

Message from the Chairman and Group CEO

Seah Moon Ming
Chairman



Ngien Hoon Ping
Group CEO



SMRT's Sustainability Journey

In 2016, SMRT published its inaugural Sustainability Report to communicate to stakeholders our sustainability goals, efforts and progress. Over the last six years, we have enhanced rail safety & reliability and expanded service offerings to commuters and communities.

As a Public Transport Operator (PTO), we are responsible stewards of key public transport infrastructure. By integrating Environmental, Social and Governance (ESG) criteria into our businesses, operations, and services, we can create greater value for stakeholders, commuters, and communities. In essence, SMRT has committed to “Do Right, Do Good and Do Well”.

In 2021, our Board identified ESG as one of the strategic imperatives of SMRT. In May 2021, we established a Board Sustainability Committee, chaired by Ms Judy Lee, to focus on sustainability hygiene, controls, and practices. Mr Gan Boon Jin was also formally appointed as Chief Sustainability Officer in July 2021. To prepare for this Report, we embarked on a comprehensive materiality assessment and stakeholder engagement exercise in early 2022 that resulted in the identification of eight key material topics and 20 sub-topics.

Environment – Towards a Net Zero Company

As the major rail operator in Singapore, we provide the greenest and most sustainable mode of public commute. We are committed to halving our 2010 greenhouse gas emissions by 2030 and in the longer term, to achieve Net Zero by 2050 to support Singapore's climate ambition. Sustainability is part of our business & operations, and we aim to secure a greener and more sustainable environment for future generations.

Recognising that sustainability can also become a source of lasting competitive advantage and value creation, we re-imagined the business of electric Mobility as a Service (eMaaS) by establishing the eMaaS end-to-end solution and Ecosystem. This ecosystem serves to help businesses decarbonise, digitalise and be data driven. In addition, SMRT Buses and Land Transport Authority (LTA) rolled out 11 electric buses powered by pantograph chargers.

We are also on track to electrify our entire taxi fleet by 2026, starting with the launch of our first batch of MG5 electric taxis in August 2021. A fully electric taxi fleet will reduce our greenhouse gas emissions by about 15,000 tonnes CO2 per year. We aim to replace all our operational ICE (Internal Combustion Engine) vehicles with greener electric vehicles by 2030.

Renewable energy and upcycling are two tenets of our environmental sustainability efforts. SMRT will continue to increase usage of renewable energy, especially solar energy. Solar photovoltaic (PV) systems were installed at Bishan Depot (2016), Tuas West Depot (2017) and Mandai Depot (2017) to meet the depots' operational energy needs. By FY2024, we plan to increase the solar energy output in Bishan Depot by 150%. With this expansion, the total solar energy output at our 3 large depots will be close to 7,000 MWh per year, which is equivalent to powering over 1,500 four-room HDB flats per year.

Working with LTA, we upcycled decommissioned train seats and handrails as benches and safety handrails in 15 town councils. This project will convert 1,500 MRT seats into benches for void decks and other communal locations, as well as 1,400 handrails into safety handrails for less mobile residents, giving these parts a useful second life. By 2025, about 14,400 kg of reinforced plastics, metals and other hard-to-recycle materials will be upcycled instead of being sent to the scrapyard.

Social – Care for Commuters & Communities

SMRT's mission of *Moving People, Enhancing Lives* drives our service delivery. In April 2021, we launched Go-To SMRT, an initiative to better serve commuters and communities in the precinct of our stations. This initiative encourages everyone to embrace SMRT-operated transport nodes as the place they turn to for their common needs such as wayfinding, first aid and locating missing people. In addition, our 17 MRT stations and 3 bus interchanges serve as Dementia Go-To Points, where our trained employees can identify, provide necessary assistance, and help reunite dementia persons with their caregivers. By the end of 2022, all MRT stations and bus interchanges operated by us will be ready as Dementia Go-To Points. In recognition of our efforts to enhance public

transport network inclusivity, Go-To SMRT received the UITP (*L'Union Internationale des Transports Publics*) Marketing Campaign Award in February 2022. The award inspires us to continue innovating our service offerings to benefit more commuters and communities.

SMRT is the first public transport operator in Asia to deploy NaviLens, an application to aid visually impaired commuters in their navigation. Launched at Woodlands Integrated Transport Hub (WITH), the app reads out information such as general direction and current location when a user scans the coloured marker tag. NaviLens will be expanded to all SMRT-operated bus interchanges by the end of 2022.

To enhance commuter safety, a total of 231 escalators across 42 MRT stations on the North-South and East-West lines (NSEWL) were refurbished between 2016 and 2022. The upgraded escalators operate at dual speeds to make it safer for use by children and elderly, they also have new safety features such as missing step sensors, traffic light indicators, floorplate switches, handrail speed monitoring and skirt deflectors.

During COVID-19, the health of employees and commuters was of utmost concern to us. We are heartened that no major cluster were formed in our workplaces and transport network, and we delivered rail and bus services according to mandated schedules. As Singapore transitions to living with COVID-19, we will continue to encourage commuters to mask up properly to protect themselves and others while travelling in our network.

SMRT firmly believes that business is a force for good. As part of our corporate social responsibility, we launched the inaugural *Tap For Hope* project in January 2022 on a limited scale due to COVID-19 restrictions. The fundraising initiative was held at Paya Lebar, HarbourFront and Jurong East MRT stations in partnership with the President's Challenge. Donors scanned the provided QR code to make a direct donation to the President's Challenge; more than \$40,000 was raised in six weeks for a good cause.

To transform our stations into community spaces, we have pioneered placemaking projects with our community partners. In June 2022, we launched *Comic Connect* programme at one

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of our oldest MRT stations – Toa Payoh MRT station, and this will be expanded to 35 SMRT-operated MRT stations island-wide to commemorate SMRT Trains' 35th anniversary. Under this programme, SMRT Trains collaborated with the local art community to install heritage-themed, comic-styled wall murals to bring to life the unique stories of the local communities around Toa Payoh. We hope that these stories will inspire commuters and communities to forge closer ties with our MRT stations and strengthen overall social cohesion. Through placemaking, our MRT stations will become the heartbeat of every community we serve.

Social – Safety, Training and Well-being of Employees

Safety is of paramount importance to SMRT; it is one of our core values. Safety includes keeping our employees safe, especially during COVID-19. Though our workplace injury rate in FY22 was below the national standard, there were 492 incidents and 1 workplace fatality in 2021. Every accident is one too many.

To show that safety is not just about safety processes, systems, and governance framework, we stepped up our Gemba walk on the ground, to remind all employees to “Think Safety, Work Safely, Go Home Safe”. We also reinforced Kaizen for Safety to eliminate safety problems, boost employee morale and attain higher productivity. We are determined to create a Zero Safety Incident operating environment for all in SMRT.

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To entrench a strong safety culture in the organisation, we launched the Trains Safety Culture 2.0 in April 2022. Under this initiative, Safety is reinforced and introduced as the first “S” in the 6S *Kaizen* methodology. We invited world-leading safety expert, Professor Patrick Hudson, to conduct a comprehensive review of SMRT Trains’ safety processes and systems. Professor Hudson has been working with us to achieve best-in-class safety standards that are comparable to those of the aviation and oil & gas industries.

SMRT is a learning organisation which facilitates employee learning to enhance their competencies. Anchored on the 3E (Experience, Exposure, Education) Framework, we provide opportunities for our employees to develop specialised and cross-discipline competencies.

For example, our Train Service Controllers pick up theoretical knowledge about the new signalling system in the classroom and apply the knowledge in day-to-day work situations with mentorship from their supervisors. There is also a diverse suite of in-house development initiatives to

educate employees on SMRT Core Values and leadership competencies.

To provide a strong pipeline of workforce and talent, we signed an MOU with five Polytechnics in September 2022 to deepen our commitment to provide good jobs and learning opportunities to the next generation of public transport employees. We also provide financial and other forms of support to employees who attend industry-related programmes at these Institutes of Higher Learning.

Our employees are at the heart of everything we do, and we are committed to caring for their physical and mental well-being. Since the start of COVID-19 in 2020, we have distributed face masks, hand sanitisers and Antigen Rapid Test kits to employees periodically and kept them updated of the latest situation and measures.

We have also shared information on mental health and wellness issues and enhanced our Flexible Benefits scheme to cover psychological counselling services. Beyond the pandemic, we are planning to engage a dedicated counselling service provider for our employees and promote preventive health care by re-launching the annual health screening exercise.

Governance – Key to Sustainability

Good corporate governance is key to maintaining accountability and personal, system and organisation integrity. Our corporate guidelines and practices are regularly reviewed and updated to maintain relevancy and currency. Considering our sustainability focus, we have integrated ESG risks into our Enterprise Risk Management (ERM) Framework to minimise business costs, improve regulatory compliance and avail ourselves to green financing.

We also expand our sustainability strategy through procurement, by partnering with strategic suppliers to drive our common ESG agenda and targets. To ensure an alignment of interests, employee remuneration plans have been reviewed and recalibrated to incorporate ESG targets.

By doing so, we have embraced the concept of doing well by doing good, as strong ESG performance is a key contributor to sustainable financial performance.

To sustain stakeholder trust and gain a competitive edge, SMRT successfully achieved the certification of Anti-bribery Management System under ISO 37001 in May 2022. Under this Management System, processes are established to detect, manage and prevent bribery within the organisation, thereby mitigating bribery risks and creating a company culture of integrity.

The Road Ahead

The Singapore government has set its sight to achieve net zero emissions by 2050, while our shareholder Temasek Holdings aims to achieve net zero portfolio carbon emissions by 2050. As part of Temasek’s group of companies, SMRT is aligned and committed to this target.

Our sustainability journey over the last six years would not have been possible without the strong support from committed employees, Management and Board. We shall persevere and strive to be a responsible stakeholder in the communities we serve, for the betterment of *our people, our nation, and our planet*.

We are thankful to the Ministry of Transport, the LTA, Temasek Holdings, Unions, and other stakeholders for their continued support as we continue with our sustainability journey of *Moving People, with Tomorrow in Mind*.



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