

CORPORATE SOCIAL RESPONSIBILITY



Our Role In The Community

At SMRT, we believe that our success has to be channelled towards the greater good of the community. Our Corporate Social Responsibility programme sets out to make a positive impact on the economic, social and environmental well being of the communities we serve.

To engage and enhance the lives of those around us, we have established a sustained programme of corporate philanthropy, volunteerism and community outreach.

Gifts To The Community

SMRT's corporate philanthropy programme is directed at voluntary welfare organisations, national events, education, sports, arts and the environment. In FY2006, SMRT made community contributions totalling S\$3.18 million in cash contributions and sponsorships such as media space and corporate gifts.

Among voluntary welfare organisations, the Handicaps Welfare Association (HWA) received the gift of a retrofitted Toyota Hiace mini bus, worth S\$75,000 from SMRT. Members of the HWA were treated to rides on the MRT and LRT as well as a shopping excursion at Ten Mile Junction on the day the mini bus was handed over to the Association.

SMRT joined hands with the National Council of Social Services to lend our support to the Disability Awareness Public Education Campaign through cash donations and media space sponsorship with a total value of S\$140,890. Under the "Friends of the Disabled" Journey programme, we facilitated a train ride for 200 disabled persons to promote community awareness of the unique needs of the disabled.

As the nation's largest multi-modal transport operator, we were proud to fly the flag for Singapore's National Day Parade 2005. We did this through cash donations of S\$50,000 and media support valued at S\$288,000.

Our contributions to the nation's 40th birthday celebrations took the form of Singapore Express, a community project in which the external body of a SMRT train was offered as complimentary media space to the Ministry of Information, Communications and the Arts. Singapore Express galvanised 12,000 Primary Five students from 42 schools island-wide to design National Day decorations for public transport and bus stop shelters. The Singapore Express train served as the moving canvas on which the winning student's design was showcased.

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Our resources were put to good use when we donated a de-registered SMRT taxi to Alexandra Hospital for its Car Transfer Rehabilitation Programme. At Marine Parade Town Council's Clean, Green and Hygiene Carnival, three of our buses were used to display exhibits on environmental care.

In sports, we did our bit for the Commonwealth Games 2006. Four runners from SMRT took turns to carry the baton in the Singapore lap of the Queen's Relay, which involved travelling in trains on the North South line much to the delight of commuters.

Volunteering Where It Matters

One key objective of SMRT's Corporate Social Responsibility programme is to inculcate a spirit of volunteerism in our people. To encourage our people to volunteer their time to worthy causes on a regular basis, we identified three institutions catering to senior citizens, the sick and injured, and children to become our 'adopted' charities.

Geylang East Home For The Aged is one such organisation. During the year, SMRT staff faithfully organised outings, community work projects and fund-raising events for seniors from the Home, ranging from a walk-a-jog to raise funds and a

Lunar New Year outing. In September 2005, SMRT staff even accompanied seniors from the Home on an overnight trip to a seafood village and resort in Johor, Malaysia.

For several years now, SMRT has used its train and station network to support the Singapore Red Cross Society's life saving Blood Donor' Recruitment Programme. FY2006 was no different. Volunteers from SMRT helped out with the celebrations and publicity on World Red Cross Day and Blood Donors Day. Four separate blood donation drives were organised at Raffles Place and Changi Airport stations yielding a grand total of 769 units of blood for the Singapore Red Cross.

Our work with Beyond Social Services, our third adopted organisation, saw 400 SMRT staff volunteering their services for the annual MILK Run that raises funds for disabled and disadvantaged children.

Reaching Out To The Community

Apart from giving our time and our funds to the community, SMRT is also active in outreach programmes that add colour and vibrancy to community life while promoting the SMRT brand name.

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Many of these programmes to educate, entertain or inform the public through our transport network are undertaken in partnership with like-minded organisations.

One such fruitful collaboration is the SMRT and National Library Board Read and Ride Programme, an imaginative train ride that makes the magic of books come alive for children of the Internet generation. The programme started in 2002 with an audience of 50 children. In 2005, 600 children between four and 10 years old listened enthralled as celebrities and storytellers recounted enchanting Asian tales on a 75-minute ride from Woodlands to Expo via Jurong East and RedHill stations. Upon arrival at Expo Station, the children were treated to another hour of exciting performances in conjunction with the Asian Children's Festival.

We kept up these efforts to promote a love of reading over the June school holidays by organising seven story-telling sessions on board SMRT trains. Parents and children alike thoroughly enjoyed these fun-filled journeys with a difference.

The London bombings of July 2005 raised fears about the security of Singapore's public transport network. To allay these fears, SMRT conducted a series of educational seminars on safety and security features on the trains and in the stations. The sessions held for trainers from the People's Association and trainee teachers from the National Institute of Education, among others, expanded on the material used in the existing

Learning Journey's Programme for school children. SMRT also worked with the Ministry of Education to incorporate material on MRT safety and security into the mainstream school curriculum.

The annual SMRT Courtesy and Safety programme reminds commuters to adopt safe and well-mannered behaviour while in transit. The highlight of this year's programme held in October 2005 was the inaugural SMRT Challenge otherwise known as Singapore's ultimate travel race. The Challenge saw 500 participants performing tasks that stretched their sense of safety and courtesy throughout the SMRT network before making a dash for the finishing line.

Courtesy and safety messages were also publicised via action-packed road shows at four of the busier train stations as well as through an art competition that attracted 400 children.

The MRT stations of the SMRT network are very much a part of the lives of millions of SMRT commuters. Over the Lunar New Year period in January 2006, Raffles Place Station was transformed into a place of celebration for many commuters. Festive cheer was all around as calligraphers and artists from the Life Art Society gave out 5,000 auspicious couplets and 2,500 brush paintings all completed on the spot. Commuters who shopped at Raffles Xchange were in for more treats as complimentary SMRT red packets and movie tickets were given out with spending amounts of S\$28 and S\$88 respectively.

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SMRT has been a faithful supporter of arts events both big and small. In recognition of our contribution towards the promotion of the arts in Singapore, SMRT received the Associate of the Arts Award by the National Arts Council.

Our People, Our Future

In SMRT, the values that guide our Corporate Social Responsibility programmes are woven into the fabric of our daily operations and in our strategies for people development.

Our people are our most valuable asset. They hold the keys to SMRT's leadership renewal, business continuity, push for excellence and future prosperity. Our people development programmes focus on empowering our people with the necessary skills to build a high performance culture within SMRT.

In FY2006, we implemented a talent development programme with the long-term goal of leadership renewal and business continuity. Aimed at nurturing staff for leadership roles, the basic building block for this programme was a framework to enhance the leadership qualities and business acumen of managers. Related programmes to nurture leaders from our ranks were launched. Strategy-Linked Training set out to identify competency needs by business nature and job role while Cross-Business Up-Skilling fosters greater cross business understanding through job rotation opportunities and exposure to special projects.

All these training initiatives combined to create a total of 20,883 training places. This works out to an average of four training places per employee, surpassing the industry average of two training places per employee.

Looking ahead to FY2007, we see our human resource development being anchored in efforts to enhance the strength of the leadership team. A succession planning process has been implemented to identify candidates for key leadership positions. At the same time, we will remain steadfast in our commitment to develop every employee to his or her highest potential.

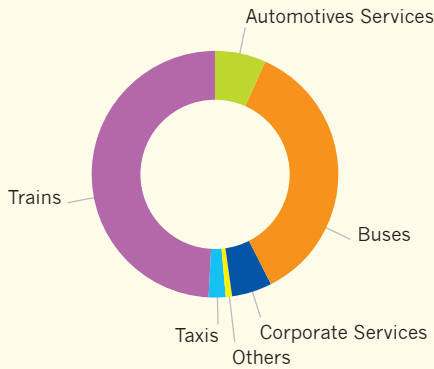
Welfare Benefits

To streamline employee welfare benefits, SMRT appointed an official medical provider and medical claims administrator in January 2006. This initiative gives staff greater access to affordable healthcare within easy reach of their homes.

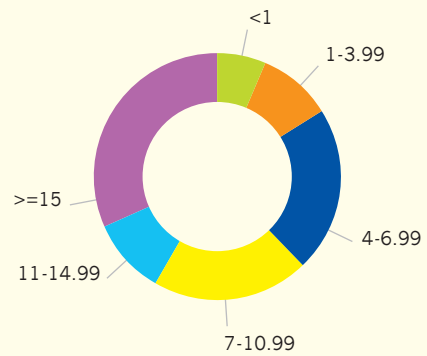
Many of the most practical improvements in any organisation come from the people involved in its day-to-day operations. At SMRT, staff are encouraged to speak up if they have ideas that can improve productivity and increase operational efficiency. Reflecting the enthusiasm of our people, 2,402 suggestions were made by employees in FY2006. 29 per cent of the suggestions were implemented in FY2006 against 21 per cent in FY2005.

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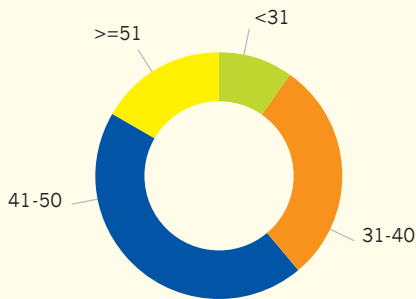
HEADCOUNT BY DIVISION/BUSINESS UNIT



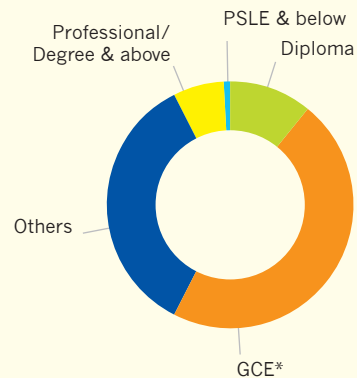
STAFF PROFILE BY COMPLETED YEARS OF SERVICES



STAFF PROFILE BY AGE GROUP



STAFF PROFILE BY QUALIFICATION



* Includes 'A', 'O', 'N' level and NITEC qualification

Growth and Continuity Through IT

A 12-month project to integrate the entire spectrum of HR services within a single platform, the HR Information System, was completed on time and within budget in FY2006. The integrated IT system offers SMRT staff the convenience of comprehensive online transactions and automates routine processes to enhance efficiencies.

During the year, our IT operations were restructured for better alignment with business needs.

In the same vein, deliberate efforts were made to match IT investments with business goals through cost management, higher standards of functional quality in IT service and delivery and more stringent IT governance.

Our IT infrastructure was expanded to provide integrated and comprehensive HR services to all SMRT staff on a 24/7 basis. The stepped-up IT capability also allowed us to launch various business initiatives such as the network-wide 'Ride

SMRT & Win' promotion, Revenue Sharing Hire Scheme for taxis, the QuickBook system for taxis and the enhanced taxi management systems at the taxi contact centre. Having an IT infrastructure with the capacity for multiple applications like ours leads to significant cost savings as many IT-enabled business initiatives can now be designed and executed in-house.

In FY2007, IT professionals within SMRT will press on with efforts to integrate, automate and enhance systems and processes. We will concentrate on providing IT continuity to support our services, infrastructure and assets.

Among other specific goals, we aim to align IT investment with business goals to achieve tangible benefits for the organisation while sieving out unnecessary and unproductive IT costs in our pursuit of operational excellence. In line with the SMRT Group's focus on customer service, we will endeavour to improve our service quality by viewing our IT services through the eyes of the customer.