

# The STM in 2008

SUSTAINABLE DEVELOPMENT REPORT



# Table of contents

Message from the Officers	1
The Société de transport de Montréal in 2008	2
Sustainable development in Québec	3
Public transit, an advantage for sustainable development of cities	3
Favourable influencing factors	4
The sustainable development approach	6
Sustainable development action plan 2007-2011	10
<b>► THEME 1 – SUSTAINABLE MOBILITY</b>	<b>11</b>
<b>Orientation 1</b> Contribute to the fight against global warming and to improving the environment and the quality of life	12
<b>Orientation 2</b> Apply universal access measures	16
<b>Orientation 3</b> Contribute to economic vitality at the local, regional and provincial levels	17
<b>Orientation 4</b> Influence urban development to integrate public transit better	18
<b>► THEME 2 – SUSTAINABLE MANAGEMENT</b>	<b>20</b>
<b>Orientation 5</b> Manage the environmental impacts	21
<b>Orientation 6</b> Improve the energy efficiency of the assets	24
<b>Orientation 7</b> Purchase responsibly	27
<b>Orientation 8</b> Plan, design and carry out the projects, taking into account their impacts on the environment, society and the economy	28
<b>Orientation 9</b> Aim for recognition of the STM as an employer of choice, both by its personnel and by job seekers	30
<b>► THEME 3 – PROMOTION OF SUSTAINABLE DEVELOPMENT</b>	<b>33</b>
<b>Orientation 10</b> Sensitize the personnel to sustainable development	34
<b>Orientation 11</b> Position the STM as a responsible and committed company	36
<b>Orientation 12</b> Act in partnership to show the environmental, social and economic contribution of public transit and create strategic alliances	38
Chart of Indicators	41

## About this report

This is the STM's first Sustainable Development Report. It covers the years 2006 to 2008 and deals with all activities of the STM, except for its sole subsidiary, Transgesco.

The Report presents the assessment of the Sustainable Development Action Plan, which is harmonized with the STM's 2007-2011 Business Plan. This is why we established 2006 as the reference year and then presented the results for the first two years of the Business Plan.

The Sustainable Development Report is a privileged tool for monitoring the STM's sustainable development approach and results over the years.

# Message from the Officers

The 2007-2011 Business Plan – Sustainable Actions reflects the commitment of the Société de transport de Montréal to sustainable development and its firm intention to become a leader in this field.

In 2007, we initiated a process to materialize our intention to integrate sustainable development principles into all our practices and methods.

First of all, we consolidated all our sustainable development actions in a sustainable development action plan with a 2011 horizon. This Action Plan, which is in the same spirit as the Business Plan, allows us to look towards the future and begin laying the foundations of our future actions.

We then prepared our first Sustainable Development Report, now that we had the tools to measure the results of our actions. We believe that this report is a faithful reflection of our efforts to integrate sustainable development principles into our business decisions and our everyday actions.

We are especially satisfied with the results obtained regarding the increase in ridership, which has particularly had the effect of avoiding greenhouse gas emissions and improving the quality of life on the Island of Montréal. We are also presenting interesting environmental results and, for the first time, are publishing a realistic assessment of the economic spinoffs of our activities.

The authors of the Action Plan, like the authors of the Sustainable Development Report, have taken their inspiration from documented recognized practices, such as those put forward by the Global Reporting Initiative in its guidelines or by the International Association of Public Transport (UITP), whose Charter on Sustainable Development commitment we signed in 2005.

By uniting the community's active forces, we will succeed in positioning Montréal among the world's best performing cities in terms of urban mobility. More than ever, public transit needs support and collective effort, as well as dedicated, indexed and recurring funding sources. Our challenge is to make it a success of which we will all be proud.

The Director General,

A handwritten signature in black ink, appearing to read 'Yves Devin'.

Yves Devin

The Chairman of the Board of Directors,

A handwritten signature in black ink, appearing to read 'Michel Labrecque'.

Michel Labrecque

# The Société de transport de Montréal in 2008

## Mission

A public transit corporation, the STM is key to economic growth in the Montréal area, contributing to the quality of life of citizens and to sustainable development. The STM develops and operates an integrated transit network, cordially providing customers with fast and reliable, safe and comfortable transportation. Clients, employees, corporate and commercial partners all take pride in this business relationship, as the STM is known for delivering quality services at a fair price.

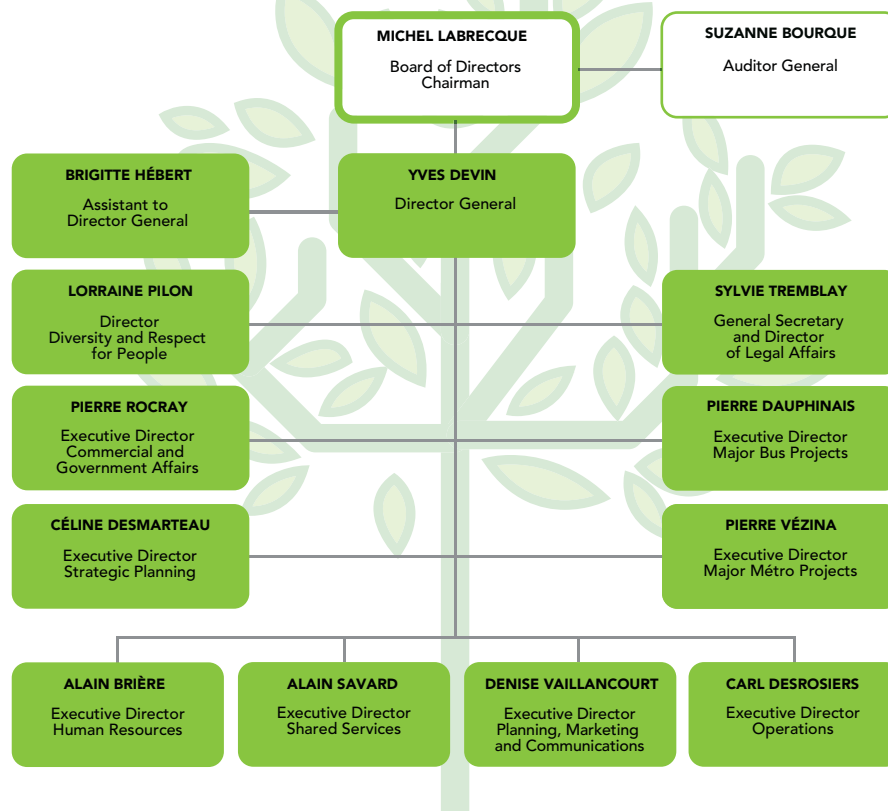
## Board of Directors

Ville de Montréal, acting through its agglomeration council, appoints members to the STM Board of Directors from members of its own regular council and of other municipal councils whose territory is within the agglomeration, with the exception of two members chosen among agglomeration residents, including one regular public transit user and one user of paratransit services for the disabled.

The Board of Directors is an independent body composed of seven municipal elected officers and two representatives of the STM's clientele. The Chairman of the Board of Directors is appointed by the Mayor of the Ville de Montréal.

The Board of Directors holds public meetings at which the public and interested parties can intervene.

## Organizational structure



## Some statistics

- 8,398 employees • \$927.2 million in revenues • \$526.1 million in acquisitions of goods and services
- More than 2,100 suppliers • 196 bus routes • 4 métro lines with a total of 71 km of track, serving 68 stations
- 382.5 million trips • 2.3 million trips by paratransit • 72.8 million km travelled by bus
- 75.7 million km travelled by métro • 80% of trips by public transit in the Montréal region
- 70% of trips by public transit in Québec • 13<sup>th</sup> largest corporation in Québec

# Sustainable development in Québec

The STM endorses the Québec definition of sustainable development:

“... development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable development is based on a long-term approach which takes into account the inextricable nature of the environmental, social and economic dimensions of development activities.” (Source: Québec Sustainable Development Act, R.S.Q., Chapter D-9.1.1).

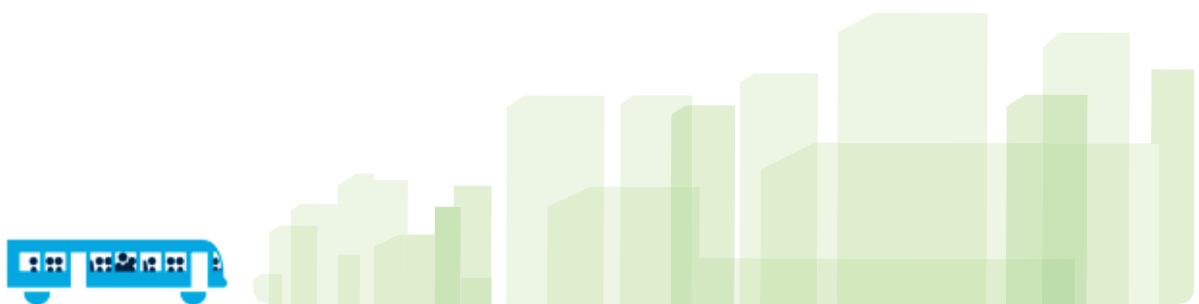
This definition is inspired directly by the one originally proposed in 1987 by the World Commission on Environment and Development. It completes it by focusing on the complementarity of the actions taken by a responsible company in a sustainable development perspective. Thus, for example, taking good care of its personnel (social action) or accounting for its economic spinoffs (action related to the local and regional economy) are just as much part of a responsible approach as reducing the ecological footprint.

## Public transit, an advantage for sustainable development of cities

Public transit is an efficient mode of travel that consumes little energy. It plays a social role, occupies little space, causes little harm to the urban environment and health, plays a role in active transportation (walking, cycling) and is the key factor in sustainable mobility. It has many advantages, which are increasingly well identified and documented.

Here is an overview:

Field	Positive effects
Territorial and local economy	R & D, job creation, tourism, property values
Household economy	Reduction of expenses for transportation, fuel, car
Global warming	Greenhouse gas emissions avoided, energy efficiency
Urban congestion	Reduction of the costs of urban congestion, better quality of life, more time for other activities
Urban space	High accommodation capacity, reduced parking and infrastructure needs, limitation of urban sprawl
Air quality	Reduction of air pollution and impacts on health
Safety	Increased safety, road risks greatly reduced
Health	More physical activity, reduction of health costs
Society in general	Improved quality of life, better individual autonomy, mitigation of social gaps, equity regarding mobility, better social inclusion



# Favourable influencing factors

## A rationale related to sustainable development

The STM enables the population to travel ecologically, reliably, safely and quickly, and thus participate actively in the local and regional economy. This reality is reflected in our mission and in our Business Plan, both of which have sustainable development as their background.

## Committed governments

As a public service corporation, the STM considers the expectations of its principal funding source, the Ville de Montréal, regarding sustainable development. We participate in the Montréal strategic plan for sustainable development (2005). The strategic choices we make, which improve our contribution to Montréal's sustainable development, are based on the Montréal transportation plan (2008).

Québec has always been in the forefront in the sustainable development field, starting with environmental protection. Whether by its energy choices, its Sustainable Development Act adopted in 2006 or its innovative policies, its influence on the role of public corporations like the STM is crucial. For example, the Québec Public Transit Policy gives us an incentive to expand our offer of service significantly in order to increase our ridership. The \$100 million in annual funding necessary to increase the offer of service comes from the Green Fund created under the Action Plan on Climate Change, to which Transports Québec and the municipalities make equal contributions. Other Québec programs also provide funds for public transit [*Société de financement des infrastructures locales (SOFIL)*, tax credits and refunds, etc.]. These funding sources add to the *Programme d'aide au transport collectif des personnes* (passenger public transit assistance program) of Transports Québec for capital expenditures.

At the federal level, the 2005 New Deal for Cities and Communities, consisting of bilateral agreements between the Government of Canada and the provinces, guaranteed a specific amount for public transit infrastructures for the first time, namely \$504 million for Québec over the next 5 years (2005 to 2010). In addition, different federal programs related to environmental protection also benefit the STM. For example, the Gas Tax Fund, the Tax Credit for Public Transit Passes and the Urban Transportation Showcase.

In short, after many years of underfunding of the sector, the different levels of government, in the past few years, have shown an undeniable will to develop public transit and now consider it an effective tool to promote sustainable development.

## THE STM IS AN ACTIVE PARTICIPANT IN MONTRÉAL'S FIRST STRATEGIC PLAN FOR SUSTAINABLE DEVELOPMENT

In 2003, the STM was one of the first signatories of the policy statement by the Montréal community regarding sustainable development. This policy statement led in 2005 to the Montréal community strategic plan for sustainable development. This strategic plan for sustainable development is concretized in 36 actions.

The STM is committed to participate actively in the following actions:

- Eliminate engine idling
- Increase infrastructures for bicycle use
- Implement a work environment favouring sustainable transportation
- Implement GHG emission reduction measures
- Continue the green shift in management of rolling stock
- Favour clean, quiet and peaceful living environments
- Implement measures for reduction and recovery of residual materials in institutions, businesses and industries
- Improve the energy efficiency of buildings
- Integrate sustainable development into management practices
- Participate in major environmental events

## Mobilized employees

To materialize our vision and broaden the scope of our sustainable development actions, we are counting on the commitment of our personnel. Well aware of the environmental and social aspects of their work, many of our employees are extending our actions into their own living environment.

## Citizens concerned about environmental questions

Recent research shows that the deterioration of the quality of the environment greatly concerns Montrealers. However, the population does not spontaneously associate public transit use with an action in favour of the environment. The STM thus intends to promote the beneficial effects of public transit for the environment and society.

## A clientele with varied needs

We make every effort to listen to the clientele and develop services that meet their specific needs. For example, people with functional limitations have special needs for their trips by public transit. Also, in an uncertain economic climate, access to public transit can help alleviate the household budget allocated to transportation.

## Dynamic partners

The STM is a member of the International Association of Public Transport (UITP), the American Public Transit Association, the Canadian Urban Transit Association and the *Association du transport urbain du Québec*. Each of these associations encourages its members to contribute in different ways to sustainable development of communities.

Our partners also include several environmental groups. *Équiterre*, the David Suzuki Foundation and the *Conseil régional de l'environnement* all emphasize the importance of public transit for sustainable development.

## Significant environmental impacts

The STM's activities generate significant environmental impact: atmospheric emissions, soil contamination risks, wastewater releases, use of hazardous materials, production of residual materials, consumption of energy, fuel and drinking water, etc. For the past 20 years, we have dealt with these impacts diligently, taking actions that often go beyond the legal requirements.

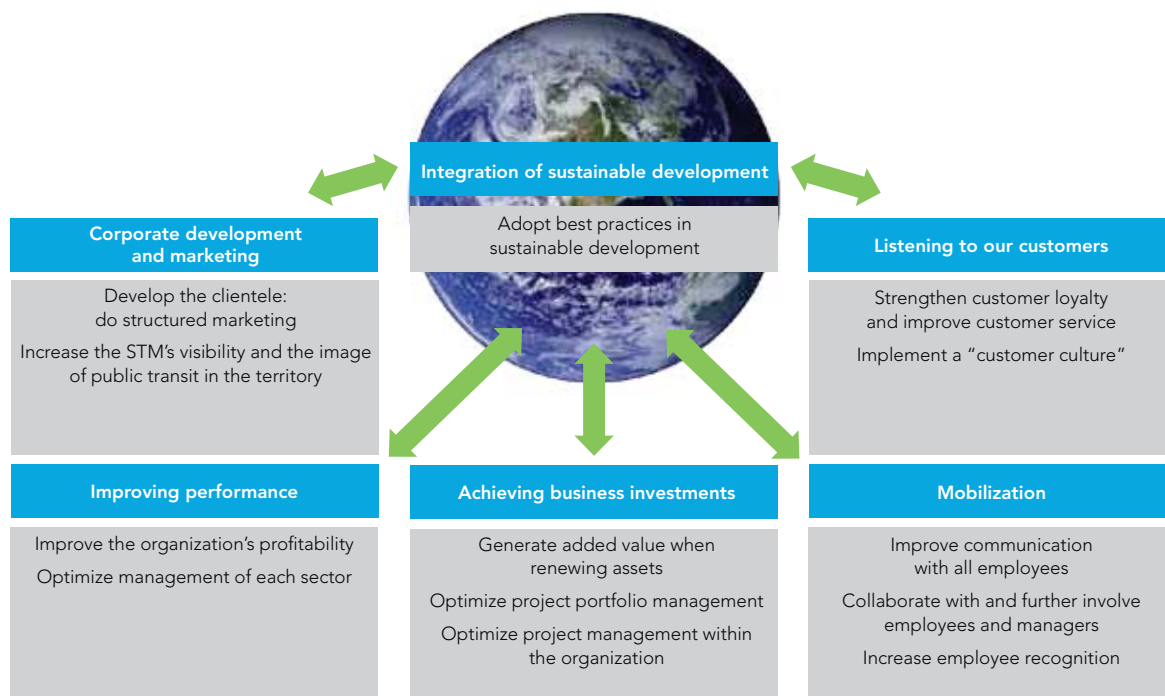


# The sustainable development approach

## Sustainable development, background of the Business Plan

This is the context in which the STM produced its 2007-2011 Business Plan – Sustainable Actions. This is also the context in which it developed a structured approach with a view to the systematic and rigorous adoption of best practices in sustainable development.

### Business plan priorities and strategies



The Business Plan contains six priorities, the sixth pertaining specifically to sustainable development. This priority is central to the Plan and involves only one action:

### Integrate the sustainable development approach into our methods and practices

By concluding its Business Plan on that note, the STM affirmed its intention to adopt a real integrated sustainable development plan. To accomplish this, it entrusted the office of its Executive Branch, Strategic Planning with the responsibility for establishing a sustainable development approach and implementing the appropriate procedures.

## KEY DATES

- 1999** Environmental Protection Policy  
First Environmental Report (produced annually)
- 2003** First Environmental Protection Plan, 2003-2005
- 2004** Code of Ethics
- 2005** Signing of the commitment to the Charter on Sustainable Development of the International Association of Public Transport (UITP)  
Partner of the Montréal strategic plan for sustainable development
- 2007** Network Development Plan  
2007-2011 Business Plan– Sustainable Actions  
Integration of the commitment to sustainable development into the mission of the company  
Second Environmental Protection Plan, 2007-2011  
Urban Planning Guide
- 2008** Sustainable Development Committee  
Sustainable Development Action Plan



Given the role sustainable development already played both in current activities and in the Business Plan, the approach adopted is pragmatic and articulated in three phases.

### Phase 1 – Consolidate gains and prepare an action plan

In 2008, the Executive Branch officially launched the process and set up a Sustainable Development Committee (SDC). The SDC's first task was to prepare a sustainable development action plan, harmonized with the 2007-2011 Business Plan.

The sustainable development action plan translates the main elements of the Business Plan into sustainable development terms. It has three themes of intervention and twelve orientations, as well as indicators and targets, so that the STM's performance can be tracked over the years.

### Phase 2 – Measure the effect of our actions

The indicators and, as the case may be, the targets of the sustainable development action plan serve to measure the progress of the sustainable development actions. This is what allows us today to present our first Sustainable Development Report.

### Phase 3 – Continuously improve

The STM expects to achieve the objective of introducing the principles of sustainable development into its methods and practices by the 2011 horizon, by implementing continuous improvement elements. The results presented in this report will help the SDC to improve the action plan as well as sustainable development performance and management practices.

### The STM and sustainable development management in 2008

The STM's pragmatic approach allows capitalization on its background in sustainable development – a success factor to ensure the long-term viability of the approach.

Here is an overview of the STM's situation in relation to the five main principles of sustainable development management: inclusion of the stakeholders, governance, stewardship, capacity for action and transparency.

<b>Inclusion of the stakeholders</b>	<ul style="list-style-type: none"> <li>- Dialogue with many groups and organizations to account for their needs and expectations in the normal course of business</li> </ul>
<b>Gouvernance</b>	<ul style="list-style-type: none"> <li>- Renewed mission</li> <li>- 2007-2011 Business Plan with sustainable development in the background</li> <li>- Board of Directors:               <ul style="list-style-type: none"> <li>Public meetings of the Board</li> <li>Eight committees                   <ul style="list-style-type: none"> <li>Finance; Governance and Ethics; Asset Maintenance, Major Projects and Environment; Operations; Human Resources; Customer Service; Audit; Art and Heritage</li> </ul> </li> </ul> </li> <li>- Environmental Protection Policy</li> <li>- Project to overhaul the STM's policies in a spirit of sustainable development</li> </ul>
<b>Stewardship</b>	<ul style="list-style-type: none"> <li>- Exhaustive environmental protection plan</li> <li>- Responsible sectoral purchasing practices</li> <li>- Environmental and social assessments for several development projects</li> <li>- Promotion of public transit as an economic and ecological solution</li> </ul>
<b>Capacity for action</b>	<ul style="list-style-type: none"> <li>- Dedicated budgets in the environmental protection plan</li> <li>- Certain training and awareness programs</li> <li>- Responsibility for the approach assigned</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>- 2008 Sustainable Development Report</li> <li>- Annual Report</li> <li>- Environmental Report</li> <li>- Publications               <ul style="list-style-type: none"> <li><i>Journal Métro</i>; Website; Etc.</li> </ul> </li> </ul>

## CROSSOVER BETWEEN THE BUSINESS PLAN AND THE SUSTAINABLE DEVELOPMENT ACTION PLAN

2007-2011 BUSINESS PLAN								
SUSTAINABLE DEVELOPMENT ACTION PLAN	THEMES	PRIORITIES	CORPORATE DEVELOPMENT AND MARKETING		LISTENING TO OUR CUSTOMERS		MOBILIZATION	
		STRATEGIES	Develop the clientele: do structured marketing	Increase the STM's visibility and the image of public transit in the territory	Strengthen customer loyalty and improve customer service	Implement a "customer culture"	Improve communication with all employees	Collaborate with and further involve employees and managers
			ORIENTATIONS					
SUSTAINABLE MOBILITY	1	Contribute to the fight against global warming and to improving the environment and the quality of life	Increase the offer of service. Adapt the service to the different clienteles and adapt the network to the emerging sectors. Build customer loyalty with a flexible fare structure.					
	2	Apply universal access measures			Adopt a policy and a vision of universal accessibility			
	3	Contribute to economic vitality at the local, regional and provincial levels						
	4	Influence urban development to better integrate public transit	Implement preferential measures. Participate in the City's Transportation Plan. Distribute the urban planning guide.					
SUSTAINABLE MANAGEMENT	5	Manage the environmental impacts						
	6	Improve the energy efficiency of assets						
	7	Purchase responsibly						
	8	Plan, design and carry out the projects, taking into account their impacts on the environment, society and the economy						
	9	Aim for recognition of the STM as an employer of choice, both by its personnel and by job seekers		Promote the STM as an employer of choice			Promote health. Mobilize the employees. Develop competencies.	
PROMOTION OF SUSTAINABLE DEVELOPMENT	10	Sensitize the personnel to sustainable development						
	11	Position the STM as a responsible and committed company		Position the STM under the theme "Mieux respirer" (Breathe better)				
	12	Act in partnership to show the environmental, social and economic contribution of public transit and create strategic alliances		Establish strategic partnerships and alliances. Associate with universities.				

	ACHIEVING BUSINESS INVESTMENTS			IMPROVING PERFORMANCE		INTEGRATION OF SUSTAINABLE DEVELOPMENT
Increase employee recognition	Generate added value when renewing assets	Optimize project portfolio management	Optimize project management within the organization	Improve the organization's profitability	Optimize management of each sector	Adopt best practices in sustainable development
				Enhance the economic spinoffs. Maintain excellent credit ratings		
	Protect the environment. Reduce the environmental impacts.					
	Ensure a technology watch. Improve energy efficiency.			Reduce fuel consumption.		
				Integrate sustainable development criteria into the calls for tenders. Institute responsible purchasing practices		Establish partnerships with order givers.
		Mitigate the negative impacts on the environment and society.				
						Promote diversity. Ensure health and safety.
Mobilize to offer support to the community. Support employee initiatives.						
						Maintain a dialogue with the stakeholders. Contribute to collective awareness.
						Maintain close relations with our peers. Ensure concerted action with government bodies.

# 2007-2011 Sustainable Development Action Plan

## THEME 1 – SUSTAINABLE MOBILITY

The current or planned actions that are intended to improve people's mobility by offering optimized public transit services, to contribute to the development of the Montréal community and to improve the environment and quality of life.

- 4 orientations**
- 1** Contribute to the fight against global warming and to improving the environment and the quality of life
  - 2** Apply universal access measures
  - 3** Contribute to economic vitality at the local, regional and provincial levels
  - 4** Influence urban development to better integrate public transit

## THEME 2 – SUSTAINABLE MANAGEMENT

The actions the STM accomplishes or intends to accomplish to perform all of its activities responsibly, taking into account their impacts on the environment, society and the economy.

- 5 orientations**
- 5** Manage the environmental impacts
  - 6** Improve the energy efficiency of assets
  - 7** Purchase responsibly
  - 8** Plan, design and carry out the projects, taking into account their impacts on the environment, society and the economy
  - 9** Aim for recognition of the STM as an employer of choice, both by its personnel and by job seekers

## THEME 3 – PROMOTION OF SUSTAINABLE DEVELOPMENT

The actions the STM performs or plans to ensure its leadership in sustainable development with its partners, and to induce its personnel, its clientele and the general public to adopt increasingly responsible environmental, social and economic behaviours.

- 3 orientations**
- 10** Sensitize the personnel to sustainable development
  - 11** Position the STM as a responsible and committed company
  - 12** Act in partnership to show the environmental, social and economic contribution of public transit and create strategic alliances

The following sections include, for each of the twelve orientations of the sustainable development action plan, the context, the actions already in place, our performance and our future vision. All the indicators are also presented in a chart at the end of the report.

## THEME 1 – SUSTAINABLE MOBILITY

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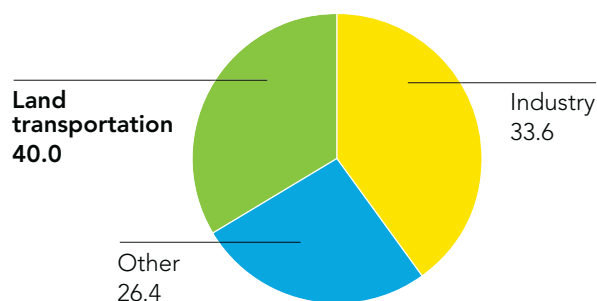


## ORIENTATION 1 CONTRIBUTE TO THE FIGHT AGAINST GLOBAL WARMING AND TO IMPROVING THE ENVIRONMENT AND THE QUALITY OF LIFE

On the environmental front, global warming is the hot-button issue, followed closely by air quality because of its impact on health.

In Québec, land transportation is the leading source of greenhouse gas (GHG) emissions. By increasing its offer of service and developing different customer loyalty strategies, the STM positions public transit as an attractive, fast and economical solution to replace solo automobile use and avoid major GHG emissions.

Breakdown of GHG emissions in Québec (%)



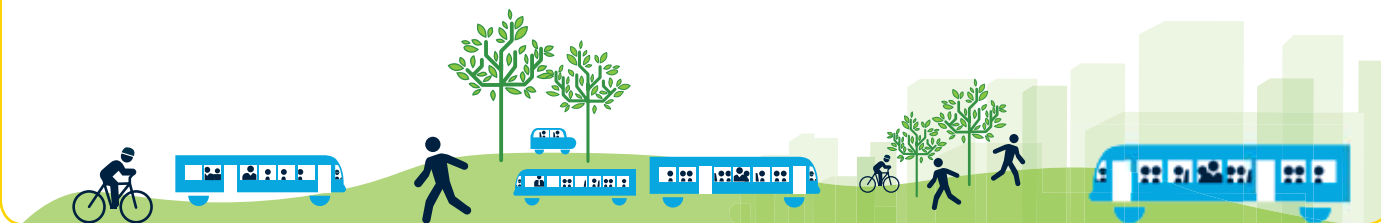
Source: *Inventaire québécois des émissions de gaz à effet de serre en 2006 et leur évolution depuis 1990*, Direction des politiques de la qualité de l'atmosphère, Ministère du Développement durable, de l'Environnement et des Parcs.

Regarding environmental protection, public transit plays a role in the improvement of air quality and the reduction of negative health impacts. Automobiles emit not only large quantities of carbon dioxide (CO<sub>2</sub>), the main greenhouse gas responsible for global warming, but fine particles, sulphur oxides (SO<sub>x</sub>) and nitrogen oxides (NO<sub>x</sub>), as well as volatile organic compounds (VOC), which contribute to urban smog formation.

Public transit can also help improve the quality of life, both in social and societal terms and on the economic level. In particular it allows to:

- reduce of the costs of urban congestion, estimated at nearly \$1,400 million for the Montréal region;
- reduce time spent in transit;
- reduce parking and infrastructure needs and improve urban space;
- reduce noise due to automobile traffic;
- improve safety and reduce road risks;
- improve health through physical exercise and thereby reduce the social costs of health;
- improve the social fabric by promoting social inclusion and enabling individuals to be more autonomous in their trips.

We are collaborating on a study by the *Association du transport urbain du Québec* to document these different aspects thoroughly.



## ACTION – Expand the offer of service to increase ridership

In September 2007, the STM prepared a network development plan, consistent with its Business Plan. This plan is articulated around the six dimensions of public transit:

**Fast • Reliable • Safe • Accessible • User friendly • Visible**

In its network development plan, the STM calls for a series of measures grouped under the following four strategies:

- 1 Improve the speed and efficiency of public transit in high-traffic axes
- 2 Improve service in the downtown area and its periphery
- 3 Adapt the network and the service to emerging sectors
- 4 Adapt the offering to the needs of specific clientele

Subsequently, to achieve the objectives set by the Québec Public Transit Policy of expanding the offer of service by 16% to increase ridership by 8%, the STM further specified its actions in the 2007-2011 Public Transit Service Improvement Plan.

The main result of the implementation of these plans is that the offer of service, measured in kilometres travelled by bus and métro, increased by 14.6% between 2006 and 2008, while ridership grew by 5.3%.

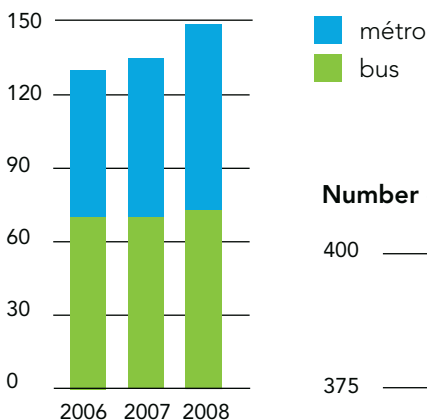
We have applied measures which to date have mainly focused on increasing the frequency of service during peak periods, before and after peak periods and at other times of the day. To pursue such efforts, significant investments are required in terms of infrastructure (reserved lanes, Bus Rapid Transit, priority measures at stop signs and traffic lights, Réno-Systèmes and Réno-Stations network modernization program, etc.), and for buses and métro cars.

Among other projects, we will acquire 202 articulated buses and over 500 more accessible low-floor buses between 2009 and 2011. On the métro, we will replace the first-generation cars over the next few years and have redeveloped and modernized the second-generation cars.

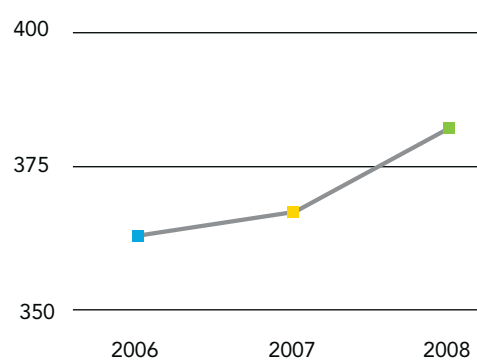
### GOOGLE TRANSIT

In 2008, Google Maps launched a user-friendly public transit trip planning tool. This tool was perfected with the collaboration of the different urban transit corporations in the Montréal region. The STM shared with Google all the information needed to allow for optimum integration.

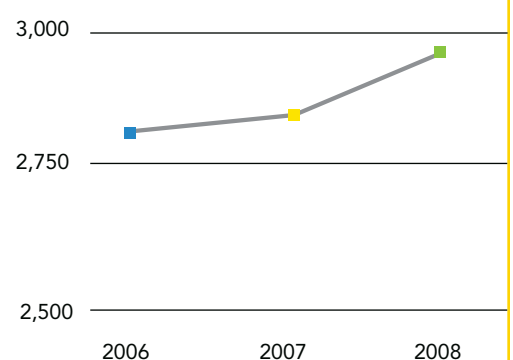
**Offer of service  
(millions of km travelled)**



**Number of trips (millions)**



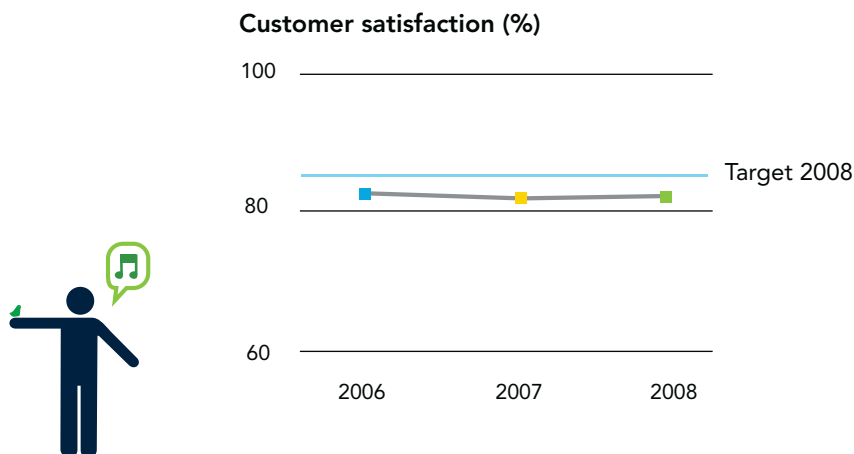
**Passenger-kilometres (millions)**



## BEING KNOWLEDGEABLE ABOUT TRANSIT TRIPS TAKEN IN THE MONTRÉAL METROPOLITAN AREA

To plan improvements of its network and its offer of service, the STM can rely, in particular, on the results of the Origin-Destination studies conducted every five years by the *Agence métropolitaine de transport* and several partners. The last survey, conducted in 2003, shows that during morning rush hour, 64% of the motorized trips to downtown on the Island of Montréal are made by public transit. The results of the 2008 study will be available in fall 2009.

The combined effect of all of our actions to improve the public transit service allows us to maintain a high rate of customer satisfaction.



## GHG EMISSIONS AVOIDED BY STM CUSTOMERS

The calculation of avoided GHG emissions is complex. It requires a sophisticated knowledge of trips to account precisely for the distances travelled and the different transportation modes used. This will be possible with the results of the 2008 Origin-Destination survey, because we then will have first-hand information to estimate the avoided GHG emissions precisely.

To illustrate how public transit contributes to the fight against global warming, let's assume that all additional trips made in 2007 and 2008 on the STM network would otherwise have been made by car. A summary calculation shows us that the increase in ridership avoided emissions corresponding respectively to about 7,500 and 34,000 tonnes of greenhouse gas, the equivalent of the emissions of over 1,300 cars in 2007 and 6,000 cars in 2008.

## ACTION – Adapt the network and the service to the needs of emerging sectors

The STM network (bus and métro combined) reaches almost the entire population of the territory served. Our coverage rate, expressed in terms of the number of dwellings located within 500 m of a bus stop or a métro station, is close to 99%.

The accessibility of the public transit networks must be ensured for the sectors in development and in transformation or for lower-density zones.

By participating in urban development projects, beginning in the planning stage, we favour access to public transit and avoid late and possibly costly adjustments. It also becomes advantageous to offer public transit services that are more attractive and economical than the automobile from the outset.

We develop partnerships with companies, particularly those located in the industrial sectors, to facilitate recruitment of personnel and offer the employees a better quality of life. For this purpose, we take measures such as adding a route, implementing complementary services such as minibuses or public transit by taxi, or modifying a route or improving service on an existing one.



## ACTION – Develop the loyalty of certain clienteles through a flexible fare strategy

The STM offers schoolchildren, full-time students age 25 and under and people age 65 and over preferential fares equivalent to a 46% discount off the normal fare. In 2008, this measure supported up to 35% of the trips.

To facilitate access to our services, we wish to diversify our fare structure. In 2008, we launched the Family Outings program, which allows an adult with a transit ticket to travel with five children under age 12 at no additional charge on weekends and statutory holidays.

In 2008, we began deployment of a major Smart Card Fare Sales and Collection project (the OPUS card), which will be completed in 2009. The flexibility offered by the smart card will help us further diversify our fare strategy.

The strategic partnerships presented under Orientation 12, such as DUO auto + bus with Communauto and the Allego program with the *Agence métropolitaine de transport*, also contribute to building customer loyalty.

## ACTION – Develop programs adapted to the needs of the different clienteles

To facilitate access to its services, the STM has developed a series of programs for the needs of specific clienteles, including:

- *Navette Or*, which provides minibus shuttle service for seniors.
- *Between Stops*, which allows women to get off the bus between two stops after 7:30 p.m.
- *Extra d'école*, which offers peak-period auxiliary service in high school density sectors. We thus can respond to an increased student ridership before and after classes and during lunch hour without penalizing the usual customers.
- Development of new bus routes to better serve Cégep clienteles.



### NAVETTE OR

The availability of seats and bus stop waiting time are important trip conditions for seniors. Improving the network, particularly between peak periods, is a good way to meet an aging population's needs.

In 2008, the STM therefore launched *Navette Or*, a minibus shuttle service reserved for seniors. Cooperation with the community, particularly with seniors' associations, made it possible to establish the route. We plan to add other routes in the next few years to respond to the strong demand from different boroughs for this service.

## ► FOR THE FUTURE

- Continue the implementation of the public transit service improvement plan
- Implement a real-time bus network customer information system accessible at all times
- Refine the estimate of avoided GHG emissions on the Island of Montréal
- Complete, with our partners, the study of the public transit contribution to sustainable development

## ORIENTATION 2 APPLY UNIVERSAL ACCESS MEASURES

As a public service, public transit must become increasingly accessible to all citizens for their mobility needs. Universal access ensures that everyone's needs are satisfied in an urban environment, from people with functional limitations to parents travelling with children in strollers. When it multiplies universal access initiatives, the STM allows each individual to practice citizenship fully.

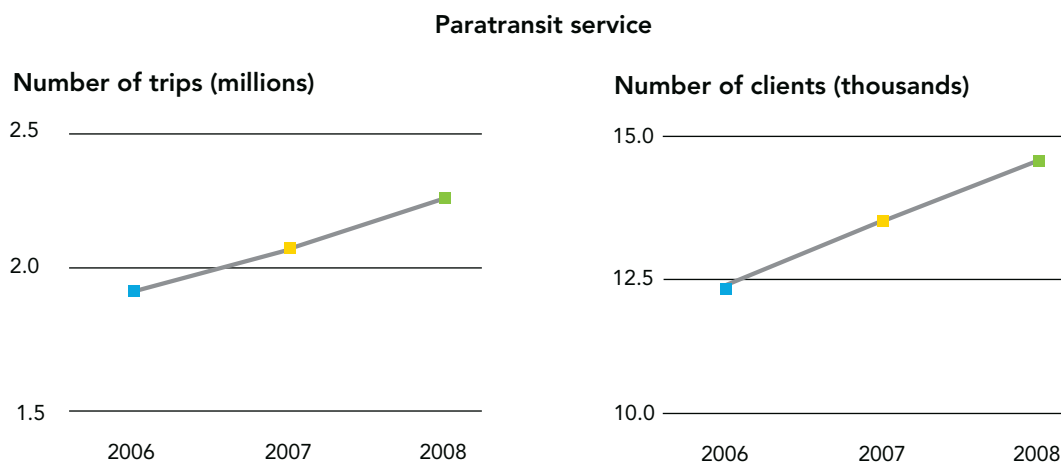
### ACTION – Adopt a policy and an integrated vision for universal access

The STM prepares a policy with the aim of facilitating access to its services for a greater number of customers. For this purpose, with the assistance of the *Regroupement des usagers du transport adapté et accessible de l'île de Montréal*, it works in collaboration with associations representing all people with functional limitations. This approach allows it to adjust its offer of service according to the needs expressed.

We endeavour to offer ever more accessible services. For example, we improved access to buses for persons with reduced mobility by introducing the first low-floor buses in 1996 and adding the rear ramp in 1999 to facilitate wheelchair access. In 2008, 73% of the bus fleet consisted of low-floor buses, and the first models equipped with front ramps were tested. There are escalators in every métro station and elevators are being installed gradually in the stations on the Orange line.

On métro cars and buses, priority seats are reserved for pregnant women, persons with reduced mobility or seniors. Warning strips are being installed gradually along the métro platforms to improve the safety of people with visual limitations. These measures, combined with driver training, improve the experience of customers with functional limitations.

The demand for paratransit service (service on request by minibus and taxi) is constantly growing. Since 2006, the number of clients and trips have increased by 18% and 16% respectively.



The implementation in 2003 of Accès 5, the computerized requests processing system, provided a better response to customers' trip requests, as did improvement of processes and better training of personnel. These factors, combined with an increase in the financial contribution by Transports Québec, made it possible to achieve the zero refusal objective for individual trip requests on more than 24 hours' notice, beginning in 2007. The contribution of the associations representing paratransit customers allows continuous improvement of the offer of service according to the needs expressed.

### NEW UNIVERSALLY ACCESSIBLE MÉTRO CARS

Within the context of the project for replacement of first-generation métro cars, the STM held a broad consultation of the associations representing all persons with functional limitations.

This allowed us to provide for 30 measures in the calls for tenders to ensure that the new cars are as accessible as possible. The project's designers also benefited from the experience of many transit corporations around the world to improve the new train's access measures.

### ORIENTATION 3 CONTRIBUTE TO ECONOMIC VITALITY AT THE LOCAL, REGIONAL AND PROVINCIAL LEVELS

Whether by ensuring access to the labour market or favouring a reduction of congestion costs on the Island of Montréal, the STM already contributes to the sector's economic vitality. But its role as an economic player at the local, regional and provincial levels is the most appreciable as a major employer and order giver.

#### ACTION – Enhance local economic spinoffs in accordance with the laws, regulations and agreements

The STM plays a major role in the economy of Montréal, the metropolitan region and Québec. It spends close to \$400 million on goods and services each year, benefiting more than 2,100 suppliers. Its major projects led to a substantial increase in acquisitions of goods and services in 2008.

The STM also maintains a constant dialogue with its suppliers. Thus, they are better prepared to meet the Corporation's needs.

#### ACTION – Maintain excellent credit ratings

All the financial indicators are presented in the STM's 2008 Financial Report. Regarding sustainable development, it is important to mention that maintenance of a good credit rating is the key to successful projects. Investment needs are always a challenge for the STM, mainly for maintenance and renewal of infrastructures.

Over the past few years, the STM's good management has been recognized by Standard & Poor's and Moody's, which have rated its bonds at A+ and Aa2 respectively, ranking the STM among the leading transportation companies in North America.

### ECONOMIC SPINOFFS

<b>STM personnel and payroll</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Permanent employees at December 31	7495	7606	8036
Temporary employees (including interns and others) at December 31	437	390	362
Total number of employees	7932	7996	8398
Payroll	566.4 M\$	584.1 M\$	615.5 M\$
<b>Acquisitions of goods and services</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
For operations	171.0 M\$	177.3 M\$	212.6 M\$
For capital spending	209.5 M\$	219.9 M\$	313.5 M\$
All acquisitions	380.5 M\$	397.2 M\$	526.1 M\$
Sustained jobs	2163	2369	2942
Acquisitions of goods and services in Québec (millions of \$)	169.9 M\$	178.1 M\$	294.1 M\$
Proportion of acquisitions made from Québec firms (based on monetary value)	44.7%	44.8%	55.9%
<b>Tax spinoffs</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Tax spinoffs attributable to acquisitions of goods and services	31.7 M\$	31.1 M\$	35.8 M\$
Tax spinoffs attributable to employee salaries	119.5 M\$	116.6 M\$	113.3 M\$

Note: The economic spinoffs resulting from the STM's acquisitions of goods and services are calculated by means of the Québec intersectoral model, under the responsibility of the Institut de la statistique du Québec.



ORIENTATION 4 INFLUENCE URBAN DEVELOPMENT TO BETTER INTEGRATE PUBLIC TRANSIT

The public transit networks largely contribute to the sustainable development of cities and communities. The efficiency of buses, in particular, depends on automobile traffic and how traffic lanes are laid out. For example, if buses could travel faster, the quality of service would increase and polluting emissions would decrease. It is therefore important that the traffic lanes be laid out accordingly.

ACTION – Implement preferential measures

The STM network development plan includes several preferential measures to facilitate bus traffic on the Island of Montréal and especially on the city’s major arteries. Here is an overview of the urban development measures set out in this plan:

- in the short term, on high-traffic lines: slight preferential measures, lines with limited stops superimposed on local lines, integration of articulated buses;
- in the longer term, on strategic axes: priority measures for buses, such as preemption of traffic lights, establishment of reserved lanes and eventually separate lanes;
- for strategic arteries, these approaches will lead eventually to the adoption of bus rapid transit, and will pave the way for all-electric propulsion modes, such as trolleys and streetcars.

BUS NETWORK USING RESERVED LANES (KM)

2006	2007	2008	Target 2014
74.7	74.7	77.0	350

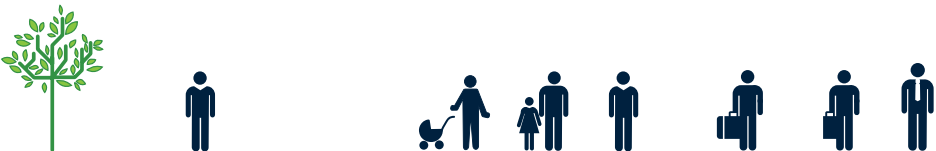


IMPACT OF COMMERCIAL SPEED

Studies show that, apart from their propulsion mode, the way our buses are used has a considerable impact on the environmental and financial levels. By implementing the preferential measures set out in our public transit service improvement plan and the Montréal transportation plan, we will be able to increase the average commercial speed and thus reduce fuel consumption and atmospheric emissions. By increasing the rapidity of service and saving the customers time and money, these measures will also contribute to increase ridership, further reducing the environmental impact.

ACTION – Participate in the implementation of Montréal transportation plan

The STM is also a Ville de Montréal stakeholder for its transportation plan, adopted in 2008. The plan involves 21 initiatives. Some of these directly concern the STM, but all have an impact on its activities.



No	Initiatives of the Montréal transportation plan
1	Implement a streetcar network in the centre of the agglomeration
2	Establish the downtown / Montréal-Trudeau Airport rail shuttle
3	Modernize the Montréal métro network
4	Extend the métro eastward
5	Improve the STM's services to increase ridership by 8% in five years
6	Promote car pooling, car sharing and taxis
7	Install a greater public transit capacity in the Champlain Bridge-Bonaventure corridor
8	Implement a separate-lane bus rapid transit (BRT) network
9	Implement bus priority measures on 240 kilometres of arteries
10	Develop local planning of trips
11	Modernize Rue Notre-Dame
12	Develop the Train de l'est
13	Double the bicycle network in seven years
14	Implement the Pedestrian Charter
15	Consolidate the pedestrian nature of downtown and the central neighbourhoods
16	Restore the quality of life that residents of Montréal neighbourhoods deserve
17	Improve the safety of trips
18	Maintain and complete the Island's road network
19	Facilitate transportation of merchandise and trips for economic purposes
20	Review governance
21	Adopt the means to achieve our ambitions
	Projects that directly concern the STM
	Projects in which the STM participates
	Projects with an impact on the STM's services

## ACTION – Distribute STM's urban planning guide

The integration of public transit into the urban space development process benefits all stakeholders. The STM has designed a planning guide to offer municipalities, boroughs, developers, urban designers and citizens' groups planning solutions that favour public transit.

### ► FOR THE FUTURE

- Continue implementation of the network development plan
- Contribute to the implementation of the Montréal transportation plan
- Disseminate the urban planning guide
- Develop our interventions in this field further, particularly with real estate developers



## THEME 2 – SUSTAINABLE MANAGEMENT

The actions the STM accomplishes or intends to accomplish to perform all of its activities responsibly, taking into account their impacts on the environment, society and the economy.

- 5 orientations**
- 5** Manage the environmental impacts
  - 6** Improve the energy efficiency of assets
  - 7** Purchase responsibly
  - 8** Plan, design and carry out the projects, taking into account their impacts on the environment, society and the economy
  - 9** Aim for recognition of the STM as an employer of choice, both by its personnel and by job seekers



*New, eco-friendly Legendre bus body shop*

## ORIENTATION 5    MANAGE THE ENVIRONMENTAL IMPACTS

In addition to offering a service that contributes to the fight against global warming and the improvement of air quality and the quality of life, the STM must ensure that it performs its activities responsibly in environmental and social terms.

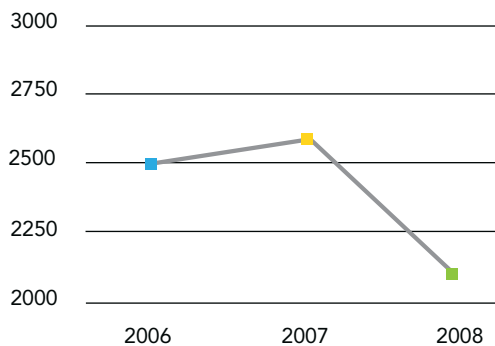
### ACTION – Implement the 2007-2011 environmental protection plan

The 2007-2011 environmental protection plan is the STM's second plan of this kind. It aims at mastering the significant environmental aspects of its buildings, equipment and infrastructure. The plan has five orientations:

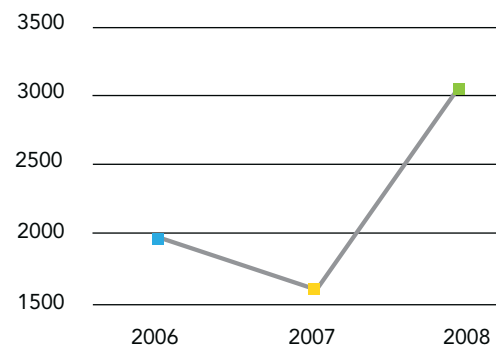
- Prevention and reduction of water, air and soil contamination
- Wise use of water and energy resources
- Application of the 4R-D principle
- Improvement of environmental management and the ability to react to environmental emergencies
- Ecological design and operation of buildings

These five orientations are deployed as 26 objectives, 89 targets and 433 activities. The environmental report, available on the STM's website, presents the achievements of the environmental protection plan.

**Hazardous residual materials recovered (tonnes)**



**Residual materials recovered (tonnes)**



To ensure that the hazardous residual materials recovered are treated adequately, the STM performs two inspections per year at the collection, transportation and disposal service providers. Also, the permits and certificates issued to them by the competent authorities are verified.

Moreover, we intend to reduce our production of hazardous residual materials at the source, particularly by decreasing the quantity of detergent solutions used in the Villeray and Crémazie shops and the use of aerosol cans in the Plateau Youville shops.

The 2007-2008 variation in recovery data for residual materials is largely attributable to the 2008 retirement of buses that represented over 1,000 tonnes of metal. In 2008, the paper and cardboard recovery program that covered offices was extended to most STM sites.

During the year, we conducted a study to survey best practices in residual materials management among several subway systems around the world. This study eventually will allow the establishment of the most effective means in this matter.

By the end of 2011, we are going to implement a residual materials management program based on 4R-D principles, including a 10% reduction compared to 2007 of residual materials bound for disposal. We also forecast 60% recovery of putrescible materials and 70% recovery of textiles by the end of 2010.

The following table presents the STM's main environmental protection initiatives.

Initiative	Benefit
<b>ENVIRONMENTAL IMPACT: ENERGY CONSUMPTION</b>	
<u>Plateau Youville boiler room</u> <ul style="list-style-type: none"> <li>• Installation of gas boilers</li> <li>• Installation of electrical boilers</li> </ul>	Increased energy efficiency Annual GHG reduction of 6000 t CO <sub>2</sub> eq
<b>ENVIRONMENTAL IMPACT: CONSUMPTION OF NATURAL RESOURCES</b>	
<ul style="list-style-type: none"> <li>• Replacement of photocopiers and printers with multipurpose models allowing two-sided printing and use of a digitizer. At the end of 2008, 60% of the photocopiers were replaced.</li> </ul>	Result of a pilot project: paper consumption reduced by 34%
<b>ENVIRONMENTAL IMPACT: DRINKING WATER CONSUMPTION</b>	
<u>Legendre transportation centre</u> <ul style="list-style-type: none"> <li>• Installation of a bus wash water recycling system</li> </ul>	Forecast annual drinking water saving of about 15 million litres
<b>ENVIRONMENTAL IMPACT: ATMOSPHERIC EMISSIONS</b>	
<u>Legendre bus body shop</u> <ul style="list-style-type: none"> <li>• Construction of versatile rooms with adapted ventilation systems</li> <li>• Use of a new type of high solid content paint with isocyanates</li> <li>• Standardization of work methods</li> </ul>	Reduction of VOC emissions from fixed sources
<u>Bus fleet</u> <ul style="list-style-type: none"> <li>• Installation of a particle filter system on the engines. End of 2008: 175 buses equipped</li> </ul>	Reduction of the quantity of smog precursor gases
<b>ENVIRONMENTAL IMPACT: SOIL AND GROUNDWATER CONTAMINATION</b>	
<ul style="list-style-type: none"> <li>• Development of a directory of the condition of all lands considered at risk</li> </ul>	Improvement of knowledge of the environmental condition of the lands
<b>ENVIRONMENTAL IMPACT: WATER CONTAMINATION</b>	
<u>Métro network</u> <ul style="list-style-type: none"> <li>• Installation of oil recovery devices on all escalators</li> <li>• Modification of oil transmission lines on first-generation métro cars</li> <li>• Replacement of "O" rings on second-generation métro car transmissions</li> <li>• Purging of solids accumulated in the network's pumping stations</li> <li>• Maintenance of métro entrance foot grille pits</li> </ul>	Reduction of hydrocarbon contamination of water infiltration  Reduction of the quantity of solids released into the sewer systems
<b>ENVIRONMENTAL IMPACT: NOISE</b>	
<u>Métro network ventilation stations</u> <ul style="list-style-type: none"> <li>• Restriction of the use of certain stations and installation of mufflers</li> </ul>	Noise reduction



Initiative	Benefit
<b>ENVIRONMENTAL IMPACT: WASTE</b>	
<u>Transportation centres</u> <ul style="list-style-type: none"> <li>Purchase of scrubbing brooms allowing separation of water and solids</li> </ul> Bus tire retreading  Métro tires directed to recycling firms or cement plants	Reduction of the quantity of solids accumulated in the solids interceptors Annual saving of about 170,000 litres of petroleum and extension of the tires' life cycle Reclamation of about 100 tonnes per year
<b>ENVIRONMENTAL IMPACT: ACCIDENTAL CONTAMINANT SPILLS</b>	
<ul style="list-style-type: none"> <li>Installation of retention tanks under the hazardous fluid tanks</li> <li>Training of employees in the operation of the drainage network and in the use of anti-spills kits</li> <li>Dissemination of emergency response measures in case of a spill in the facilities and on the public thoroughfare</li> </ul>	Reduction of the risks of spills and the associated contamination

## ACTION – Comply with environmental laws and regulations

The STM is taking the necessary steps to comply with the environmental laws and regulations that apply to its activities.

In 2008, three types of regulatory noncompliance were reported:

- exceeding the oil and grease concentration of water released into the sewers
- atmospheric emissions of fumes
- exceeding the authorized deadline for draining a petroleum products tank

Corrective actions were taken on these noncompliances to the satisfaction of the competent authorities.

## FOR THE FUTURE

- Improve our environmental management system
- Establish and maintain a systematic and dynamic legal watch process



## ORIENTATION 6 IMPROVE THE ENERGY EFFICIENCY OF ASSETS

By ensuring better energy efficiency of its facilities and its vehicles, the STM achieves substantial savings and reduces its own greenhouse gas emissions.

### ACTION – Ensure a technology watch and carry out showcases

The STM participates in the development of the most promising technologies, both for buses and for the métro. In the latter case, the call for tenders issued in July 2008 for renewal of the first-generation métro cars included tough requirements concerning technologies related to energy efficiency.

Moreover, two very promising new technologies for buses are being tested:

- the Topodyn transmission programmer, which controls the vehicle's acceleration instead of the engine;
- the EMP electric fan, which replaces the hydraulic fan to cool the engine.

### TESTING OF HYBRID BUSES

Within the context of the Government of Canada's Urban Transportation Showcase, the STM is testing eight biodiesel-electric hybrid buses for one full year. The buses were developed and manufactured by another partner of the project, Nova Bus (Volvo).

The showcase consists of comparing the behaviour, consumption and emissions of hybrid buses with those of standard buses used under the same conditions on the same routes. More than 30 parameters were measured in this way. We thus wish to verify whether the hybrid propulsion is well suited to the urban environment and the Montréal climate and whether it contributes to reduce polluting emissions.

Preliminary results indicate that fuel economy could be nearly 30% on routes with frequent stops and low commercial speed. In 2008, the use of these buses had the effect of reducing GHG emissions by 300 tonnes.

The tests ended in March 2009. In light of the results, the STM will determine whether the hybrids will be part of its bus acquisition plan.

### ACTION – Adopt measures to reduce fuel consumption and GHG emissions of vehicles

In 2005, the STM began training its drivers in green driving. In addition to improving passenger comfort and safety, green driving lowers fuel consumption and reduces atmospheric emissions. From April 2005 to December 2008, fuel consumption was reduced by more than 2.5 million litres. By the end of 2008, over three quarters of the drivers had received the training, and it is foreseen that all the drivers will have acquired this competency in 2009.

In 2005, in partnership with OLCO Petroleum Group, the STM carried out a showcase and evaluation project on biodiesel (diesel to which methyl diester is added, a biofuel produced from animal fat or used cooking oils) for its buses and service vehicles. In 2007, the STM's purchasing power allowed the development of a distribution network for this fuel, opening the door to its use by other Québec transportation companies and by some cities. Since June 2008, the STM's entire bus fleet runs on biodiesel with a biofuel concentration of up to 5%, adjusted to the climate's rigours. Reliance on biodiesel reduced GHG emissions by over 3500 tonnes in 2008.

#### Reduction of GHG emissions by our vehicles (t CO<sub>2</sub> eq)

	2006	2007	2008
Green driving	1673	1702	3209
Use of biodiesel		99	3536
Hybrid buses			300
<b>Reduction attributable to these three initiatives</b>	<b>1673</b>	<b>1801</b>	<b>7045</b>

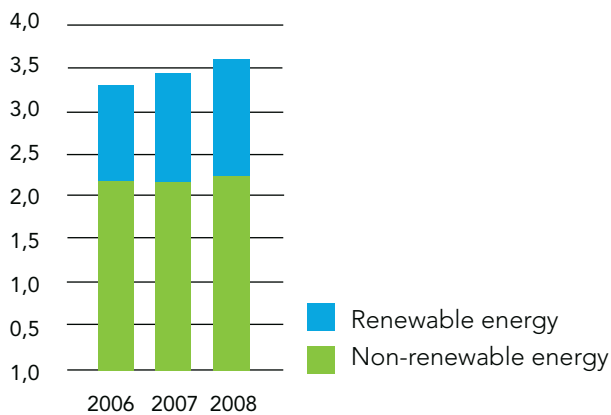
## ACTION – Improve energy efficiency

Under its environmental protection plan, the STM has adopted the objective of integrating sustainable development criteria into the design, building and operation of facilities (renovated or built), using LEED credits (Leadership in Energy and Environmental Design credits of the US Green Building Council). Although we have not yet produced any LEED certified project, we are nonetheless proud of our initiatives, such as installing a green roof and walls in our new Centre de carrosserie Legendre (body centre) and seeking to obtain BOMA Québec Go Green certification by the end of December 2011 for operation of the Tour Grandes révisions (major overhauls tower).

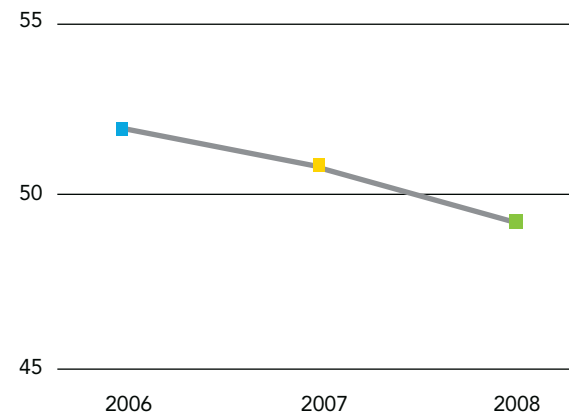
In addition, for our buildings involving modernization of the heating, ventilation and air conditioning systems, we have adopted the twofold objective, by 2011, of reducing our GHG emissions and the associated energy consumption by 10% in relation to 2006.

The construction of new facilities over the past few years resulted in an increase in renewable energy consumption (mainly hydroelectricity), from 1.06 petajoules (PJ) in 2006 to 1.36 PJ in 2008. Parallel to this, our efforts to improve energy efficiency made it possible to maintain non-renewable energy consumption (for heating and vehicles) at about the same level between 2006 and 2008. In all, we recorded a 10.2% increase in energy consumption from 2006 to 2008, but this essentially involved non-polluting, renewable energy.

**Total energy consumption  
(Petajoules)**



**GHG emissions  
(g CO<sub>2</sub> eq per passenger-kilometre)**



Thanks to our efforts to improve energy efficiency, we maintained our direct GHG emissions at almost the same level as in 2006, despite the increase in the offer of service and ridership. Our emissions per passenger-kilometre were reduced by 5.8%.

## CARBON CREDITS

Given the results obtained with its GHG reduction projects (green driving and use of biodiesel), the STM is examining the possibility of participating in the carbon credits market.

Currently there is no real carbon market in Canada based on a cap and trade system, given that GHG emissions are not yet regulated in this country. However, there is an unregulated market, on which the value of carbon credits is much lower than on a regulated market.

Initiatives like the Western Climate Initiative or the Regional Greenhouse Gas Initiative are beginning to appear and be deployed across North America. They could lead to the creation of carbon markets viable in the long terms. Several government authorities are already planning to regulate the transportation sector over the next few years.

The STM is following this issue with interest and hopes to seize every opportunity that may be available on these markets.

## EN ROUTE TO “ZERO EMISSION” PROPULSION MODES

At the present time, given the progress of the different non-polluting technologies available and compatible with its transit network, the STM believes it can acquire “zero emission” buses starting in 2025. Trolley bus products are already under study and electric bus technologies with rechargeable batteries or fuel cells should be available commercially during the next decade. Not only are these buses much less polluting, they are silent and more comfortable than traditional buses.

To accommodate these new vehicles, the STM must also review and prepare its infrastructures (transportation centres, power distribution, etc.) and ensure that the technical personnel have the required skills to service them.

In the meantime, the STM will rely on transitional technologies, such as hybrid buses, biofuels, particle filters and urea injection catalysts to make its fleet cleaner.

The use of trolley buses on certain very high traffic axes will be considered, as well as the use of minibuses (6 m) or midibuses (9 m) for specific types of service.

To achieve our objective by 2025, we will work in collaboration with suppliers, the *Association du transport urbain du Québec*, the *Centre des technologies avancées* and Hydro-Québec.

### ► FOR THE FUTURE

- Adopt standards for new constructions and renovations
- Improve the environmental performance of buses thanks to new technologies



## ORIENTATION 7 PURCHASE RESPONSIBLY

In a responsible management perspective, the STM is concerned about the environmental impacts of the goods and services it procures. By integrating social and environmental considerations into its purchasing process, it minimizes the negative impacts upstream and downstream from its activities.

### ACTION – Integrate sustainable development criteria into certain calls for tenders

For the past several years, we have integrated sustainable development criteria into some of our calls for tenders. For this purpose, we proceed with market valuations to ensure that the requirements of our calls for tenders are aligned with our suppliers' reality.

Our paratransit services offered by taxi are covered by contracts awarded to taxi transport service intermediaries. These contracts provide for the establishment of continuous improvement committees to examine the types of vehicles to be used, particularly hybrid vehicles, best practices in green driving and installation of GPS aboard vehicles to optimize trips.

For the purchasing of new métro cars, we have integrated sustainable development criteria into our call for tenders, particularly concerning:

- complete life cycle analysis of the cars,
- ecolabelling,
- ecodesign,
- 92.5% recyclability or reuse of the cars at the end of their life cycle.

We require that certain suppliers take charge of the responsible management of the goods at the end of their life cycle and we perform rigorous monitoring for this purpose. These requirements apply, in particular, to bus batteries and printing and photocopying equipment.

### ACTION – Establish partnerships with other major order givers

The STM is participating in the emergence of responsible purchasing in Québec by joining with other major order givers. The concerted action of multiple players favours shared learning, contribution to common projects and harmonization, to some extent, of the purchasing criteria imposed on suppliers.

In particular, we play a leading role in grouped purchasing by members of the *Association du transport urbain du Québec*. Thus, some of them have been able to benefit from our initiative to procure biodiesel for their buses.

In 2008, we joined the *Espace de concertation sur les pratiques d'approvisionnement responsable*, a body dedicated to concerted action on responsible purchasing practices, which includes about twenty order givers from the private and public sectors.

### ACTION – Develop and implement responsible purchasing practices

Within the context of the 2007-2011 Business Plan, the Strategic Procurement Division was mandated to provide the STM with a responsible purchasing policy. In spring 2008, it initiated a process for this purpose.

After producing a diagnosis, a process review and benchmarking, the STM will be able to prepare an assessment of its actions related to responsible purchasing and discover the environmental and social best practices used by other companies. It will also be able to establish a list of preferred sustainable development criteria.

In the meantime, we will draft a communication and training plan to consult our stakeholders and encourage their adherence to a responsible purchasing policy. We are first targeting the employees of the Logistics Chain Division and the active suppliers. We will then address all of the employees and the other suppliers.

The approach includes the development of a purchasing best practices guide, a suppliers' code of conduct and a responsible purchasing policy. Indicators will be selected and evaluated to validate the performance of the responsible purchasing policy.

## FOR THE FUTURE

- **Adopt a responsible purchasing policy effective December 2009**

## ORIENTATION 8 PLAN, DESIGN AND CARRY OUT THE PROJECTS, TAKING INTO ACCOUNT THEIR IMPACTS ON THE ENVIRONMENT, SOCIETY AND THE ECONOMY

Any major project generates environmental and social impacts. At each phase of a project, the STM must seek to mitigate its negative effects and enhance the positive spinoffs.

### ACTION – Mitigate negative impacts of projects on the environment and society

Every year, the STM carries out several projects related to the bus and métro networks or infrastructures. Our project management process involves several stages during which we take measures to mitigate or avoid environmental nuisances and impacts and enhance the positive spinoffs. Often our engineers and architects rely on ecodesign criteria.

Each stage includes communication activities, which are opportunities for us to gather the stakeholders' concerns so that they are taken into account in the planning, design and performance of the projects.

We also take the appropriate measures not to hinder the activities carried on at the approaches to the project sites.

The different environmental, social and economic parameters of our projects are found in the call for tenders documents and the contracts for goods and services awarded to consulting firms and subcontractors. For example, we integrate environmental requirements into the subcontractors' contracts with the aim of mitigating public nuisances. Throughout the project, we ensure that the subcontractors respect these requirements.

The following table presents the results of application of these measures for our most important projects of the past few years. It shows the scope of our actions in the main spheres of sustainable development, namely the environment, society and the economy.

Name and nature of the project	Integration of sustainable development, 2006-2008
<b>LEGENDRE TRANSPORTATION CENTRE AND BODY MAINTENANCE CENTRE</b>	
<p>Investment: <b>\$105 million</b> Work period: <b>2007-2009</b></p> <p>Expansion of the Legendre Transportation Centre to increase its maintenance and parking capacity and accommodate articulated buses</p> <p>Construction of a new body maintenance centre to park articulated buses and ensure body maintenance of the fiberglass bus fleet</p>	<p>LEED-inspired design:</p> <ul style="list-style-type: none"> <li>• Green roof: increase in energy efficiency and decrease in the urban heat island effect</li> <li>• Solar wall: reduction of natural gas consumption by 25,000 m<sup>3</sup>/year</li> <li>• Green wall: filtration of atmospheric pollutants and reduction of the urban heat island effect</li> <li>• Installation of high-performance boilers: 10% increase in energy efficiency</li> <li>• Recycling of wash water: forecast water consumption reduction of 15,000,000 litres/year</li> <li>• Landscaping: natural separation from the residential sector and reduction of the urban heat island effect</li> </ul> <p>Decontamination of the land: improvement of the site's environmental quality</p> <p>Construction of compacted concrete parking: extension of the life cycle and reduction of the urban heat island effect</p>

Name and nature of the project	Integration of sustainable development, 2006-2008
<b>RÉNO-SYSTÈMES PROGRAM PHASES 1 AND 2</b>	
<p>Investment: <b>\$965.3 million</b> Work period: <b>2001-2011</b></p> <p>The Réno-Systèmes program consists of maintaining the reliability, maintainability, availability and safety of fixed métro equipment and thus of the network</p>	<p>Improvement of the public address system in 13 stations to improve customer information and safety</p> <p>Installation of high energy efficiency ballasts</p> <p>Commissioning of 25 escalators equipped with a speed monitoring system (energy efficiency)</p> <p>Installation of high energy performance motors on the escalators</p> <p>Production of an environmental impact study of the Providence generator set station</p> <p>Startup of network accessibility projects for three stations (installation of elevators)</p> <p>Job creation or maintenance: 6119 person-years</p>
<b>RENO-STATIONS PROGRAM PHASE 2</b>	
<p>Investment: <b>\$75.6 million</b> Work period: <b>2005-2010</b></p> <p>The Réno-Stations program consists of maintaining the integrity of the buildings and improving accessibility and the clientele's feeling of safety</p>	<p>Long-lasting, more efficient and lower energy lighting components</p> <p>Recovery and recycling of fluorescents tubes, HID (high intensity discharge) bulbs and ballasts. Reclamation of residues.</p> <p>Accessibility: installation of warning tiles for people with visual limitations</p> <p>Accessibility: installation of yellow signalling strips on the fixed stairways</p> <p>Beginning of restoration of art works in three stations</p> <p>Job creation or maintenance: 835 person-years</p>

## ► FOR THE FUTURE

- Develop the appropriate sustainable development criteria for each decision-making stage of the project portfolio management process
- Systematize evaluation of the projects in terms of sustainable development



## **ORIENTATION 9    AIM FOR RECOGNITION OF THE STM AS AN EMPLOYER OF CHOICE, BOTH BY ITS PERSONNEL AND BY JOB SEEKERS**

Working for an employer who makes sustainable development central to its current activities and projects is gaining popularity, especially among young people. A firm commitment by upper management to sustainable development and, on the public podium, a growing discourse on the contribution of public transit to improving the plight of the planet offer employees the feeling that they are part of the solution.

Sustainable development is defined, in particular, by responsible and equitable management of human capital. To be sustainable, a company must be able to count on mobilized and competent employees who embrace its values.

### **ACTION – Promote the STM as an employer of choice**

After a hiring freeze and a period of very limited funding in the 1990s, the STM proceeded with major hiring over the past few years. In 2008, it launched a visibility plan, particularly in targeted media, and intensified its recruiting activities with educational institutions. At the end of 2008, nearly 30% of the employees had less than four years of seniority and the employees had an average of twelve years of service.

The employee turnover rate in 2008 was established at 6.7%, up nearly 0.6% compared to 2006. Excluding retirements, the turnover rate was 2%. The average length of service of retiring employees was 27 years.

About 96% of the employees have permanent status, benefiting from job stability, benefits and a pension fund. Six unions represent over 90% of the employees.

The STM allocates nearly 2% of its payroll to training. It undertakes to develop the competencies of its employees and managers upon hiring, upon the arrival of new technologies or during an organizational change or workforce movement.

### **ACTION – Mobilize the employees**

The STM counts on mobilized employees to carry out its Business Plan and its sustainable development action plan. It uses SECOR's Organizational Mobilization Index to assess its employee mobilization rate and discern promising actions to improve this rate on a continuous basis.

An employee survey conducted in 2006 assigned an overall result of -4 on a scale of -100 to 100 for mobilization. This result made it possible to specify the mobilization priorities to include in the 2007-2011 Business Plan. Three components were highlighted: communication, involvement and recognition.

A survey conducted in 2008 on the communication component showed major gains achieved in this regard, with a score of 40.

An organizational development team is responsible for coaching the managers in employee mobilization and supporting them in change management. The Business Plan was presented to all of the employees, and a follow-up procedure was put in place to keep them informed of the progress of activities. The goal is to ensure employee participation in the achievement of corporate objectives.

Over the years, the STM has instituted different recognition programs for its employees. Civic-minded acts, driving a bus without any avoidable accident, a quarter century of service or retirement are opportunities to recognize the remarkable contribution of employees.





## ACTION – Increase the representativeness of the target groups and promote management of diversity within the personnel

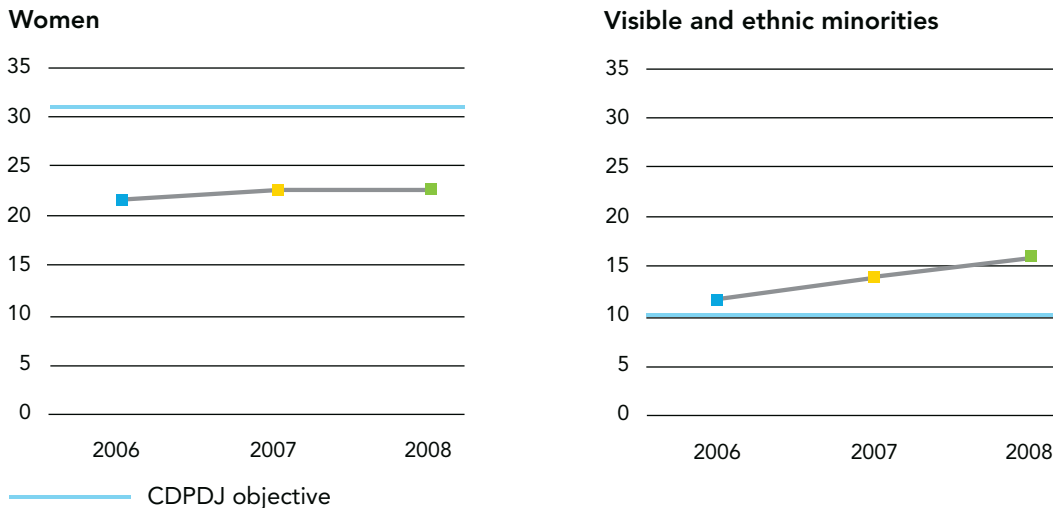
In 1987, the STM instituted equal access to employment for certain groups and types of jobs. Since 2005, this program covers all STM jobs.

We have a pool of more than 450 occupations divided into 25 job categories. During hiring or promotion, we aim at the objectives of representation of target groups set in 2001 by the *Commission des droits de la personne et des droits de la jeunesse (CDPDJ)* for each of our job categories. We will submit our triennial report to the Commission in 2009.

The proportion of women has grown significantly over the past few years in several job categories. Today, women account for 23% of total staff, holding one quarter of the upper management positions.

Reflecting the image of Montréal's population, our workforce includes a rich cultural diversity. Indeed, 16% of the employees come from visible or ethnic minorities, as do 5% of the senior executives.

Diversity of total staff (%)



In 2008, we deployed a recruiting campaign in several ethnic publications and carried on recruiting or promotion activities at job fairs or ethnic or Aboriginal events or functions aimed at persons with functional limitations. We thus seek to make the STM known as an employer of choice for these different target groups.

## ACTION – Ensure the health and safety of all employees

The STM cares about its employees' health and safety and has guiding principles, procedures and continuous improvement measures for this purpose. As a result, the industrial accident frequency rate has dropped 12% since 2006.

In our opinion, consultation and involvement of the employees are an essential part of health and safety management. Within the context of the métro car replacement project, a team of métro operators and union representatives is present for each design phase of the driving cab to ensure that it satisfies ergonomic principles.

In 2008, we created a working committee on bus driver safety, composed of managers and union representatives. This committee must determine the stakes, produce a vision and develop an action plan to reduce the inherent risks of assault.

Also, we assessed the risks associated with the use of more than 400 machines in our shops. Recommendations exceeding the highest standards are currently being implemented.

## ACTION – Promote employee health

The STM has established several programs with the aim of contributing to its employees' wellness.

The Employee Assistance Program (EAP) offers free and confidential support for psychological, legal and financial needs. From 10 to 12% of the personnel take advantage of the EAP each year. This program also responds to ad hoc requests by certain groups of employees with targeted support or training.

### LES AIDANTS EMR

In 2008, the STM received an award from the Canadian Urban Transit Association for its Les aidants EMR program. Launched in 2001 by the employees of the Métro Network Rolling Stock Maintenance Centre, with the support of the management and the EAP, this program enables trained employees to offer their co-workers support during difficult situations, whether work-related or not.

Since 2008, the head office employees who want to commute to work by bicycle or go jogging during lunch hour have access to the locker rooms and showers at the adjacent hotel. The STM defrays half of the costs. In addition, agreements made with four fitness centres allow employees to benefit from preferred rates.

We intend to continue the development of initiatives related to employee wellness, particularly with regard to smoking.

### FOR THE FUTURE

- Plan for and prepare the next generation of employees
- Consolidate the approach based on diversity and respect for people



## THEME 3 – PROMOTION OF SUSTAINABLE DEVELOPMENT

The actions the STM performs or plans to ensure its leadership in sustainable development with its partners, and to induce its personnel, its clientele and the general public to adopt increasingly responsible environmental, social and economic behaviours.

- 3 orientations**
- 10** Sensitize the personnel to sustainable development
  - 11** Position the STM as a responsible and committed company
  - 12** Act in partnership to show the environmental, social and economic contribution of public transit and create strategic alliances



*Funambus, an old bus transformed using recycled materials, at the 2008 Car-Free Day*

## ORIENTATION 10 SENSITIZE THE PERSONNEL TO SUSTAINABLE DEVELOPMENT

The STM is aware that its employees and executives are its best ambassadors. By supporting the many environmental and social initiatives of its employees and retirees and by informing its personnel about the major issues related to sustainable development, it ensures internal coherence that will have a positive impact on all of its activities.

### ACTION – Support employee initiatives

Many employees are very knowledgeable of the major environmental and social issues. Some form volunteer committees to promote the adoption of small green actions in their work environment, while others take on major challenges to raise funds dedicated to a cause they care about deeply.

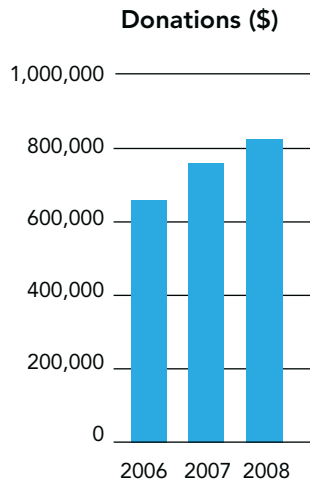
We offer support to employees who wish to do this, whether by publication of an article in the internal newsletter, coverage on the intranet site or encouragement to promote their initiative in the workplace.

### ACTION – Mobilize employees and retirees to offer support to the community

For decades, the STM has solicited its employees' generosity to support various causes. In 1995, it instituted *Le bonheur est dans le don* (Happiness is giving), a unified annual fundraising campaign to support the following organizations: Centraide of Greater Montréal, the Canadian Red Cross –Québec Division, Partenairesanté-Québec and Réchaud-bus. A series of activities, such as a golf tournament, are also held during the year to provide ad hoc assistance to these organizations and different associations.

Beyond their monetary contribution to the annual fundraising campaign, the volunteer employees and retirees offer their time to *Les bonnes œuvres des employés et retraités de la STM*, whether to solicit donations from our clientele in métro stations or to organize fundraising events in their administrative unit. The donations collected serve to buy foodstuffs for preparation of Christmas baskets.

In 2008, our volunteer employees delivered Christmas baskets to over 700 families.



A team is dedicated to the coordination and logistics of the different fundraising activities and *Les bonnes œuvres des employés et retraités de la STM*. We offer visibility and show our recognition for all of these activities, both internally and with our clientele. We also assume the related costs, including the production costs of promotional material.



## RÉCHAUD-BUS

In 1995, some employees had the idea of converting an old bus into a mobile canteen. They wanted to contribute to relieving hunger among young Montrealers by preparing and distributing meals and snacks. This initiative led to the creation of an organization called Réchaud-bus.

The STM donated the bus and then added Réchaud-bus to the beneficiaries of its annual fundraising campaign. This organization is completely funded by the employees and retirees and can count on about fifty volunteers.

## CORVÉE DU CAMP PAPILLON

For the past 17 years, employees have been involved with the *Société des enfants handicapés du Québec* by participating in the annual clean-up day at Camp Papillon, located in the Lanaudière region. Every summer, this camp welcomes physically handicapped children and offers them activities suited to their abilities. The clean-up drive brings together about 500 volunteers from different organizations, and the STM is one of the leading partners, with the participation of around fifty of its employees, who show up year after year to clean, repaint, repair and maintain the camp.

The social involvement of the STM's employees has been recognized by the Canadian Urban Transit Association on several occasions.

**2008** Volunteer/Advocate Award for the annual Corvée du Camp Papillon (summer camp clean-up day)

**2007** Lifetime Achievement Award presented to Mr. Daniel Côté, Executive Director  
– Major Projects Management

**2006** Volunteer/Advocate Award presented to bus drivers Michel Bourassa and Ginette Meilleur for organizing a collection campaign for Christmas baskets

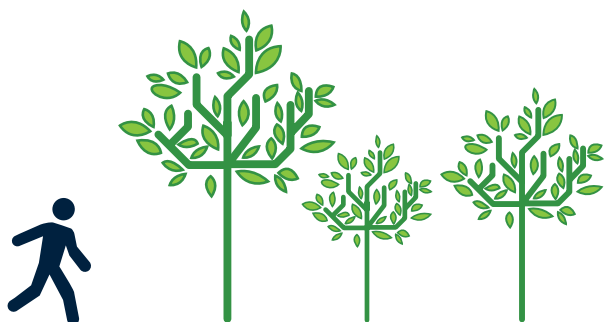
Volunteer/Advocate Award presented to employees Bobby Beaumier, Marco Mencaroni, Michel Delli Colli and Sabatino Lepore for fundraising associated with organizing a Canada-wide hockey tournament.

## DÉFI CLIMAT

For the first edition of Défi Climat in 2008, the STM ranked a solid first among 132 Montréal companies. A total of 1465 of its employees made a commitment to take actions in favour of the environment. A particularly large number of bus drivers participated.

## FOR THE FUTURE

- Develop an employee awareness and training program for sustainable development



## ORIENTATION 11 POSITION THE STM AS A RESPONSIBLE AND COMMITTED COMPANY

In the normal course of its business, the STM maintains a dialogue with several groups and organizations, to take their needs and expectations into account.

The STM also wants to do its part in raising collective awareness that using public transit is an action to protect the environment and to fight global warming.

In addition to offering everyone an opportunity to take action for the environment, the STM cares deeply about fulfilling its role as a responsible corporation and informing its stakeholders about how it plays this role, while allowing them to influence it in its approach.

Its sustainable development actions have earned it many awards and recognitions.

### AWARDS AND RECOGNITIONS

- 2008**
  - Top 15 Québec corporate citizens according to *Corporate Knights* and *Vision durable* magazines
  - *Prix de reconnaissance en environnement et développement durable de Montréal* (Montréal recognition award in environment and sustainable development) for the implementation of biodiesel, presented by the *Conseil régional de l'environnement de Montréal*
  - Telecommunications and New Technology Award for the métro extension to Laval, presented by *Le Grand Prix du génie-conseil québécois*
  - Company of the Year, Champion of Diversity Award, presented by the African Business Network (REPAF)
  - *Prix Arts-Affaires* for its contribution to Montréal Museums Day, presented by the Board of Trade of Metropolitan Montréal and the *Conseil des arts de Montréal*
  - Distinguished Service Award for its *Les aidants EMR* program, presented by the Canadian Urban Transit Association
- 2007**
  - *Prix de l'équité et de l'accès à l'égalité en emploi* for equal opportunity and employment equity, presented by the Black History Month Round Table
  - Outstanding Achievement Award for the opening of the three métro stations in Laval, presented by the *Association du transport urbain du Québec*
  - Director of the Year Award to Mr. Yves Devin, Director General, at the *Gala d'excellence of the Service de police de la Ville de Montréal*
  - Prix Gilles-Coutu for improvement of paratransit services and defence of the rights of the people who use them, presented to Mr. Jacques Lussier, Superintendent, Delivery of Minibus Service
  - Prix Guy-Chartrand to Mr. Daniel Beauchamp for the quality of management at Transport adapté, presented by Transport 2000 Québec
- 2006**
  - Corporate Exceptional Performance / Outstanding Achievement Award for its Equal Access program, presented by the Canadian Urban Transit Association
  - Outstanding Achievement Award for the results of implementation of the Accès 5 paratransit project, presented by the *Association du transport urbain du Québec*

### ACTION – Position the STM under the theme “Mieux respirer” (breathe better)

In 2007, the STM adopted a corporate positioning with the environment as its main theme. The theme's three components are:

- Help the public become aware of the environmental impact of public transit and induce them to use it more frequently
- Improve the offer of service so that public transit becomes an attractive option for everyone
- Commit to actions related to the environment and advance them in corporate communications



## ACTION – Maintain a dialogue with the stakeholders

The STM endeavours to listen to, be inspired by and collaborate with a great many of its stakeholders. Thus, it is in a better position to carry on its activities relevantly and effectively. The following table gives an overview of the different types of relationships the STM maintains with its stakeholders.

Categories of stakeholders	Examples of means used by the STM
<b>Customers</b>	<ul style="list-style-type: none"> <li>- Quantitative research with customers on their general and specific needs</li> <li>- Comments and complaints processing system</li> <li>- Public meetings of the Board of Directors</li> <li>- Customer Service Committee of the Board of Directors</li> <li>- Satisfaction surveys</li> <li>- Focus groups on citizens' expectations and concerns</li> </ul>
<b>Customers with functional limitations</b>	<ul style="list-style-type: none"> <li>- Subcommittee on Accessibility of the Customer Service Committee of the Board of Directors</li> <li>- Paratransit Users' Committee</li> <li>- Working Group on Accessibility for the Intellectually Disabled</li> <li>- Consensus-building tables</li> <li>- Committee on Métro Accessibility</li> </ul>
<b>Cultural and Aboriginals communities</b>	<ul style="list-style-type: none"> <li>- Subcommittee on Diversity of the Customer Service Committee of the Board of Directors</li> <li>- Job fairs</li> <li>- Advertising of positions in specialty publications</li> </ul>
<b>Communities on the Island of Montréal</b>	<ul style="list-style-type: none"> <li>- Participation on the sustainable development committees of certain boroughs</li> <li>- Participation in urban development projects</li> <li>- Communication with the communities affected by our projects</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>- Meetings with the Director General</li> <li>- Management-employee meetings</li> <li>- Support for environmental and social initiatives</li> <li>- Survey on mobilization</li> <li>- Communication via the intranet and the internal newsletter</li> <li>- Employer-union relations</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>- Consultation process on the requirements of the calls for tenders</li> <li>- Continuous improvement committee in the taxi industry (green driving, green vehicles, etc.)</li> </ul>
<b>Gouvernement du Québec</b>	<ul style="list-style-type: none"> <li>- Consensus-building work and optimization of programs and regulations with different departments and agencies</li> </ul>
<b>Government of Canada</b>	<ul style="list-style-type: none"> <li>- Representations</li> </ul>

## ACTION – Contribute to a collective awareness of the environmental impact of public transit

Citizens can have a great influence in fighting global warming and atmospheric pollution by adopting public transit.

However, research with usual and casual customers and non-users of STM services have shown that people do not spontaneously associate public transit use with an action in favour of the environment. We therefore intend to make the beneficial effects of public transit on the environment and society better known.

### FOR THE FUTURE

- Emphasize communication efforts on sustainable development and dialogue with stakeholders
- Establish a table of partners with the Chairman of the Board of the STM



## ORIENTATION 12 ACT IN PARTNERSHIP TO SHOW THE ENVIRONMENTAL, SOCIAL AND ECONOMIC CONTRIBUTION OF PUBLIC TRANSIT AND CREATE STRATEGIC ALLIANCES

Whether to share knowledge, recognize best practices or obtain funding for public transit, it is essential in a sustainable development approach to form and maintain influential and effective partnerships.

### ACTION – Maintain close relations with our peers

The STM plays an active role in all the associations of which it is a member. It contributes to the advancement of several strategic issues that strengthen the position occupied by public transit at the local, regional, national and international levels.

A founding member of the *Association du transport urbain du Québec*, the STM participates actively in all of its activities. In particular, its Director General is the sponsor of the Association's Sustainable Development Committee, which is coordinated jointly with the *Société de transport de Laval*. This Committee is responsible for an important study on the contribution of public transit to sustainable development.

The STM is a member of the Canadian Urban Transit Association. The STM contributes to this Association's work, particularly with a view to identifying the best public transit performance indicators, including those related to sustainable development.

The STM's influence extends to the United States, thanks to its participation in the American Public Transport Association. This organization is preparing a manual and guidelines on sustainable development and corporate responsibility for its members.

Finally, the STM is a member of the International Association of Public Transport (UITP) and signed the commitment to its Charter for Sustainable Development in 2005. The UITP is a leading source of information on sustainable development actions carried out, particularly in Europe, by public transit operators.

The STM participates actively in the benchmarking work of the Imperial College London, in England, conducted with major transit corporations worldwide. Every year, we provide data on our activities and productivity. The Imperial College also verifies this information. Here are its conclusions regarding the STM in 2007:

- the Montréal métro is one of the three most efficient in the world;
- its operating costs are among the lowest;
- its bus drivers' productivity ranks among the best.

### ACTION – Ensure concerted action with different government bodies

The provincial and federal governments, and their related departments and agencies, are important interlocutors of the STM. The Corporation works to ensure concerted action with government bodies with the aim of favouring the adoption of the best possible regulations and the development of incentive programs for sustainable transportation.

The STM has developed great expertise in the planning and operation of a public transit network. By positioning itself as a partner of the government authorities, the STM hopes to share this expertise and collaborate, particularly with Transports Québec, in establishing policies and programs to maintain, improve and develop the public transit network in Montréal.

The collaboration with the governments of Québec and Canada is also meant to favour integration of cutting-edge technologies necessary to the modernization and improved efficiency of the public transit service.





## ACTION – Establish profitable business partnerships for the STM and its suppliers

The STM offers certain strategic suppliers a showcase allowing the development of more advanced environmental technologies. By acting in this way, the STM, in particular, made it possible to showcase biodiesel and hybrid drive buses.

## ACTION – Establish strategic alliances with the business community

The STM also develops strategic partnerships with the business community. It thus wants to show the economic advantages offered by an efficient public transit network, particularly regarding access to work for everyone, reduction of road congestion and improvement of the quality of life.

We want to show companies the advantages that public transit offers for local business trips, for example. Public transit is also a sure way of getting to work on time. On the other hand, the adoption of more flexible work schedules on the part of employers would allow us to provide better transportation services in peak periods by spreading them out. It is during these periods that the network reaches full capacity, with little leeway in case of a breakdown or incident. Thus, corporate management of work schedules would have the effect of reducing the risks while optimizing use of the networks at other times of day.

## ACTION – Establish partnerships during cultural, sports or environmental events

Over the past few years, the STM has intensified its participation in cultural, sports or environmental events, which have been opportunities to increase its ridership. By promoting the use of public transit for major events, it seeks to attract a new clientele and promote the ecological aspect of public transit. In 2008, it associated with several organizations, including Earth Day, the Rogers Cup, the Osheaga Music Festival, Montréal Museums Day and the *Salon national de l'environnement*.

As a unique way of showing its commitment to sustainable development while supporting the environmental concerns of events where it participates, the STM called on a recycling artist who modified a retired bus using recycled materials. Since 2008, the Funambus can be found on the grounds of many events where the STM is a partner.

Also in 2008, in conjunction with Communauto, it launched the DUO auto + bus program, which offers holders of twelve monthly transit passes a subscription to this car sharing service at a minimal charge.

The STM is one of the official suppliers of transit passes offered by the *Agence métropolitaine de transport* under the Allego program. The STM thus encourages the use of means of transportation other than the solo automobile (public transit, car pooling, cycling, working, telecommuting).

## ACTION – Associate with universities in fields important to public transit and the development of the STM's network

The STM is a partner of the Chair in Project Management of the *Université du Québec à Montréal*. The other partners are the *Agence métropolitaine de transport*, Hydro-Québec, the engineering firm Dessau and the Ericsson firm.

The STM intends to carry out a great many projects over the next ten years. The fact that it can count on a recognized hub of excellence in project management research, which develops and disseminates the best practices in this field, contributes to sound management of our capital budgets.

On the other hand, two public transit research centres will soon emerge in Québec. They will become a key reference for planning of the STM's activities.



Indeed, the STM will soon be able to count on the work of the future Chair in Mobility of the École Polytechnique de Montréal. This Chair will become a privileged place for research, experimentation and development of knowledge and analytical methods for the evaluation of the public transit contribution to the sustainable development of mobility and urban transportation. Supported by three partners – the *Ville de Montréal*, the *Agence métropolitaine de transport* and the *Ministère des Transports du Québec* –, the Chair in Mobility will play a key role in the implementation of the Montréal transportation plan.

In 2008, the *Association du transport urbain du Québec*, the *Union des municipalités du Québec* and the *Ville de Montréal* encouraged the creation of the *Observatoire scientifique de la mobilité durable du Québec*. Attached to the Faculty of Planning of the Université de Montréal, this observatory will be launched officially in spring 2009. It will serve to study the mobility of passengers and freight in relation to urban planning practices. The information from this observatory will be important for the development of the STM's network.

## ► FOR THE FUTURE

- **Raise greater awareness among companies and the business community about the advantages of public transit**
- **Pursue commercial partnerships**
- **Take advantage of the opportunities offered by educational institutions to improve knowledge and practices**



## CHART OF INDICATORS

This report was produced using the guidelines of the Global Reporting Initiative (GRI), including the Logistics and Transportation sector supplement. The GRI has six levels of application. A report's level is determined by the number of elements relating to the organization's profile and the number of performance indicators it contains. The STM declares that this report meets the requirements of Level C.



The choice of indicators was established by considering the indicators specific to public transit, those suggested by the Global Reporting Initiative, and those used to measure the progress of the STM 2007-2011 Business Plan. The concerns of some of our stakeholders were also taken into account.

Indicator	Unit of measure	Data from			Variation 06 to 08	Target		GRI Indicator	SDR page
		2006	2007	2008		Value	Horizon		
THEME 1 SUSTAINABLE MOBILITY									
Orientation 1 - Contribute to the fight against global warming and to improving the environment and the quality of life									
Offer of service	Thousands of km travelled	129,615	134,805	148,520	14.6%	16%	2011		13
Bus offer of service	Thousands of km travelled	69,776	70,014	72,805	4.3%				13
Métro offer of service	Thousands of km travelled	59,839	64,792	75,715	26.5%				13
Number of trips (ridership)	Millions	363.3	367.5	382.5	5.3%	8%	2011		13
Passenger-kilometers	Millions	2,820	2,852	2,969	5.3%				13
Network coverage rate									14
% of number of dwellings < 500 m – morning rush hour	%		99.0						14
% of number of dwellings < 500 m – day	%		98.5						14
% of number of dwellings < 500 m – evening	%		98.4						14
% of number of dwellings < 500 m – Saturday	%		98.4						14
% of number of dwellings < 500 m – Sunday	%		98.4						14
% of number of dwellings < 1000 m – night	%		91.21						14
STM modal share, morning rush hour to downtown (according to 2003 O-D survey)	%		64.0					LT3	15
Proportion of trips made with reduced fares	%	36	36	35	-1.0%				14
Customer satisfaction (% of customers satisfied and very satisfied)	% of customers	83.8	81.8	82.3	-1.5%	85%	2008		
Orientation 2 - Apply universal access measures									
Number of métro stations with elevators (out of 68 stations)	Unit	0	3	3	-	8	2010		16
Proportion of low-floor vehicles	%	64.8	68.8	72.7	7.9%			LT2	16
Paratransit service - customer profile	Number of people	12,338	13,516	14,609	18.4%				16
Physical impairment	Number of people	8,684	9,716	10,617	22.3%				16
Intellectual deficiency	Number of people	2,110	2,111	2,152	2.0%				16
Psychological deficiency	Number of people	802	882	969	20.8%				16
Visual deficiency	Number of people	742	807	871	17.4%				16
Paratransit service - profile of trips by deficiency	Number of trips	1,940,066	2,084,745	2,257,424	16.4%				16
Physical impairment	Number of trips	1,063,612	1,208,368	1,342,082	26.2%				16
Intellectual deficiency	Number of trips	681,340	662,211	682,468	0.2%				16
Psychological deficiency	Number of trips	107,774	116,380	126,496	17.4%				16
Visual deficiency	Number of trips	87,340	97,786	106,378	21.8%				16
Paratransit service - profile of trips by mode									16
Minibus	Number of trips	403,631	393,607	400,157	-0.9%				16
Accessible taxi	Number of trips	215,059	301,755	382,257	77.7%				16
Taxi	Number of trips	1,321,376	1,389,383	1,475,010	11.6%				16

INDICATOR	Unit of measure	Data from			Variation 06 to 08	Target		GRI Indicator	SDR page
		2006	2007	2008		Value	Horizon		
Orientation 3 - Contribute to economic vitality at the local, regional and provincial levels									
Acquisition of goods and services	Millions of \$	380.5	397.2	526.1	38.3%			EC6	17
Operations	Millions of \$	171.0	177.3	212.6	24.3%				17
Capital expenditure	Millions of \$	209.5	219.9	313.5	49.6%				17
Direct jobs supported by acquisitions of goods and services	Nbr of jobs	2,163	2,369	2,942	36.0%				17
Acquisition of goods and services in Québec	Millions of \$	169.9	178.1	294.1	73.1%				17
Proportion of acquisitions made from Québec businesses	% of acquisitions	44.7	44.8	55.9	11.2%				17
Total tax spinoffs attributable to the STM's acquisitions of goods and services	Millions of \$	31.7	31.1	35.8	12.9%			EC1	17
Tax spinoffs attributable to salaries paid by the STM to employees	Millions of \$	119.5	116.6	113.3	-5.2%			EC1	17
Orientation 4 - Influence urban development to better integrate public transit									
Bus network using reserved lanes	Km	74.7	74.7	77	3.1%	350	2014	LT6	18
Average commercial speed	Km/hr	17.8	17.8	17.8	0%				18
THEME 2 SUSTAINABLE MANAGEMENT									
Orientation 5 - Manage the environmental impacts									
Number of targets forecasted in the 2007-2011 environmental protection plan	Unit	-	9	22	n.a.	89	2011	EN26 LT7 - 8	21
Initiatives to reduce the environmental impacts of goods and services	Text							EN26 LT7 - 8	22
Reclaimed residual hazardous materials	Tonne	2,487	2,583	2,113	-15.0%			EN22	21
Used detergent solutions	Tonne	1,400	1,405	1,087	-22.4%				21
Slurries from maintenance of drainage networks	Tonne	520	507	361	-30.6%				21
Used oils and solvents, oily water in tanks	Tonne	305	363	348	14.1%				21
Residual haz. mat. in containers (solvents, antifreeze, paints, etc.)	Tonne	113	121	129	14.2%				21
Lead batteries	Tonne	82	87	122	48.8%				21
Oil filters and aerosols	Tonne	23	30	35	52.2%				21
Fluorescents	Tonne	24	21	29	20.8%				21
Alkaline electrolyte	Tonne	20	39	2	-90.0%				21
Nickel-cadmium batteries	Tonne	6	10	0	-100.0%				21
Batteries	Tonne	2	3	7	231.8%				21
Recovered residual materials	Tonne	1,959	1,577	3,032	54.8%			EN22	21
Plastic	Tonne	4	9	5	25.0%				21
Paper	Tonne	30	43	46	53.3%				21
Cardboard	Tonne	30	53	46	53.3%				21
Metals	Tonne	1,143	533	1,871	63.7%				21
Métro tires	Tonne	82	119	97	18.3%				21
Bus and automobile tires	Tonne	170	170	170	0.0%				21
Newspapers in the métro (Transgesco)	Tonne	500	650	797	59.4%				21
Landfilled residual materials	Tonne	n.a.	2,277	2,220	n.a.			EN22	21
Direct emissions of airborne contaminants								EN20	24
NOx from fixed sources	Tonne	19.55	21.15	21.4	9.5%				24
NOx from mobile sources	Tonne	967.66	918.6	950.17	-1.8%				24
SOx from fixed sources	Tonne	0.23	0.2	0.23	0.0%				24
SOx from mobile sources	Tonne	14.01	13.04	13.48	-3.8%				24
VOC from fixed sources	Tonne	24	21.18	19.29	-19.6%				24
VOC from mobile sources	Tonne	35.67	38.02	36.74	3.0%				24
CO from fixed sources	Tonne	14.93	16.85	16.9	13.2%				24
CO from mobile sources	Tonne	312.9	312.21	323.15	3.3%				24
Total particulate matter (total PM) from fixed sources	Tonne	0.49	0.47	0.49	0.0%				24
Total particulate matter (total PM) from mobile sources	Tonne	40.27	38.05	39.38	-2.2%				24
Particulate matter (PM10) from fixed sources	Tonne	0.49	0.47	0.49	0.0%				24
Particulate matter (PM10) from mobile sources	Tonne	40.18	38.04	39.37	-2.0%				24
Particulate matter (PM2.5) from fixed sources	Tonne	0.49	0.47	0.49	0.0%				24
Particulate matter (PM2.5) from mobile sources	Tonne	36.29	34.27	35.45	-2.3%				24
Cases of legal noncompliance in environmental matters	Nbr	0	1	3	n.a.				EN28

INDICATOR	Unit of measure	Data from			Variation 06 to 08	Target		GRI Indicator	SDR page
		2006	2007	2008		Value	Horizon		
Orientation 6 - Improve the energy efficiency of the assets									
Direct GHG emissions from fixed source	t CO2 eq	20,608	25,514	25,796	25.2%			EN16	25
Direct GHG emissions from mobile source	t CO2 eq	126,310	120,180	120,865	-4.3%			EN16	25
Total GHG emissions	t CO2 eq	146,918	145,694	146,661	-0.3%			EN16	25
Per km travelled	t CO2 eq	1,133	1,081	987	-12.9%				25
Per passenger-km	g CO2 eq	52	51	49	-5.8%				25
Initiatives to reduce GHG emissions and reductions obtained								EN18 - LT5	24
Proportion of drivers trained in green driving	% of drivers	60	78	77	17.0%				24
GHG reduction due to green driving	t CO2 eq	1,673	1,702	3,209	91.8%				24
GHG reduction due to biodiesel	t CO2 eq	99	3,536	n.a.					24
GHG reduction due to hybrids	t CO2 eq			300	n.a.				24
GHG reduction due to biodiesel, green driving and hybrids	t CO2 eq	1,673	1,801	7,045	321.1%				24
Total energy consumption	PJ (10 <sup>15</sup> joules)	3.28	3.44	3.61	10.2%			EN3 - LT4	25
Energy consumption from renewable sources	PJ (10 <sup>15</sup> joules)	1.06	1.24	1.36	27.8%				25
Energy consumption from non-renewable sources	PJ (10 <sup>15</sup> joules)	2.22	2.20	2.26	1.7%				25
Per million km travelled	GJ (10 <sup>9</sup> joules)	25,283	25,475	24,330	-3.8%				25
Per million passenger-km	MJ (10 <sup>6</sup> joules)	1.16	1.20	1.22	5.2%				25
Orientation 9 - Aim for recognition of the STM as an employer of choice, both by its personnel and by job seekers									
Total staff	Nbr of people	7,932	7,996	8,398	5.9%			LA1	30
Permanent staff	Nbr of people	7,495	7,606	8,036	7.2%			LA3	30
Temporary staff	Nbr of people	437	390	362	-17.2%			LA3	30
Employees with permanent status	%	94.5	95.1	95.7	1.3%			LA3	30
Diversity of personnel								LA13	31
Women								LA13	
Total staff	%	22	23	23	1.0%	31			31
Executives	%	14	20	25	11.0%	34			31
Managers	%	15	15	17	2.0%	22			31
Engineering	%	13	13	15	2.0%	16			31
Drivers, operators, changers	%	25	26	26	1.0%	40			31
Maintenance employees	%	2	3	3	1.0%	4			31
Visible and ethnic minorities								LA13	
Total staff	%	12	14	16	4.0%	10			31
Executives	%	4	5	5	1.0%	0			31
Managers	%	6	7	8	2.0%	4			31
Engineering	%	11	13	18	7.0%	28			31
Drivers, operators, changers	%	12	15	17	5.0%	10			31
Maintenance employees	%	10	10	10	0.0%	6			31
Payroll	Millions of \$	566.4	584.1	615.5	8.7%			EC1	30
Average length of employment	Years	13.71	13.29	12.4	-9.6%			LA2	30
Employee turnover rate	% of employees who leave the STM	6.1	6.6	6.7	0.6%			LA2	30
Percentage of employees covered by a collective agreement	% of employees	91.6	91.3	91.1	-0.5%			LA4	30
Occupational health and safety (Industrial accident frequency rate)	%	10.8	10.0	9.5	-12.0%			LA7	31
Employee training	person-hours	171,215	212,332	233,146	36.2%			LA10	30
Percentage of payroll allocated to training	%	1.91	1.86	1.75	-0.2%			LA10	30
THEME 3 PROMOTION OF SUSTAINABLE DEVELOPMENT									
Orientation 10 - Sensitize the personnel to sustainable development									
Donations	\$	670,037	760,109	819,431	22.3%			EC1	34

## STM Network Map



### STM publications available in the section entitled "The STM in Brief" of [www.stm.info](http://www.stm.info)

2007 Environmental Report (French only)  
 2007-2011 Business Plan  
 2008 Annual Report  
 2008 Financial Report

### Other publications

Plan de transport de Montréal (the Montréal transportation plan)  
[www.ville.montreal.qc.ca/plandetransport](http://www.ville.montreal.qc.ca/plandetransport) (French only)

Premier plan stratégique de développement durable de la collectivité montréalaise  
 (The Montréal community's first strategic plan for sustainable development)  
[www.ville.montreal.qc.ca/developpementdurable](http://www.ville.montreal.qc.ca/developpementdurable) (French only)

This report was produced by the Sustainable Development Team of the Strategic Planning Executive Branch.

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 Bibliothèque et Archives nationales du Québec 2009

For any comments or suggestions, please contact:  
 Michel Bourbonnière  
 Corporate Manager, Sustainable Development  
 514 280-9761  
[dd@stm.info](mailto:dd@stm.info)

To obtain a copy:  
 514 280-5648  
[affaires.publiques@stm.info](mailto:affaires.publiques@stm.info)

*Ce rapport est disponible en français.*

Printed in Québec with vegetable inks on paper made of 100% post-consumer fibres, Certified EcoLogo, Processed Chlorine-Free and FSC Recycled, and manufactured using biogas energy





