



# SUPPLIER CODE OF PRACTICE

## Supplier Code of Practice

### Purpose

This Supplier Code of Practice (the “Code”) provides an ethical and behavioral framework for all suppliers. It specifies MTR Corporation’s (referred to as “MTR”) commitments, mandatory requirements for suppliers and recommended good practices across eight areas.

This Code applies to all suppliers<sup>1</sup>. We also require our suppliers to communicate to and take steps to ensure compliance with this Code by their management, staff, supply chain, subcontractors and business partners.

In this Supplier Code of Practice,

**Mandatory Requirement<sup>2</sup>**  
“Suppliers must comply...”

refers to the requirements that suppliers **must** follow. Non-compliance with or violation of these requirements will be considered as a material breach by our suppliers for existing contractual commitments and/or supply agreements with MTR and may impact the supplier’s ability to participate in future procurement activities.

**Good Practice**  
“Suppliers are encouraged to...”

refers to good practices that suppliers **are encouraged** to consider adopting where relevant and applicable. We encourage our suppliers to continuously enhance their procurement practices and advocate these principles to their supply chain and business partners.

By committing to this Code, our suppliers are empowered to drive positive changes within their operations and throughout the supply chain ecosystem.

### Review

MTR will review this Code from time to time to align with relevant legal and regulatory requirements, best practice and the environmental, social and governance approach and strategies of the Corporation.

<sup>1</sup>Supplier refers to any individual or legal entity that provides goods, components, materials, or services to an organization. This definition includes goods or services providers, contractors, consultants and business partners in dealing with MTR.

<sup>2</sup>In the event of a conflict between the terms and conditions within the documents forming the Contract and Mandatory Requirements in this Code, the higher standard or greater requirement shall prevail.

## **Introduction**

MTR expects all suppliers to maintain the highest standards guided by ethics, legal compliance and sustainability throughout their operations and supply chains. Our suppliers should actively participate in supplier engagement and development activities, keep effective records and cooperate with review exercises and audits.

### **The Code focus on the following eight sustainable procurement areas:**

1. Legal Compliance
2. Ethical Conduct and Integrity
3. Human Rights and Labor Practices
4. Environmental Responsibility
5. Health, Safety and Risk
6. Cybersecurity
7. Diversity and Inclusion
8. Reporting

**Supplier Code of Practice – Mandatory Requirement and Good Practice**

Area	Mandatory Requirement <i>"Suppliers must..."</i>	Good Practice <i>"Suppliers are encouraged to..."</i>
<b>1. Legal Compliance</b>		
<p>MTR is committed to complying with all applicable laws and regulations governing our operations. This includes, but is not limited to adherence to local, national, and international laws relevant to areas such as labour, health and safety and environmental protection.</p>	<p><b>1.1 Laws and Regulations</b> Comply with all applicable laws and regulations governing their operations (not limited to local, national, and international laws and regulations for labour, health and safety, environmental protection, data protection, anti-corruption and anti-money laundering)</p> <p><b>1.2 Trade &amp; Customs Requirements</b> Comply with all applicable international trade export controls, customs laws, tariff and sanction requirements and regulations</p> <p><b>1.3 Licenses and Permits</b> Maintain all valid licenses, permits and registrations required in order to meet contractual obligations and for their business activities, and provide evidence upon request to confirm compliance.</p> <p><b>1.4 Reporting</b> Inform MTR promptly of any actual or suspected (i) breach of laws, regulations, trade export controls, customs laws, tariffs or sanctions; (ii) associated disciplinary action taken against the supplier; and (iii) significant supply chain risks, in each case which may impact on the Supplier's ability to fulfil its contractual requirements to MTR.</p>	<ul style="list-style-type: none"> <li>• Implement a system to track changes in relevant local, national, and international laws and regulations.</li> <li>• Implement a supply chain risk management framework to enable the continuous assessment and management of operational, supply chain and legal risks.</li> <li>• Report emerging compliance risks or disciplinary actions to MTR promptly.</li> </ul>
<b>2. Ethical Conduct and Integrity</b>		
<p>MTR is committed to conducting all procurement activities with the highest standards of integrity, ensuring impartial business decisions free from conflicts of interest, bribery, unethical behaviors, and undue influence. MTR adheres strictly to the Prevention of Bribery Ordinance (Cap. 201) and other relevant laws and takes all reasonable steps to prohibit any form of bribery or corruption in procurement activities.</p>	<p><b>2.1 Business Conduct</b> Conduct business activities in a professional, ethical, equitable and transparent manner (including open and fair competition), whilst maintaining confidentiality.</p> <p><b>2.2 Policy and Guidelines</b> Have policies in place to prevent and ensure reporting of any form of bribery, corruption, acceptance and provision of gifts and hospitality, actual or potential conflicts of interest and unethical behavior.</p> <p>Unethical behavior may include, but is not limited to:</p> <ul style="list-style-type: none"> <li>➤ Soliciting or accepting advantages in exchange for favors or to influence decisions</li> <li>➤ Fraudulent activities</li> <li>➤ Money laundering</li> <li>➤ Collusion</li> </ul> <p><b>2.3 Reporting</b> Inform MTR promptly of any unethical business activities identified within their operations, supply chain or business partners which may impact on the supplier's ability to fulfil its contractual requirements to MTR.</p>	<ul style="list-style-type: none"> <li>• Promote a culture of fairness, honesty and integrity in all business activities.</li> <li>• Empower their workforce to act ethically and with integrity.</li> <li>• Advocate ethical principles throughout their supply chain and with business partners.</li> </ul>

Area	Mandatory Requirement "Suppliers must..."	Good Practice "Suppliers are encouraged to..."
<b>3. Human Rights and Labor Practices</b>		
<p>MTR respects and promotes human rights across our operations and is committed to ensuring fair labor practices in our supply chain. In line with the MTR Modern Slavery and Human Trafficking Statement, we strive to eliminate modern slavery and human trafficking from our operations and supply chains.</p>	<p><b>3.1 Laws and Regulations</b> Ensure compliance with applicable laws and regulations in the following areas:</p> <ul style="list-style-type: none"> <li>➤ Child Labour</li> <li>➤ Forced Labour</li> <li>➤ Anti-Slavery and Human Trafficking</li> <li>➤ Health and Safety</li> <li>➤ Wages and Working Hours</li> <li>➤ Discrimination</li> <li>➤ Anti-harassment</li> <li>➤ Discipline</li> <li>➤ Freedom of Association</li> </ul>	<ul style="list-style-type: none"> <li>• Respect different cultures, languages and religions and consider opportunities to support local communities in their operations.</li> <li>• Promote a culture of respect within their organizations.</li> <li>• Foster diversity, respect and equal opportunities among all employees.</li> </ul>
<b>4. Environmental Responsibility</b>		
<p>MTR is dedicated to minimizing its environmental impact and promoting sustainability in all aspects of our operations as outlined in our <a href="#">Environmental &amp; Social Responsibility Policy</a>. We recognize climate change is highly material to our business and supply chain, posing both risks and opportunities to our existing operations as well as future development. Our approach to addressing climate change is outlined in our <a href="#">Climate Change Strategy</a>.</p>	<p><b>4.1 Implementation</b> Endeavour to minimise the impact of their operations on the environment.</p> <p><u>Examples</u></p> <ul style="list-style-type: none"> <li>➤ Rational use of resources</li> <li>➤ Promotion of conserving, recycling, or reusing materials</li> <li>➤ Management of greenhouse gas emissions and energy consumption</li> <li>➤ Pollution prevention and waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Proactively support MTR's environmental objectives and initiatives.</li> <li>• Have an environmental management policy and monitor, measure, and transparently report environmental performance.</li> <li>• Deliver training and awareness programs to employees and business partners relating to environmental protection and climate initiatives.</li> <li>• Take practicable measures to promote and protect biodiversity.</li> </ul>
<b>5. Health, Safety and Risk</b>		
<p>MTR prioritizes worker health and safety. Our <a href="#">Corporate Safety Policy</a>, along with the Corporate Safety Management Framework, ensures that safety is the responsibility of all staff.</p>	<p><b>5.1 Policy and Guidelines</b> With a view to ensuring the safety of all stakeholders affected by your operations, comply with relevant laws and regulations in health and safety; Implement and maintain appropriate safety policies and procedures and monitor performance regularly.</p> <p><b>5.2 Workplace Misconduct and Illegal Activities</b> Implement policies and practices to prevent misconduct or illegal activities on MTR premises that could adversely impact MTR's operations, reputation or stakeholders e.g. conduct thorough background checks and verification of qualifications for personnel deployed for MTR projects or on premises.</p> <p><b>5.3 Reporting</b> Inform MTR promptly of all major health and safety incidents.</p>	<ul style="list-style-type: none"> <li>• Be proactive to manage hazards and risks, implement relevant control measures (inspections, audits, etc) to monitor and ensure the effectiveness of safety management systems.</li> <li>• Utilise technology and adopt industry best practices.</li> <li>• Verify systematically staff's competencies and qualifications.</li> <li>• Adopt business continuity measures to ensure an uninterrupted supply chain.</li> </ul>

Area	Mandatory Requirement "Suppliers must..."	Good Practice "Suppliers are encouraged to..."
<b>6. Cybersecurity</b>		
<p>As one of the critical infrastructure operators in Hong Kong, MTR recognizes the importance of safeguarding information, regardless of whether in electronic or hard copy form, and technological assets against cyber threats. Protecting sensitive data is critical for maintaining trust in our operations.</p>	<p><b>6.1 Laws, Regulations and Standards</b> Comply with relevant cybersecurity and industry-specific laws, standards and regulations.</p> <p>Notify MTR in writing of any actual or suspected data breach involving the MTR's data or systems as soon as reasonably practicable (without undue delay), with key details and remedial actions.</p> <p>Provide reasonable assistance to MTR in connection with investigation, regulatory compliance and remedial actions arising from the data breach.</p> <p><b>6.2 Confidentiality and Intellectual Property</b> Comply with confidentiality, intellectual property rights and copyright obligations and agreements.</p> <p><b>6.3 Practice Enhancement</b> Regularly review and update practices if needed to remain compliant with evolving laws, standards and regulations.</p>	<ul style="list-style-type: none"> <li>• Be transparent in incident reporting and response, ensuring fast and effective communication and response to cyber events.</li> <li>• Commit to regular review and enhancement of security measures to stay ahead of emerging digital threats.</li> <li>• Encourage collaboration with third parties to uplift supply chain cybersecurity standards.</li> <li>• Promote continuous cybersecurity learning and empowerment for all employees.</li> <li>• Make reference to international standards and good practice, such as NIST guidelines, ISO/IEC 27001, or other industry-specific standards.</li> </ul>
<b>7. Diversity and Inclusion</b>		
<p>MTR is committed to promoting diversity and inclusion in all aspects of the workplace and does not discriminate on the basis of race, skin color, gender, disability, religious or philosophical belief, age, sexual orientation, family status or other factors. Our commitment is outlined in the <a href="#">Environmental &amp; Social Responsibility Policy</a> and <a href="#">Workforce Diversity Policy</a>.</p>	<p><b>7.1 No discrimination</b> Not discriminate based on race, gender, sexual orientation, disabilities or other personal characteristics.</p>	<ul style="list-style-type: none"> <li>• Promote and support an inclusive workplace culture, creating an inclusive and respectful work environment for its staff by policy, initiatives, induction and training programmes.</li> <li>• Contribute positively to society through various initiatives, such as support for ethnically diverse people, disabilities and disadvantaged groups.</li> </ul>
<b>8. Reporting</b>		
<p>MTR is committed to the highest standards of openness, probity, and accountability as articulated in our <a href="#">Whistle-blowing Policy</a>. We encourage reporting of unethical behavior without fear of retaliation.</p>	<p><b>8.1 Reporting channels</b> Establish confidential channels for employees to raise concerns regarding fraudulent acts or unethical behavior related to compliance with laws or corporate policies, as well as business ethics.</p> <p><b>8.2 Investigate</b> Follow up concerns related to fraudulent acts or unethical behavior.</p> <p><b>8.3 Reporting</b> Inform MTR promptly of material fraudulent acts or unethical behavior which may impact on the supplier's ability to fulfil its contractual requirements to MTR.</p>	<ul style="list-style-type: none"> <li>• Adopt principles of openness and accountability throughout the organization by having a whistle-blowing policy and mechanism and provide regular training to employees.</li> </ul>

