

Keep Cities Moving Sustainably



SOCIAL
INCLUSION



GREENHOUSE
GAS EMISSIONS



ADVANCEMENT &
OPPORTUNITIES

Sustainability Report 2020

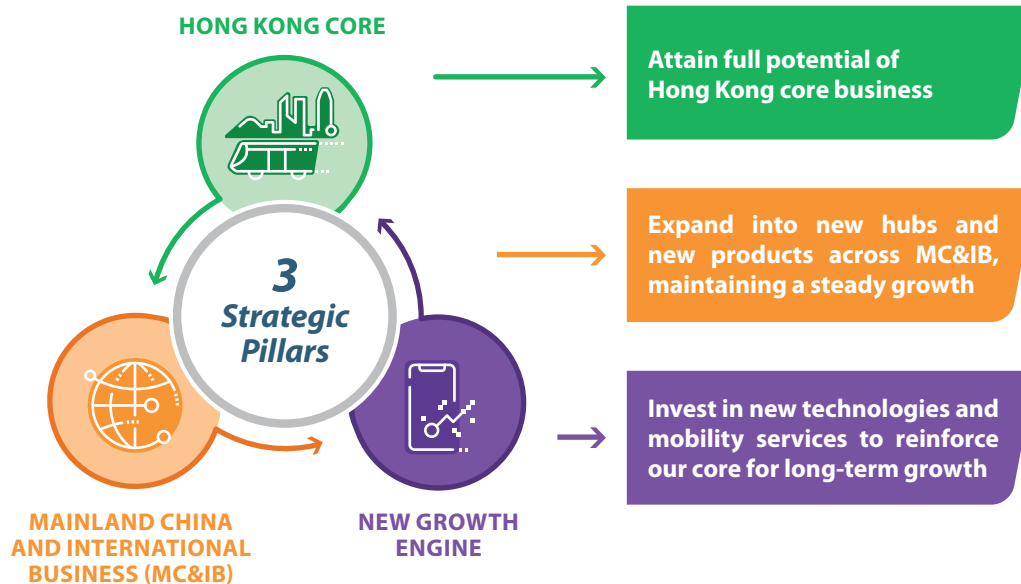
Highlights



NEW CORPORATE STRATEGY

In mid-2020, MTR Corporation Limited (“MTR” or the “Corporation”) formulated a visionary new Corporate Strategy to support its future growth and deliver shareholder and stakeholder value by emphasising innovation and sustainability.

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



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

KEEP CITIES MOVING SUSTAINABLY

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



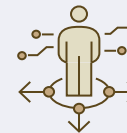
SOCIAL INCLUSION

providing inclusive mobility and promoting greater diversity in our work environment



GREENHOUSE GAS EMISSIONS

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



ADVANCEMENT & OPPORTUNITIES

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

MESSAGE FROM CHAIRMAN AND CEO



Year 2020 was an unprecedented year to all of us. The COVID-19 pandemic has affected significantly our daily lives and substantially reduced daily commutes.

Our purpose is to “keep cities moving” and we have been doing our best to ensure safe, reliable and affordable transport for our communities. In face of the pandemic, we stepped up cleaning of our railway facilities, deployed

innovative sanitisation technologies, provided special economic relief measures and offered support to those in need.

While we are tackling the challenge, we continue to explore strategic approaches to maintain a steady growth of our business. In mid-June 2020, the MTR Board endorsed a new Corporate Strategy “Transforming the Future”, which charts a path for continuous business growth for the Corporation with three strategic pillars. This is also our first time to elevate Environmental, Social and Governance to the level of our corporate strategy, introducing clearly defined social objectives, focusing on social inclusion, reducing greenhouse gas emissions and promoting advancement and opportunities to empower people and communities.

We believe including social objectives in the core of our business development can help us achieve business sustainability and enhancement as well as fulfilling our corporate responsibility. In 2020, we issued a US\$1.2 billion 10-year Green Bond under our new Sustainable Finance Framework, the largest single tranche green bond for corporates in Asia Pacific. Besides, we received the “15 Years Plus Caring Company Logo” in recognition of our persistent care for the community, the environment and our staff.

Our long-term success relies on the commitments and dedication of our staff. We will continue to grow alongside our communities and work with our stakeholders to build a more sustainable and inclusive future.

Dr Rex Auyeung Pak-kuen

Chairman

Hong Kong

2020 was an extraordinary year. Despite the difficult circumstances, our dedicated staff worked unwaveringly to keep cities moving.

At the onset of the pandemic, we increased the frequency of our cleansing routines, enhanced ventilation and employed sanitising robots to disinfect railway stations and trains. We launched our face mask production lines to secure a steady supply for our staff and introduced a number of relief measures including fare rebates and rental concessions to support the communities.

Last year, despite the challenges, we successfully commenced service on Phase 1 of the Tuen Ma Line in Hong Kong, and several new lines in the Mainland of China, and opened The LOHAS. We also made good progress in existing and new projects. In August 2020, we issued a new US\$1.2 billion Green Bond to fund railway-related conservation and energy efficiency projects.

Recently, we formulated our new Corporate Strategy, “Transforming the Future” which charts a path for future development for the Corporation. The new Corporate Strategy aims to establish clear business priorities and social goals, maintain competitiveness and drive the sustainability of our business as well as create healthy, long-term symbiotic relationships with the communities.

The new Corporate Strategy has three core pillars: (1) continue to realise the full potential of our Hong Kong Core business; (2) maintain steady growth on the Mainland of China and international business markets; and (3) explore new growth engines by investing in new technologies and mobility services for long-term growth. In the next decade, we will invest around HK\$100 billion to build new railway lines in Hong Kong and develop a new community atop Siu Ho Wan Depot.

We have also defined our new Social Objectives, which include three priority areas: fostering social inclusion, reducing greenhouse gas emissions and providing opportunities to empower people and communities. We could manifest inclusion with services that are accessible to all regardless of age or ability. We will also provide convenient, efficient transport in a low carbon manner and nurture young generations and local enterprises to grow and thrive.

As we look to the next year, all MTR colleagues and I will continue to implement the new corporate strategy and provide safe and reliable services to keep the cities we serve moving sustainably.

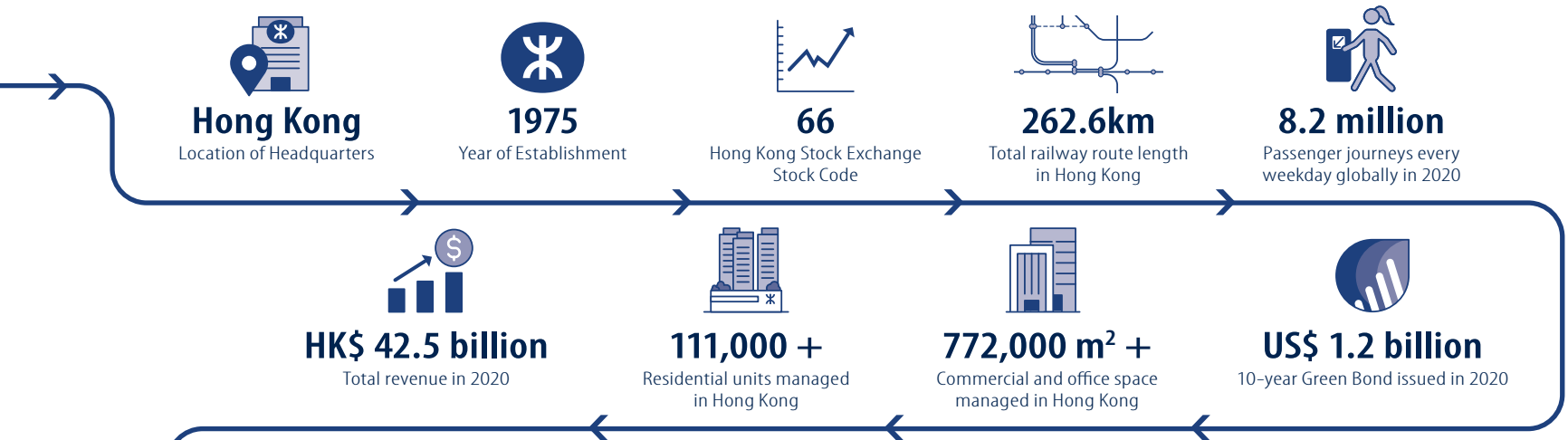
Dr Jacob Kam Chak-pui

Chief Executive Officer

Hong Kong



COMPANY OVERVIEW



RAIL SERVICES AT A GLANCE

STOCKHOLM

- Stockholm Metro (Stockholms tunnelbana)
- MTRX
- Stockholm commuter rail (Stockholms pendeltåg)
- Mälartåg (service to be taken over)

LONDON

- TfL Rail (future Elizabeth line)
- South Western Railway

SYDNEY

- Sydney Metro North West Line
- Sydney Metro City & Southwest Line (under construction)

MELBOURNE

- Metropolitan Rail Service

BEIJING

- Metro Line 4
- Metro Line 4 – Daxing Line
- Metro Line 14
- Metro Line 16
- Metro Line 17 (under construction)

HANGZHOU

- Metro Line 1
- Metro Line 1 Xiasha Extension
- Metro Line 1 Phase 3 (Airport Extension)
- Metro Line 5
- Metro Line 5 West Extension

SHENZHEN

- Metro Line 4
- Metro Line 4 North Extension
- Metro Line 13 (under construction)

HONG KONG

- Heavy rail, light rail, and feeder bus services
- Airport Express
- High Speed Rail

MACAO

- Light Rapid Transit Taipa Line

Refer to MTR Annual Report 2020 (<https://www.mtr.com.hk/en/corporate/investor/financialinfo.html#02>) for a full list of our Railway and Property Portfolio.

SUSTAINABILITY AT MTR

At MTR, we connect and grow communities with caring, innovative, and sustainable services. Going beyond fiduciary responsibility, we are committed to embedding sustainability into our business and operations to create value for all our stakeholders. Our aspiration is to keep cities moving by managing our business sustainably with best-in-class governance and helping individuals and communities thrive, while contributing to the fight against climate change.

We disclose the Corporation's strategies, initiatives and performance related to our material sustainability issues on a dedicated Sustainability Website and a Sustainability Report. The Sustainability Website serves as a central repository of the Corporation's sustainability information containing details on the Corporation's sustainability approach and on-going efforts that remain relevant, while the Sustainability Report provides an annual update on the Corporation's sustainability performance and challenges in the immediate past calendar year, complementing the details available from other publicly accessible sources such as our Annual

Report and other corporate web content. We also keep our investors up to date on our latest sustainability plans and initiatives through investor-focused disclosures.

This pamphlet gives the highlights of the Corporation's efforts in sustainability in 2020, with a primary purpose of "keep cities moving" through providing safe and efficient transportation for 8.2 million passenger journeys every weekday throughout the world. It also sets out our efforts in our newly-defined scope of Social Objectives and our accomplishments in safety. Please visit our Sustainability Website at <https://www.mtr.com.hk/sustainability/en/home.php>. We value your feedback on our sustainability performance and disclosure. Please send us your views and comments to sdmngr@mtr.com.hk or via MTR website http://www.mtr.com.hk/en/customer/main/contact_us.html.



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Disclaimer: <https://www.mtr.com.hk/sustainability/2020/common/pdf/Disclaimer.pdf>



KEEP CITIES MOVING SAFELY

MTR has always put the health and safety of our passengers, employees and contractors as our top priority. From the onset of the COVID-19 outbreak, we have quickly implemented various measures to safeguard their health and support the community.



FIGHTING THE VIRUS



SUPPORTING THE COMMUNITY



CARING FOR OUR STAFF

FIGHTING THE VIRUS

Increased the frequency of **intensive cleansing** routine

Applied technology such as deploying **sanitising robots** to thoroughly disinfect trains



Applied **Nano-Photocatalyst Coating** in our trains



Installed **touch-free buttons** in more than 100 passenger lifts across our network to further enhance the hygiene of public-facing facilities at stations



SUPPORTING THE COMMUNITY

Provided more than **40,000 hot meals and food coupons**, as well as pandemic supplies, temporary shelters and learning support for **over 50,000 beneficiaries**



Donated **100,000 face masks** to vulnerable members of the community



Our Board and Executive Directorate donated **HK\$4.3 million** of their remuneration to non-governmental and charity organisations

Offered **fare rebates** for commuters and **rental concessions** to most of our mall and station shop tenants

Provided **over 16,900 tickets** for healthcare workers who are at the forefront of the fight against the pandemic

CARING FOR OUR STAFF

Provided sufficient and appropriate **personal protective equipment and surgical masks** for our employees

Launched a **face mask production line** in Hong Kong, with a production capacity of over 300,000 masks per month to secure supply of face masks for our employees



Implemented a range of precautionary measures in our workplace, including **split team or work from home** arrangements for office staff

Provided our colleagues with regular updates and hosted webinars to provide better **emotional and wellness support**



SOCIAL OBJECTIVES



SOCIAL INCLUSION

MTR aims to foster social inclusion, promote equality and make a positive impact on communities we serve. Our railway system and properties are accessible for all. Internally, we actively promote equal opportunities and create a diverse and inclusive work environment.

HONG KONG

FAMILY-FRIENDLY FACILITIES

Provided breastfeeding and/or baby care facilities for **people travelling with infants or toddlers** in **23 interchange stations**



UNIVERSAL ACCESSIBILITY

Installed additional escalators, external lifts, stair lifts, wide gates, wheelchair aids, portable ramps and accessible toilets for **mobility impaired** passengers

AGE-FRIENDLY MEASURES

Replaced key signages at station exits, lifts and washrooms with giant pictograms which have made way-finding much easier than before especially for **elderly or those with poor eye-sight**



INCLUSIVE WORK ENVIRONMENT

Employed 571 individuals with **disabilities**, representing **3.4%** of our full-time employees in Hong Kong

OUTSIDE HONG KONG

METRO TRAINS MELBOURNE

Delivered a total of **300 training sessions** to more than **2,500 employees** to strengthen their capability to cater for **passengers with communication difficulties**



Percentage of **women** in our engineering, project management, and IT teams increased from **22% to 36%** in the past two financial years

MTR ELIZABETH LINE

Successfully exceeded targets with **31% of staff** representing **ethnic minority** communities and **23% female staff**, almost 14% of the MTR Elizabeth line's drivers are women which doubles the industry average





GREENHOUSE GAS EMISSIONS

MTR offers a low carbon solution in connecting communities. We are committed to managing our environmental and carbon footprint to help transit Hong Kong to a carbon neutral city. We will continue to incorporate green features and energy efficient measures into the design, planning, construction and operation of our railway network and properties.

HONG KONG

Achieved **-6.1%** electricity consumption in Hong Kong heavy rail network compared to 2018 and **-15%** electricity consumption in our Hong Kong investment properties compared to 2013

Installed **296** solar panels with the capacity of 93.24kW at MTR Headquarters Building



Replaced 92 air-cooled chillers at stations and depots, **around 60% completion** of the replacement works of our large-scale chiller replacement project, expected to reduce electricity consumption by **up to 30%** compared to 2017 upon completion



Adopted **sustainable design** at Hin Keng Station with extensive use of natural lighting and cross-ventilation, shading made from **recycled materials** on the station's external wall to reduce the indoor temperature and a **5,000 square meter** green roof



OUTSIDE HONG KONG

MTR NORDIC

Adopted **100% renewable electricity**, adopted **100% fossil-independent cars** and increased use of **renewable fuel** in replacement traffic from 29% to 75%

Set target to **reduce 15%** of the total energy consumption by 2025 and has committed to achieving **carbon neutrality** by 2030 at the latest

METRO TRAINS MELBOURNE

Completed a **climate change risk and adaptation assessment** to better support long-term adaptation planning

MTR ELIZABETH LINE

Worked towards a **"0% to Landfill"** target, rolling out a new waste separation scheme to strengthen its recycling efforts, collecting diverse types of waste, including paper, plastics and metals



SOCIAL OBJECTIVES



ADVANCEMENT & OPPORTUNITIES

MTR aspires to contribute to social mobility and advancement by connecting our communities with opportunities. We are committed to providing advancement opportunities for our employees, enhancing the skills and innovative capacity of our future generations and fostering growth of local enterprises in cities where we operate.

HONG KONG

17,000+ staff in Hong Kong

152 graduates successfully completed their training schemes, including 6 Graduate Engineers, 129 Apprentices and 17 Technician Associates



30 graduates joined our graduate development programmes in 2020 in pursuit of a career along a path of general management or professional expertise

MTR Academy developed tailor-made training curricula to cultivate future railway professionals and leaders of the industry in Hong Kong and around the world

Launched "The LOHAS Collect", a new **10,000 square-foot** pop-up zone, to support local small businesses featured over 20 different local brands during its initial offering

Close to 100 students joined our summer programme 'Train' for Life's Journeys which supports secondary school students in their career and life planning as well as whole-person development



OUTSIDE HONG KONG

16,000+ staff worldwide



MTR NORDIC

Actively supported the Järva week which was a **recruitment event** at one of the most **segregated areas** in Stockholm with high numbers of unemployment over the past years

Engaged college students from segregated areas in Stockholm to visit our operations, providing them with exposure and a network for **career planning**



SAFETY FIRST

MTR embraces a safety-first culture which prioritises safety as the prime responsibility of all employees in our operations. We are dedicated to delivering safe and reliable services to the public. We will ensure high risk activities are identified with proper control measures in place to eliminate or minimise the risks in our operations.



-53%

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



-80%

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



-67%

Number of customer and public injuries on Hong Kong bus services

HONG KONG

Enhanced our **Corporate Safety Policy** and along with the **Corporate Safety Governance Framework** outline our safety management approach and objectives

Opened the **Data Studio** to collect, integrate and analyse our asset data to help further enhance our **railway reliability** and productivity, whilst keeping our assets **well-maintained** for the safety of our passengers

Launched a two-month campaign aimed at **strengthening our internal security awareness** and teaching our staff proper handling procedures when responding to incidents of security implications

Launched a "LIFE FIRST – WE SAFE" campaign to **enhance safety awareness** of our **contractors** and raise safety standards on sites



SAFETY FIRST

OUTSIDE HONG KONG

MTR NORDIC

Conducted **15 Safety Walks** to inspect the physical areas around our stations for better understanding of potential hazards in our surroundings



Participated in **more than 50 local council meetings** to discuss crime prevention and potential solutions

MTR (MACAU)

Organised “Macao Ready Go! Local Tours” **Depot Visit campaign** with an aim to **raise passengers’ awareness** on railway operations and safety

METRO TRAINS MELBOURNE

Developed a **Zero Harm Behaviour Framework** to enhance safety leadership and culture

Used **drones** to inspect external structures and areas at height, avoiding the need for employees and contractors to work at heights to **minimise risks**

Conducted a total of **147 free community education sessions** for **3,663 students** to promote safe and confident use of the railway network

