in this composition.

## CHARITABLE CONTRIBUTIONS

Equivalent to approx. **HK\$61,972**

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**Performance Metrics****Management Highlights****Customer and Service Delivery**

We recognise the real value of a strong performance in punctuality and delivery of services, which helps to drive the economic prosperity of Melbourne. MTM's customers primarily want to see continued improvement in the quality and reliability of train services.

Punctuality was solid across the calendar year, registering a twelve month average of 92.00%. Overall, the on-time performance of the railway is now consistently exceeding 90%, well above the franchise target of 87%. Delivery of timetable services also remained above target, averaging out at 98.6%.

**Service Performance for MTM**

Service performance Item	2015	2016
Passenger Journeys on time	Not available	<b>Not available</b>
Train punctuality	92.51%	<b>91.99%</b>
Train reliability	69,738 revenue car-km/ incident	<b>27,688 revenue car-km/ incident</b>
Train service delivery	98.75%	<b>98.61%</b>

Customers' journeys start before they leave the door and end when they are safely delivered to their destinations. Together with Public Transport Victoria, our Customer Experience Team has mapped every aspect of the journey and is striving for continuous improvement. Some of the recent initiatives include new customer service standards, mystery shopping, improvements in platform and on-board announcements, deep cleaning and graffiti removal programs. The concerted effort by MTM has been acknowledged by our customers, with passenger satisfaction score sitting at 63.3 at the start of the franchise and peaking at 73.5 within the last year.

We have also enhanced communications through the Metro website and our Twitter feed. The metroNotify app also provides passengers with real time updates when services to their lines are delayed or disrupted. To date, the app has generated more than 100 million push notifications and attracted over 220,000 downloads. A new Customer Control Centre has been set up to manage information during disruptions. In 2016 we rolled-out the "OnTrack" app for staff, supporting effective cross-functional management of unplanned disruptions. Frontline employees are now equipped with smart devices, enabling them to provide quick and accurate information to our passengers.

**DID YOU KNOW?****Making Metro accessible for all**

Ongoing efforts are underway to make Melbourne's metropolitan rail system truly accessible for all. In 2016, we conducted a series of focus groups and familiarisation sessions with key disability groups including Guide Dogs Victoria, Vision Australia and Scope. Our "Stop Here" app helps people with a sensory disability to navigate the rail network independently, enabling them to receive alerts in a range of ways when approaching a nominated station. In 2016, the app won a Victorian Disability Award for 'Excellence in Accessible Communications and Technology'. This award recognises people and businesses who are able to make outstanding contributions to empowering people with a disability in an effort to create an inclusive community.

**DID YOU KNOW?****Record Low Fare Evasion**

Fare evasion, which peaked at over 11% early in the franchise, reached a record low of 2.3% in 2016. This is an outstanding achievement in revenue protection. The record low figure has been largely accomplished through strategic deployment of resources, promoting touch-ons at the start of the journey rather than targeting non-compliance at the end of the journey. This has been complemented by education in ticketing, improved customer service, a more visible staff presences and a doubling of tickets checked on the network.

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**Performance Metrics****Safety Performance**

We are encouraged to see our passenger injury rate continues to decrease, although it still falls short of the stringent target we set for ourselves. We are saddened by 5 passenger fatalities on the metropolitan network. Please refer to Performance Metrics for details.

	<b>2015</b>	<b>2016</b>
Passenger Fatalities	2	<b>5</b>
Staff Fatalities	0	<b>0</b>
Contractor Fatalities	0	<b>0</b>
Passenger Injuries (per million passenger journeys)	2.07	<b>1.01</b>
Staff Injuries (per 100,000 man hours)	0.52	<b>0.35</b>
Contractor Injuries (per 100,000 man hours)	0.22	<b>0.08</b>

**Customer Safety initiatives**

MTM works with a national not-for-profit organisation called TrackSAFE to engage with the public on railway safety, including reducing rail-related suicide and minimising level-crossing risks. MTM also works closely with the Salvation Army, which sends volunteers out onto the rail network to engage with vulnerable people. We also partnered with the media to generate safety reminders and messages during Rail Safety Week.

We are assisting the Victorian Government as it prepares to deliver a safety and security upgrade in the City Loop over the next three years. Better trespasser detection and fire prevention systems will be installed in the four underground tunnels and in three underground stations. Sprinkler systems will also be upgraded and a smoke management system will be installed at three busy stations.

MTM is also working with the Level Crossing Removal Authority (LXRA) and the State Government of Victoria to remove 50 level crossings, which is expected to generate better performance and increase the safety of customers and local communities.

**DID YOU KNOW?****Dumb Ways to Die Launches in USA**

Dumb Ways To Die, our record-breaking rail safety message, is an international phenomenon with over 200 million online views and more than five billion game sessions played worldwide. Now the safety campaign has been successfully licensed to the Regional Transportation District in Denver, Colorado, USA. It's the first time that the safety campaign has been licensed in the USA to another operator and will be used to target bus and train passengers, as well as becoming the backbone of a school-based safety education programme.

**Staff Safety initiatives**

To help employees and their families manage their mental health after experiencing a potentially traumatic event, MTM & TrackSAFE have developed a new Trauma Management Framework. This framework seeks to lessen the impact of traumatic events by tackling the problem from a holistic view. The "MetroSafe Hotline" was launched for employees, ensuring they have a quick and simple way of reporting safety issues, with feedback sent directly to the responsible department or team.

MTM also rolled out a Fatigue Risk Management Program to provide supervisors with the tools to manage fatigue in the workplace. We are continually seeking to provide better equipment to enhance the safety and efficiency of our staff as they carry out their duties. For instance, a custom-built elevated work platform (EWP), three elevated scissor platforms and three cherry pickers will be provided to the Electrical Overhead team to aid the safe delivery of vital maintenance on the network.

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**Performance Metrics****Environment**

When it comes to consumption of electricity, which is largely generated by coal-fired power in the State of Victoria, the metro system indirectly generates sizeable greenhouse gas emissions. Under the terms of our O&M Agreement, our role is to identify and propose initiatives to save energy.

MTM has a comprehensive environmental management system in place with strategies to mitigate significant environmental impacts, such as recycling material waste from offices and depots, introducing water tanks to collect water at stations and depots, and using recycled water to wash trains. We continue to raise awareness about environmental issues in day-to-day operations.

**Responding to climate change**

Australia is experiencing impacts from climate change. The Victorian Climate Change Adaptation Plan 2013, for example, highlights immediate risks from more days with temperatures exceeding 35°C and increased frequency and severity of bushfires. In response to these challenges, MTM has implemented new planning and procedural measures for extremely hot weather.

In 2015, we deployed real-time rail temperature monitoring technology to remotely monitor the temperature of substations, alerting our electrical control centre to potential hazards. This is particularly important across hot summer months, as very high temperatures within our substations have the potential to adversely affect their performance.

**ENVIRONMENTAL PERFORMANCE FOR MTM OPERATIONS**  
**Greenhouse Gas Emissions (Tonnes CO<sub>2</sub>e)**
**SCOPE 1**2015  4642016  5,204

\* scope in 2016 revised.

**SCOPE 2**2015  520,5112016  501,868**TOTAL WATER CONSUMPTION (m<sup>3</sup>)**2015  171,0782016  207,249

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**Performance Metrics****Staff**

Metro has continued to maintain a low rate of voluntary staff turnover, indicating that overall job satisfaction among our staff remains high. We seek to engage our staff continually, establishing long term collaboration through a series of open conversations across all divisions. In our latest pulse survey in 2016, employee engagement has reached 70%. MTM was recently recognised as one of the top training organisations in the nation by winning the Large Employer of the Year title at the National Training Awards. This followed our success at the state-based awards, winning both Large Employer of the Year and the Employee Award for Apprentice Development.

**Social Performance for MTM****Full-time Employees****4,431****Training Days per Employee****6.2**

At MTM, we are determined to address gender balance and entice more women into the industry. Gender balance remains top of mind for all executives and our progress is regularly reported in visualisation rooms across the business. Today, we are actively pursuing a 50:50 gender target for all new recruitments. To achieve this target, we have aligned key aspects of our recruitment strategy, talent management, policy and procedure, parental leave payments, as well as facilities and amenities. We have also been active in schools and universities to promote the rail industry and attract a diverse workforce. The number of fully qualified female drivers on the network has grown to 154. Meanwhile, the number of females in the trainee driver ranks has also grown significantly, peaking at 50.6% in 2015/2016.

**Community**

Melbourne's railway continues to be a vital part of the city's socio-economic fabric. MTM supports a wide range of not-for-profit organisations in a variety of ways including fundraising stations, community artworks, corporate sponsorships, community festivals, plus station activities and performances in partnership with local councils.

MTM's Corporate Social Responsibility programme has three core pillars:

- **Supporting vulnerable customers:** The Salvation Army-Metro Transit Teams are deployed six days a week to help protect vulnerable people on the rail network. We also find rewarding careers for young people through our graduate and apprenticeship programs.
- **Bringing railway stations to life:** We seek to give back to the city of Melbourne through a series of partnerships and activities including the Keep Victoria Beautiful Stationeers Program, Diwali Dancing at Flinders Street, the Multicultural Express featuring live musicians on the Frankston line, the Salvation Army's Carol-A-Thon, the Substation Contemporary Art Prize at Newport, major sponsorship of the Melbourne International Film Festival (MIFF) and many other more activities.
- **Educating those who interact with the railway now and in the future:** Our Community Education Unit (CEU) works with many schools and disability groups to educate rail users, improve behaviours around level crossings and tracks, and reduce the risk of injuries and fatalities on the network. The team has visited over 300 schools to deliver a tailored safety message to students of all ages. The team also reaches out to seniors, disability groups, community groups and more.

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**Performance Metrics**

## Collaborating to build the future

The city's rail system is benefitting from massive investment by the Victorian Government in the form of landmark works such as the Level Crossing Removal Project, Melbourne Metro Rail Tunnel, Cranbourne-Pakenham Line Upgrade, Line Extension to Mernda, Comeng Life Extension Program, High Capacity Trains and High Capacity Signalling.

In time, these projects will reshape the metropolitan rail system, giving MTM the opportunity to showcase the expertise of its people and our shareholders in MTR Corporation, John Holland Group and UGL Rail. We are working with a broad spectrum of stakeholders to ensure that this huge program of works is delivered efficiently and safely.

MTM has increased its project delivery capability significantly. Our Projects & Planning division has grown considerably in size, complexity and expertise. The division has sharpened its skills on dozens of value-adding projects including new station builds and upgrades. The division has also delivered savings of over 10% through efficient contracting models on projects such as the Calder Park Stabling Yard and multiple station car parks.

Today we work ever more closely with key stakeholders and government agencies including Public Transport Victoria, Level Crossing Authority and Melbourne Metro Rail Authority. Our continued involvement with many government and franchise projects has given rise to the development of innovative solutions such as station modular construction methods, returning great value with exceptional results. Over time, we have increasingly taken the lead as principal contractor on complex projects and remain perfectly positioned to make a major contribution to the future of the railway in Melbourne.