

human resources working together with vision and purpose



Throughout the year, MTR continued to work closely with employees at all levels to maintain the support of our skilled, talented and committed workforce.

In line with the Company’s continuing policy of productivity enhancement, the hiring freeze remained in force during 2004 resulting in total staff numbers at the end of 2004 of 6,555 compared with 6,629 in 2003. Turnover per operating railway employee further improved to HK\$1.40 million as compared to HK\$1.27 million in 2003.

New Vision, Mission and Core Values

An important task during the year was the communication to all staff of the new Vision, Mission and Core Values. These are intended to drive the Company forward as it expands overseas and into new areas of businesses, while remaining true to our roots in Hong Kong. In all, 134 workshop sessions were held between April and

August, bringing home key messages of vision and strategy to all our employees.

Merger talks

Another important focus was the possible merger with KCRC and its potential implications for staff. During the year, we made tremendous efforts to ensure open and transparent communication on the merger discussions, so that employees were kept abreast of the progress and able to voice their views.

Follow up to 2003 Staff Attitude Survey

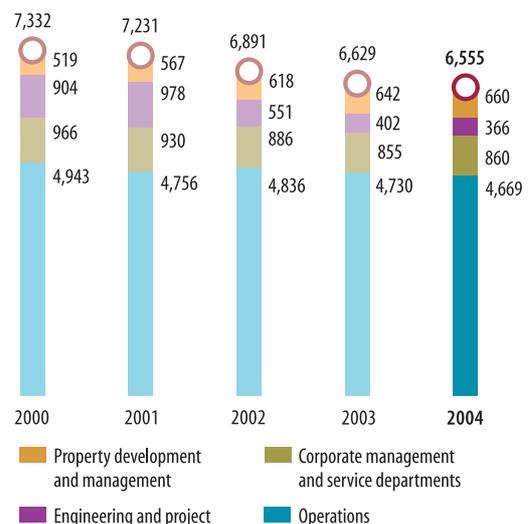
The comprehensive 2003 Staff Attitude Survey had highlighted a number of important areas of employee concerns and the Company took significant steps during 2004 to address those issues.

Amongst the initiatives implemented in response to the Survey were “Meet the CEO” and “Meet Senior Management” programmes, which were designed to improve direct communication between staff and senior management.

We recognise that middle management communication skills are becoming ever more important in the smooth running of the Company’s operations and management, and have established specific programmes to help our managers and supervisors to improve those skills. During 2004, over 1,300 supervisory staff received training through a “New Horizon for Supervisors” training programme.

The Company is dedicated to promoting work life balance and encouraging staff participation in community and charity services

Number of staff



Total staff strength

MTR continued business expansion and reported goods results with fewer staff members.

Resource pool for growth business

To support the Company’s business development outside Hong Kong, MTR’s Human Resource Management Department has been acting as the strategic partner of line managers in providing professional advice and personnel support to staff on overseas assignments.

In addition, to meet human resource challenges posed by the expansion of international business, MTR has implemented a just-in-time manpower resourcing strategy. This involved building a dedicated resource pool for growth business, backed by customised remuneration and employment terms,

comprehensive human resources policies and systems, as well as training and development initiatives.

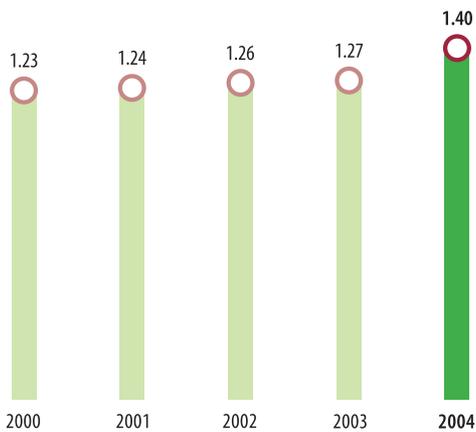
Awards and accreditation

During the year, we once again received several awards in recognition of our ability and achievement in developing and managing our employees and workforce.

For the third consecutive time, MTR received the Good People Management Award from the Hong Kong Labour Department. The Operations Training Department successfully gained ISO9001, ISO14001 and OHSAS18001 accreditations for its Integrated

Management System. The Company also received the “Most Innovative Award” from Hong Kong Management Association’s Excellence in Training programme and a “BEST Award” from the American Society for Training and Development.

HK\$ million



Staff productivity – turnover per operating railway employee

Continuous improvement in productivity has been achieved throughout the years.