

Enhanced Family-friendly
Benefits including

16-weeks Maternity Leave
10-days Paternity Leave

6.1

Average Training Days
per Employee in
Hong Kong

50,000+
Staff Worldwide



HUMAN RESOURCES

We invest in nurturing, developing and engaging our people to help them reach their fullest potential. We also prioritise fostering a progressive workplace with equal employment opportunities for all. In 2022, our efforts in employee engagement and development of our human capital were recognised by a number of external recognitions.

As at 31 December 2022, the Company together with its subsidiaries employed 16,804 people in Hong Kong and 15,504 people outside Hong Kong. Our associates and joint ventures employed an additional 20,735 people in Hong Kong and worldwide.

RECRUITMENT, TALENT MANAGEMENT AND RETENTION

Each year, we launch a variety of initiatives designed to boost our talent acquisition and retention while enhancing employee engagement, motivation and development. In 2022, the voluntary staff turnover rate in Hong Kong was 7.5%.

In the face of the pandemic and the resulting economic downturn, we have striven to protect jobs while ensuring business sustainability and continuity over the past few

years. As we continue to take a prudent approach towards resourcing and cost management, we are also investing in staff development to ensure the long-term success of our business and people.

We provide competitive pay and benefits, short- and long-term incentive schemes, and a broad range of career development opportunities under our total reward framework. We conduct regular reviews to maintain

the market competitiveness of our pay and benefits for staff. In 2022, adoption leave was introduced to support colleagues with different family needs. Eligible colleagues are also entitled to the enhanced paid maternity leave of 16 weeks and paid paternity leave of ten days. Our robust performance management system recognises and rewards staff through a performance-based pay review mechanism as well as various motivational schemes and awards. As a caring employer, we also promote staff well-being and family-friendly policies to enhance work-life balance. Our Work From Home policy was formalised after the one-year pilot to assist colleagues to better integrate work and life commitments during the pandemic. Colleagues who are able to perform their jobs remotely may apply to work from home for greater flexibility under certain situations.

We continue to identify, engage and develop high-potential talents through the Annual Talent Review Process and Talent Pipeline Programmes. For instance, the Management Potential Development Programme aims to build a sustainable talent pipeline of future leaders who will contribute to the achievement of the Company's business goals and corporate strategy objectives. To this

end, we have enhanced our performance management process with the MTR Leadership Competency Framework, which will promote greater organisational alignment of staff's performance goals with the Company's priorities to facilitate successful delivery.

We also continued to offer rewarding career opportunities for youth in 2022. Facing the challenges arising from the pandemic, we continued our graduate recruitment programme by enhancing our digital capability and hosting virtual recruitment initiatives to attract high-potential university graduates to join MTR. In 2022, we welcomed 74 high-calibre graduates to the Company's various graduate development programmes. In addition, we recruited 112 apprentices and technician associates and 41 graduate engineers to our Apprenticeship and Graduate Engineer schemes, respectively. During the year, we also provided summer internship opportunities to a diverse group of 110 tertiary-level students. In 2022, we became a signatory of the Equal Opportunities Commission's Racial Diversity & Inclusion Charter, which encourages employers to promote racial diversity and inclusion in the workplace.

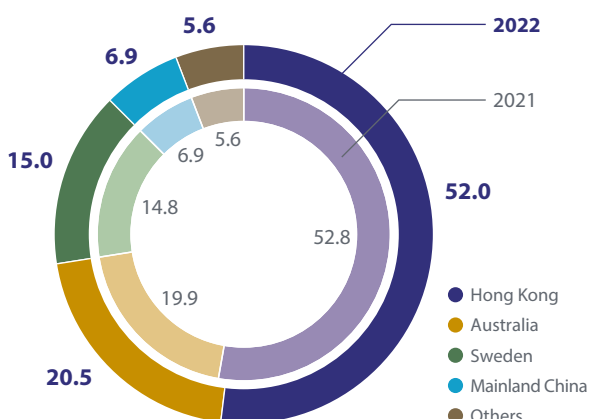
STAFF MOTIVATION AND ENGAGEMENT

MTR values staff's opinions and strives to take measures to enhance employee engagement. In December 2021, we conducted an Employee Engagement Survey to solicit feedback from staff in Hong Kong and managers of our wholly owned subsidiaries outside Hong Kong, the results of which were communicated to management and staff in February and March 2022. Our employee engagement level decreased slightly compared to the previous survey

due to the unprecedented challenges faced by MTR in recent years, including the pandemic's effects and work-related stress arising from various societal and economic issues. In total, ten task forces were formed at the corporate and business unit/ function levels to analyse the results and formulate follow-up action plans for addressing staff's concerns with full support from Management. Follow-up action planning was completed

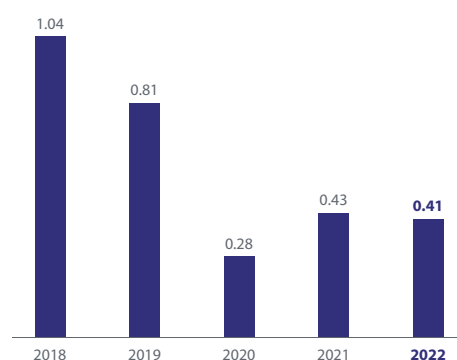
Staff Distribution by Geographical Location

(Percentage)



Staff Productivity - Earnings Per Employee*

(HK\$ million)



* Hong Kong businesses excluding property development

in June 2022 for implementation starting from July 2022 onwards. In addition, a pulse survey was conducted in December 2022 to listen to staff's feedback and track the progress of action plan implementation.

Throughout the year, we organised a number of initiatives to recognise the hard work and strong performance of our staff. In February 2022, we granted a HK\$1,000 special lai-see to all eligible colleagues to thank them for their contributions in difficult times. In March and April 2022, we gave special "Living the MTR Values" awards to eligible staff for exceptional efforts made in the fight against the fifth wave of COVID-19. In addition to the annual

pay review in July, we offered special salary increases to colleagues who had demonstrated consistently strong performance in recent years, enhanced many of our family-friendly benefits, including maternity, paternity and compassionate leave, and introduced adoption leave as mentioned above. In November 2022, we held the annual "MTR Grand Awards for Outstanding Contribution and Long Service Awards Presentation Ceremony" to recognise colleagues and teams who have demonstrated exemplary performance and loyal contributions to the Company. Among the 460 long service awardees who have served for 20, 30 or 40 years in MTR, 50 awardees received the 40 Years' Service Award, which was a record high.

LISTENING AND RESPONDING TO STAFF

Maintaining regular two-way communications with staff is critical to our engagement efforts. Our Staff Consultation Mechanism enables management to maintain close connection with more than 1,000 staff representatives directly elected by fellow colleagues to discuss matters of common concerns. In 2022, more seats of staff representatives were introduced to enhance engagement with our younger workforce. Throughout the year, the Company held quarterly meetings for the Staff Consultative Council ("SCC") and 49 Joint Consultative Committees, with the outcomes of constructive discussions published as part of regular updates for colleagues. In addition to regular meetings, 12 communication sessions with staff representatives and unions were organised in 2022 to update them on

the latest developments of our business, particularly railway operations and anti-pandemic measures, and to proactively address their concerns.

During the year, we continued to host a variety of staff communications initiatives to keep employees from different parts of the Company around the world informed of corporate developments. These included CEO focus groups, CEO site visits, CEO Messages and blog posts, and feature videos through various Company platforms, including MTRconnects. A total of 12 virtual forums and meetings were conducted, including Executive Managers Forum and Management Communication Meetings, connecting managers in Hong Kong, Mainland China and overseas hubs.

A CULTURE OF CONTINUOUS LEARNING

In 2022, we provided 1,418 training courses in Hong Kong covering a comprehensive range of learning and development topics, delivering an average of 6.1 training days per staff member. We also continued our digital training offerings during the year, conducting 520 various e-learning courses to 15,366 staff for a total of 77,424 hours. Delivering our learning and development programmes via virtual workshops, webinars and other technology-aided modes in addition to face-to-face sessions once again enabled us to engage as many colleagues as possible during the pandemic.

In 2022, we introduced a series of self-directed learning initiatives to colleagues via platforms including LinkedIn Learning and Blinkist as well as modules from the Executive Online programme hosted by leading business schools. Managers also used virtual platforms to take advantage of new opportunities to learn the latest business management practices from world-class institutions such as INSEAD and Oxford Business School.

We also continued to operate our Learning Management System during the year. This one-stop portal nurtures a continuous learning culture by providing staff with access to valuable technical and management self-learning resources anywhere and at any time.