

DIVERSIFICATION FOR RESILIENCE



M E T R O H O L D I N G S L I M I T E D

SUSTAINABILITY REPORT 2021

Table of Contents

1.0 INTRODUCTION	1
1.1 ABOUT US	1
1.2 ABOUT THE REPORT	4
2.0 APPROACH TO SUSTAINABILITY	5
2.1 BOARD STATEMENT	5
2.2 STAKEHOLDER ENGAGEMENT	6
2.3 MATERIALITY ASSESSMENT	8
2.4 SUSTAINABILITY GOVERNANCE	9
3.0 PEOPLE	10
3.1 OUR EMPLOYEES	10
<i>Profile of Our Workforce</i>	10
<i>Talent Management and Development</i>	12
3.2 OUR CUSTOMERS	15
<i>Our Supply Chain</i>	15
<i>Customer Satisfaction</i>	15
3.3 HEALTH AND SAFETY OF OUR STAKEHOLDERS	20
<i>Our Employees</i>	20
<i>Our Tenants, Customers and Visitors</i>	24
4.0 ENVIRONMENT	27
4.1 ENERGY USAGE AND ASSOCIATED GREENHOUSE GAS ("GHG") EMISSIONS	27
5.0 SUSTAINABLE GROWTH	30
5.1 ECONOMIC PERFORMANCE	30
5.2 CORPORATE GOVERNANCE	32
6.0 GRI CONTENT INDEX	33

1.0 INTRODUCTION

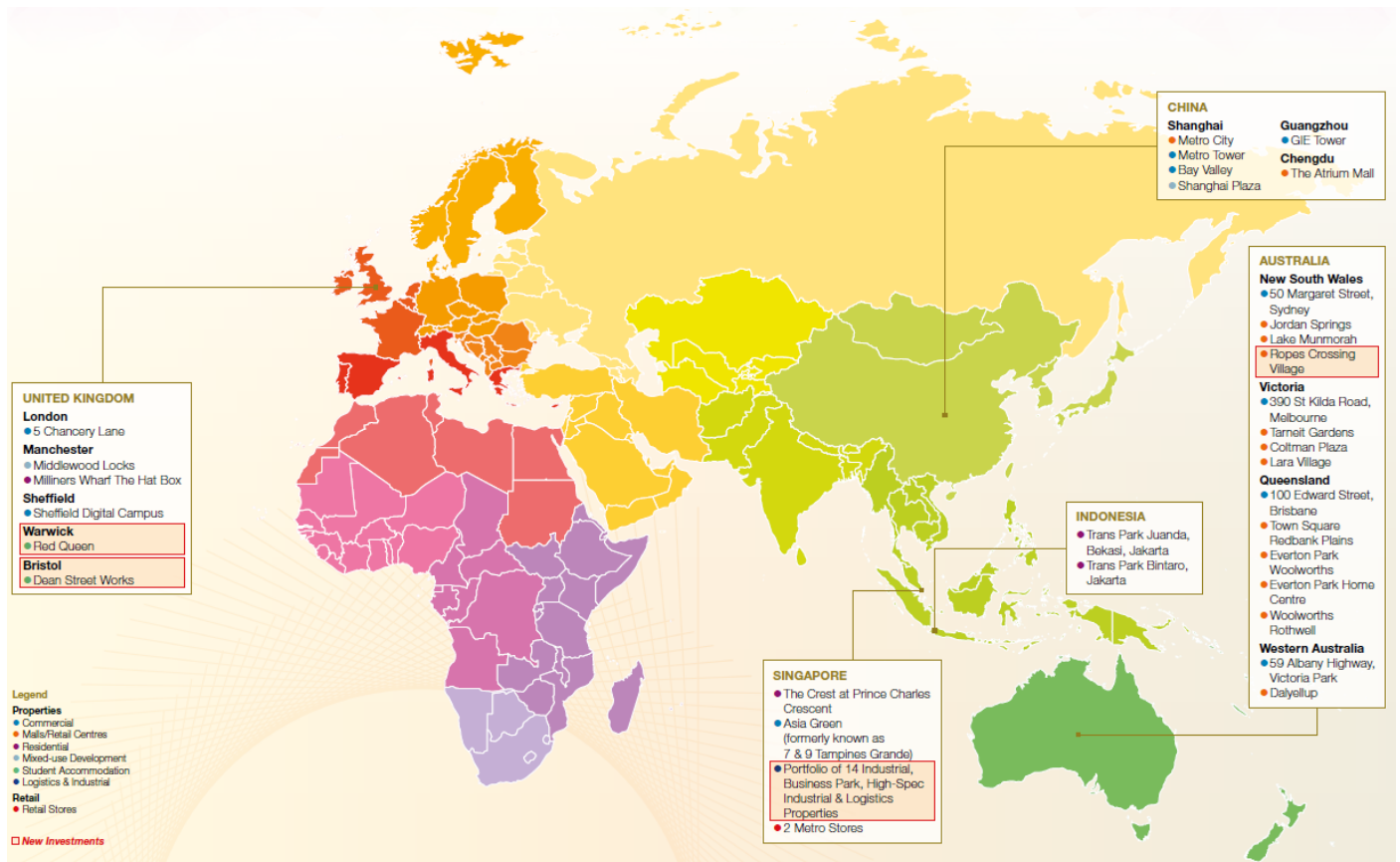
1.1 About Us

Listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) in 1973, Metro Holdings Limited (“Metro” or the “Group”) was founded in 1957 by the late Mr Ong Tjoe Kim. Starting out as a textile store on 72 High Street, Singapore, Metro has grown over the years to become a property investment and development group with a broadened and diversified asset portfolio, backed by an established retail track record, with a turnover of S\$97.3 million and net assets of S\$1.6 billion as at 31 March 2021.

Today, the Group operates two core business segments – property investment and development, and retail. It is focused on key markets in the region such as Singapore, the People’s Republic of China (“PRC”), Indonesia, the United Kingdom (“UK”) and Australia.



Our International Presence



Metro Holdings at a Glance

PROPERTY INVESTMENT AND DEVELOPMENT

The Group's property arm has significant interests in almost 564,000 square metres of prime retail and office investment properties in gateway cities in the PRC, such as Shanghai, Guangzhou and Chengdu, as well as Singapore, London and Australia; two PBSA properties in Warwick and Bristol, the UK, with 391 en-suite beds and 44 studios; and over 335,000 square metres of residential and mixed-use development properties predominantly held for sale. The Group also owns 14.9% of Top Spring International Holdings Limited ("Top Spring"), a Hong Kong-listed PRC property developer and invests 23.7% and 4.9% in BentallGreenOak China Real Estate Fund II (A), L.P. ("BentallGreenOak Fund II") (formerly InfraRed NF China Real Estate Fund II (A), L.P.) and BentallGreenOak Fund III respectively, both private equity real estate opportunity funds and 7.3% in Mapletree Global Student Accommodation ("MGSA") Private Trust, a private trust in Singapore.



SINGAPORE

The Crest at Prince Charles Crescent, Asia Green, Boustead Industrial Fund

- Bombardier Aerospace
- 11 Seletar Aerospace Link
- 26 Changi North Rise
- 16 Tampines Industrial Crescent
- 85 Tuas South Avenue 1
- 10 Tukang Innovation Drive
- GSK Asia House
- Edward Boustead Centre
- Continental Building – Phase 1
- Continental Building – Phase 2
- Continental Building – Phase 3
- 10 Changi North Way
- 12 Changi North Way
- 16 Changi North Way

CHINA

Shanghai

Metro City, Metro Tower, Shanghai Plaza, Bay Valley

Guangzhou

GIE Tower

Chengdu

The Atrium Mall

INDONESIA

Jakarta

Trans Park Juanda, Bekasi, Trans Park Bintaro

UNITED KINGDOM

Manchester

Middlewood Locks, Milliners Wharf The Hat Box

Sheffield

Sheffield Digital Campus

London

5 Chancery Lane

Warwick

Red Queen

Bristol

Dean Street Works

AUSTRALIA

New South Wales

50 Margaret Street, Jordan Springs, Lake Munmorah, Ropes Crossing Village

Victoria

390 St Kilda Road, Tarneit Gardens, Coltman Plaza, Lara Village

Queensland

100 Edward Street, Town Square Redbank Plains, Everton Park Woolworths, Everton Park Home Centre, Woolworths Rothwell

Western Australia

59 Albany Highway, Dalyellup

CHINA INVESTMENT

Top Spring

BentallGreenOak Fund II

BentallGreenOak Fund III

SINGAPORE INVESTMENT

MGSA Private Trust

RETAIL

Metro's retail arm serves customers through two Metro department stores in Singapore, as well as via Metro Online, LazMall, Shopee Mall and Amazon.com. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise.

SINGAPORE

Causeway Point and Paragon

INDONESIA

Metro Trademarks



For more information on Metro, please visit our website at www.metroholdings.com.sg.

1.2 About the Report

We are proud to present Metro's Sustainability Report for the financial year ended 31 March 2021 ("FY2021"). It has been prepared in accordance with Global Reporting Initiatives ("GRI") Standards – Core option and the SGX Listing Rules 711A, 711B and Practice Note 7.6. We have chosen the GRI Standards as it is an internationally recognised reporting framework and thus allows for comparison with Metro's peers.



We first conducted our formal materiality assessment in FY2018, which led to the identification of sustainability matters most material to our business. These Economic, Environmental, Social and Governance ("EESG") matters remain unchanged in FY2019 and FY2020, and have been reviewed and validated by our Management in FY2021, taking into consideration feedback from both internal and external stakeholders.

Separately, Metro has not sought external assurance but will consider doing so as our reporting matures over time.

Reporting Scope

The reporting scope covers our Corporate office and Retail operations in Singapore, and Properties in China which Metro has an ownership interest over 50%. It contains information for the financial year from 1 April 2020 to 31 March 2021 ("FY2021").

Figure 1: List of Business Segments under SR2021 Report

Country	Business Segment	Under Reporting Scope¹	Reference in Report
China 	▪ Property Investment and Development	<ul style="list-style-type: none"> ▪ Metro City, Shanghai ▪ Metro Tower, Shanghai ▪ GIE Tower, Guangzhou 	Referred to as "China (Property Division)" or "Property Division"
Singapore ² 	▪ Retail	<ul style="list-style-type: none"> ▪ Metro Paragon ▪ Metro Causeway Point 	Referred to as "Singapore (Corporate and Retail Division)"

Contact us

We welcome feedback and/or queries about this report. Please contact us at sustainability@metroholdings.com.sg.

¹ The Group owns 100% of Metro Stores, Singapore; 60% of Metro City, Shanghai; 60% of Metro Tower, Shanghai and 100% of GIE Tower, Guangzhou.

² Unless otherwise stated, performance data for the Group Corporate office (391A Orchard Road #19-00 Tower A Ngee Ann City Singapore 238873) will be presented under the Singapore operations.

2.0 APPROACH TO SUSTAINABILITY

2.1 Board Statement

Dear Stakeholders,

The continuation of the COVID-19 pandemic that started in end-2019 triggered an unprecedented global economic crisis that impacted countries, economies, businesses, operations, and livelihoods worldwide. The start of 2021 has brought about cautious optimism with the global rollout of vaccines and signs of improvement in pandemic containment. Cities are attempting to resume a gradual process to normalcy, despite resurgence of the virus and its mutations.

Amidst this backdrop, Metro continues to monitor, embrace and evolve our growth strategies, building upon our established track record in the real estate sector. We will also actively manage our existing investment portfolio to optimise returns and capitalise on new opportunities to enhance shareholder value.

At the same time, Metro will continue to take proactive measures to strengthen our financial position, including preserving cash, optimising cash flows and liquidity, for optimal returns. With regards to our asset management strategy, our focus remains steadfast, prioritising critical asset enhancement, while deferring uncommitted capital expenditure and implementing cost savings where possible.

Moving forward, we continue to capitalise on opportunities with prudent capital structure and are confident that we will be able to continue with our strategic diversification expansion plans to achieve resilient growth.

From April to June 2020, Metro temporarily closed our retail stores and corporate offices in Singapore for the safety of our staff and customers and in compliance with the Singapore Government's circuit breaker measures. The Group's online retail business continued to operate during this period. Under Phase 1 of Singapore's re-opening on 2 June 2020, Metro reopened its corporate offices with Government-stipulated mandatory wearing of masks, safe distancing, implementation of the Government's visitor check-in system SafeEntry and TraceTogether, and twice daily temperature checks. Upon commencement of Phase 2 re-opening on 19 June 2020, both Metro's physical retail stores reopened with enhanced measures, including occupancy limits, frequent cleaning of common areas, and limiting entry points.

In China, our three properties at Metro City, Shanghai, Metro Tower, Shanghai and GIE Tower, Guangzhou continue to enjoy high occupancy and contribute stable recurring income to the Group, while adhering to Governmental regulations on precautionary measures.

As Metro continues to diversify for resilience, we are mindful that this has to be done sustainably and considering the impact our businesses have on the community and environment. Since FY2020, Metro has utilised electronic annual reports in place of physical copies in our efforts to "go green". Metro's sustainability reports have been electronic since inception in 2018. We endeavour to keep our stakeholders updated with a holistic view of the Group's performance through transparent and timely disclosures of our sustainability performance.

Metro's Board of Directors and Management consider sustainability integral to Metro's success. Review of EESG material matters are critical to Metro's strategy and operations and are undertaken by Management taking into consideration both internal and external stakeholder feedback on EESG factors gathered through routine engagement. Through its various committees, the Board oversees the implementation of EESG initiatives, which is subsequently disclosed formally on an annual basis in this report.

We seek ongoing support from both internal and external stakeholders, and urge everyone to join us towards the goal of sustainable growth and development.

2.2 Stakeholder Engagement

Effective stakeholder engagement is key to our success. Stakeholder feedback can greatly influence business performance. From commercial office space to the retail store front, our people engage with different stakeholder groups daily. We strive to keep up with their evolving needs and this guides our responses. We define our stakeholders as individuals or groups that our business has a significant impact on, and those who can influence Metro's ability to advance our strategies and objectives. See Table 1 below for our stakeholder engagement approach.

Table 1: Metro's Stakeholder Engagement

Stakeholder Groups	Key Interests of Stakeholder Groups	Metro's Response	Methods of Engagement ³	Frequency of Engagement
Retail Shoppers and Visitors Customer satisfaction is key to Metro's business and Metro strives to enhance customer experience by tailoring its offerings to best meet their needs	<ul style="list-style-type: none"> Health, safety and security at properties Customer satisfaction Quality of products sold at the stores 	<ul style="list-style-type: none"> Review of health and safety measures across all properties Differentiating product and service offerings Service recovery / prompt response and feedback provided to customers 	Customer feedback (via Ratelt Portal, Metro's website, phone call, Facebook, WhatsApp, Instagram and email)	Ongoing
			Dedicated customer service counter	Daily
			Face-to-face interactions in-store on sales floor	Daily
			Loyalty programmes	Ongoing
			Networking events	As appropriate
Tenants Customer satisfaction is key to Metro's business and Metro strives to enhance customer experience by tailoring its offerings to best meet their needs	<ul style="list-style-type: none"> Health, safety and security at properties Tenant satisfaction Quality of assets and services 	<ul style="list-style-type: none"> Health and safety measures implemented across all properties Regular maintenance of all properties 	Tenant satisfaction survey (through survey form and face-to-face interview)	Biannually
			Correspondence through email and calls	Ongoing
			Meetings	As appropriate
Employees The health, safety, competencies, welfare and professional development of employees are fundamental to Metro's performance and key to enhancing our human capital.	<ul style="list-style-type: none"> Provision of fair remuneration, compensation and benefits Opportunities for career development and progression Participation in training and skills upgrading programmes 	<ul style="list-style-type: none"> Open door policy for employees to provide feedback Providing learning and development programmes for employees Sponsorships for selected employees to further their education 	Management-Union Dialogue	Bi-annually (Retail)
			MetroNews (internal newsletter)	Bi-monthly (Retail)
			Employee orientation	Ongoing (Retail)
			On-the-job training	Ongoing (Retail and Property)
			Performance reviews and appraisals for all employees	<ul style="list-style-type: none"> Ongoing (Corporate) Weekly, quarterly and yearly reviews (Retail and Property)
			Workshops for both technical and soft skills development	As appropriate (Corporate)

³ Where possible, physical meetings and events have been shifted online. Other events have been cancelled or postponed in line with the latest COVID-19 restrictions, including employee engagement events.

Stakeholder Groups	Key Interests of Stakeholder Groups	Metro's Response	Methods of Engagement ³	Frequency of Engagement
Employees (Continued) The health, safety, competencies, welfare and professional development of employees are fundamental to Metro's performance and key to enhancing our human capital.	<ul style="list-style-type: none"> Having a safe and healthy working environment 	<ul style="list-style-type: none"> Implementation of health and safety measures at the workplace 	<ul style="list-style-type: none"> Employee engagement events (CEO Quarterly Recognition Lunch; festive celebrations; Metro Staff Recreation Club; Workplace Safety & Health Committee) 	<ul style="list-style-type: none"> Ongoing (Retail)
			<ul style="list-style-type: none"> Participation in Workgroup Meetings, Email correspondence 	<ul style="list-style-type: none"> Ongoing
Suppliers and Business Associates Suppliers play a vital role in supporting Metro towards continuous and sustainable growth	<ul style="list-style-type: none"> Receipt of timely payments Regulatory compliance 	<ul style="list-style-type: none"> Timely and transparent communication with suppliers / business associates Stringent selection of suppliers to ensure compliance with company standards and laws and regulations 	<ul style="list-style-type: none"> Correspondence through calls, emails and video conferences 	<ul style="list-style-type: none"> Ongoing
			<ul style="list-style-type: none"> Face-to-face meetings to feedback on performance 	<ul style="list-style-type: none"> Ongoing
Investors, Shareholders, Analysts and Media Stakeholders and investors guide and influence Metro's operations and decision-making	<ul style="list-style-type: none"> Economic performance Growth strategy and future outlook 	<ul style="list-style-type: none"> Timely and transparent disclosure on a dedicated Investor Relations website Strategies to achieve sustainable distributions for investors and shareholders 	<ul style="list-style-type: none"> Annual Report and Sustainability Report 	<ul style="list-style-type: none"> Annually
			<ul style="list-style-type: none"> Annual General Meeting ("AGM") (Held virtually) 	<ul style="list-style-type: none"> Annually
			<ul style="list-style-type: none"> SGXNet announcements and press releases 	<ul style="list-style-type: none"> As appropriate
			<ul style="list-style-type: none"> Analysts' and media briefing (Held virtually) 	<ul style="list-style-type: none"> Annually
			<ul style="list-style-type: none"> Correspondence through calls and emails 	<ul style="list-style-type: none"> Ongoing
Regulators Understanding and staying in compliance with all applicable laws and regulations ensures Metro is licensed to operate	<ul style="list-style-type: none"> Regulatory compliance 	<ul style="list-style-type: none"> Uphold highest levels of corporate governance Compliance with all relevant laws and regulations Promote communication with authorities 	<ul style="list-style-type: none"> Meetings with authorities 	<ul style="list-style-type: none"> As appropriate
			<ul style="list-style-type: none"> Attendance at seminars and workshops organised by regulatory bodies 	<ul style="list-style-type: none"> As appropriate
			<ul style="list-style-type: none"> Pledge to support Securities Investors Association (Singapore) Corporate Governance Week 	<ul style="list-style-type: none"> As appropriate
Our Community Through the spaces we own or manage, we interact and endeavour to contribute and guide its communities in a sustainable manner	<ul style="list-style-type: none"> Responsible management of our impacts on the community Provide assistance to the community 	<ul style="list-style-type: none"> Involvement and investments in Corporate Social Responsibility initiatives 	<ul style="list-style-type: none"> Community outreach programmes 	<ul style="list-style-type: none"> As appropriate
			<ul style="list-style-type: none"> Sponsorships (monetary and in-kind) 	<ul style="list-style-type: none"> As appropriate

2.3 Materiality Assessment

Through a formal materiality assessment conducted in FY2018, we identified EESG matters which were most material to our businesses. In FY2021, these existing matters were reviewed by our Management, taking into consideration both internal and external stakeholder feedback on EESG factors gathered through routine engagement. We continue to review our material matters annually to ensure their continued relevance in future reporting periods.

Figure 2: Four-Step Materiality Assessment Process

1	Identification A list of potential EESG matters was consolidated by our external consultants through interviews with key management personnel across various departments and a desktop analysis of sustainability matters reported by peers in both the retail and property industries.
2	Prioritisation The identified EESG matters were evaluated and prioritised by representatives from both Property and Retail Divisions, taking into consideration both internal and external stakeholders' perspectives. Subsequently, they were aligned at the Corporate level for consistency across the Group.
3	Validation The final list of material matters for the FY2018 Sustainability Report was presented to the Board for their validation and approval.
4	Review Material matters selected for reporting in FY2018 were reassessed to ensure their continued relevance to our operations in FY2021. We will continue to review our material matters annually.

Figure 3: Metro's Materiality Matrix

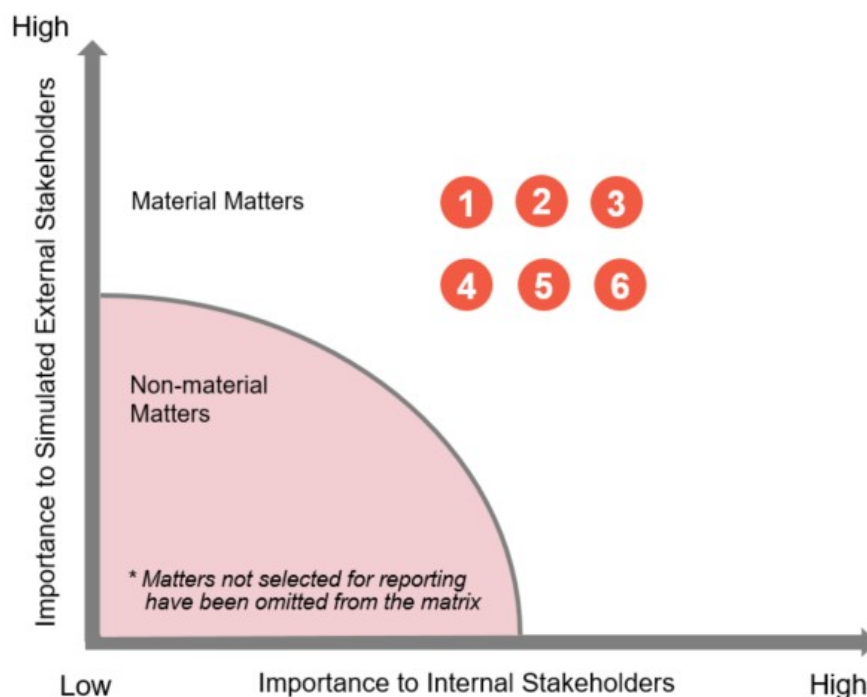


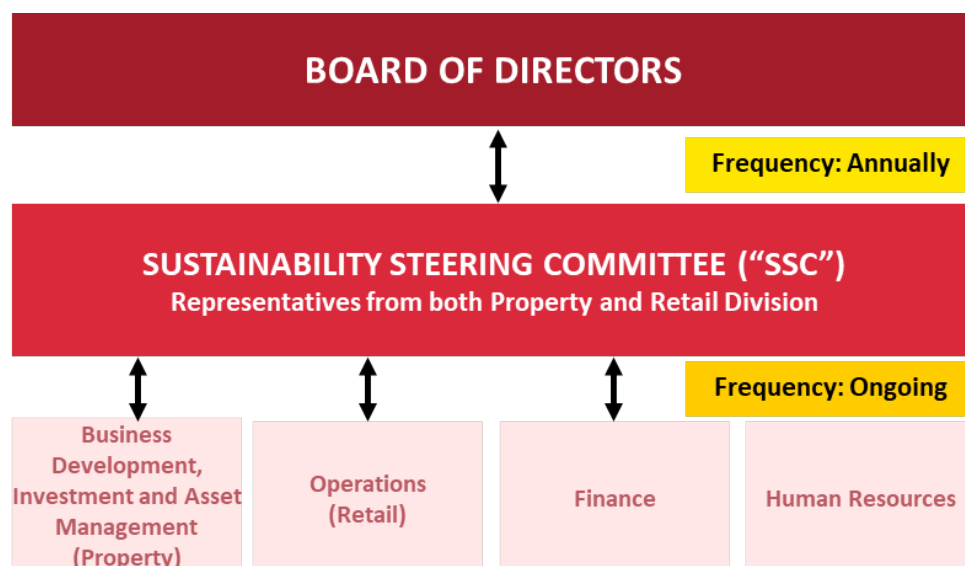
Figure 4: Mapping of Material Matters to GRI Standards

	Material Matter	CATEGORY	GRI TOPIC-SPECIFIC DISCLOSURE	PAGE REFERENCE
1	Economic Performance	Environment	<ul style="list-style-type: none"> GRI 201 Economic Performance [201-1] 	30-31
2	Energy Usage and Associated Greenhouse Gas ("GHG") Emissions	Economic	<ul style="list-style-type: none"> GRI 302 Energy [302-1, 302-3] GRI 305 Emissions [305-1, 305-2, 305-4] 	27-29
3	Talent Management and Development	Social	<ul style="list-style-type: none"> GRI 404: Training and Education [404-1, 404-3] 	12-14
4	Customer Satisfaction	Social	<ul style="list-style-type: none"> No relevant GRI topic-specific disclosure 	15-20
5	Health and Safety of Our Stakeholders ⁴	Social	<ul style="list-style-type: none"> GRI 403 Occupational Health and Safety [403-1 to 403-7, 403-9] GRI 416 Customer Health and Safety [416-2] 	20-26
6	Corporate Governance	Governance	<ul style="list-style-type: none"> GRI 205 Anti-corruption [205-3] GRI 307 Environmental Compliance [307-1] GRI 419 Socioeconomic Compliance [419-1] 	32

2.4 Sustainability Governance

Metro's Board is responsible for all EESG and sustainability matters and its implementation. This is critical for both business success and continuity. The Sustainability Steering Committee then sets the direction for business operations, which includes target setting and execution. This is reported to the Board annually.

Figure 5: Metro's Sustainability Governance Structure



⁴ Stakeholders are defined as employees, tenants, customers and visitors.

3.0 PEOPLE

3.1 Our Employees

Profile of Our Workforce

In FY2021, we saw a 4% decrease in headcount to 450 employees. This was due to the reduction of fixed-term employees at Retail Division in Singapore. As it has been in the past, the majority of our workforce is made up of permanent full-time employees.

In China (Property Division), 98% of Metro's employees are located at our two properties in Shanghai. For our Guangzhou property (GIE Tower), we have four permanent employees and appointed CBRE China ("CBRE") as the property manager. CBRE oversees the operations, facility management and maintenance of the building and their employees are not included in Metro's headcount.

A significant portion of our Chinese employees are hired on a fixed-term contract which is a common practice in China. While it allows for recruitment flexibility, all employees are still provided with the same benefits mandated by the Social Insurance Law of the People's Republic of China. This includes mandatory monthly contributions to their employee social security fund as stipulated by the Ministry of Human Resources and Social Security, PRC. All benefits are the same regardless of employment type.

Figures 6 to 8 showcases the breakdown of our workforce according to region, gender, employment contract and employment type.



450

Total Number of Employees⁵ as at
31 March 2021



Metro Corporate HQ
(Singapore)

31



Retail
(Singapore)

210



Property
(China)

209

⁵ An employee is defined as an individual who is in an employment relationship with Metro. A worker is defined as an individual that performs work but is not an employee. The employee statistics above exclude workers. Metro considers our interns and contractors as workers. Details of our workers are as follows:

As at 31 March 2021, we have a total of 95 workers. They include 24 workers hired under our Retail Division as interns and contractors in Singapore and a total of 71 workers hired under our Property Division in China.

Figure 6: Breakdown of Employees by Gender and Region

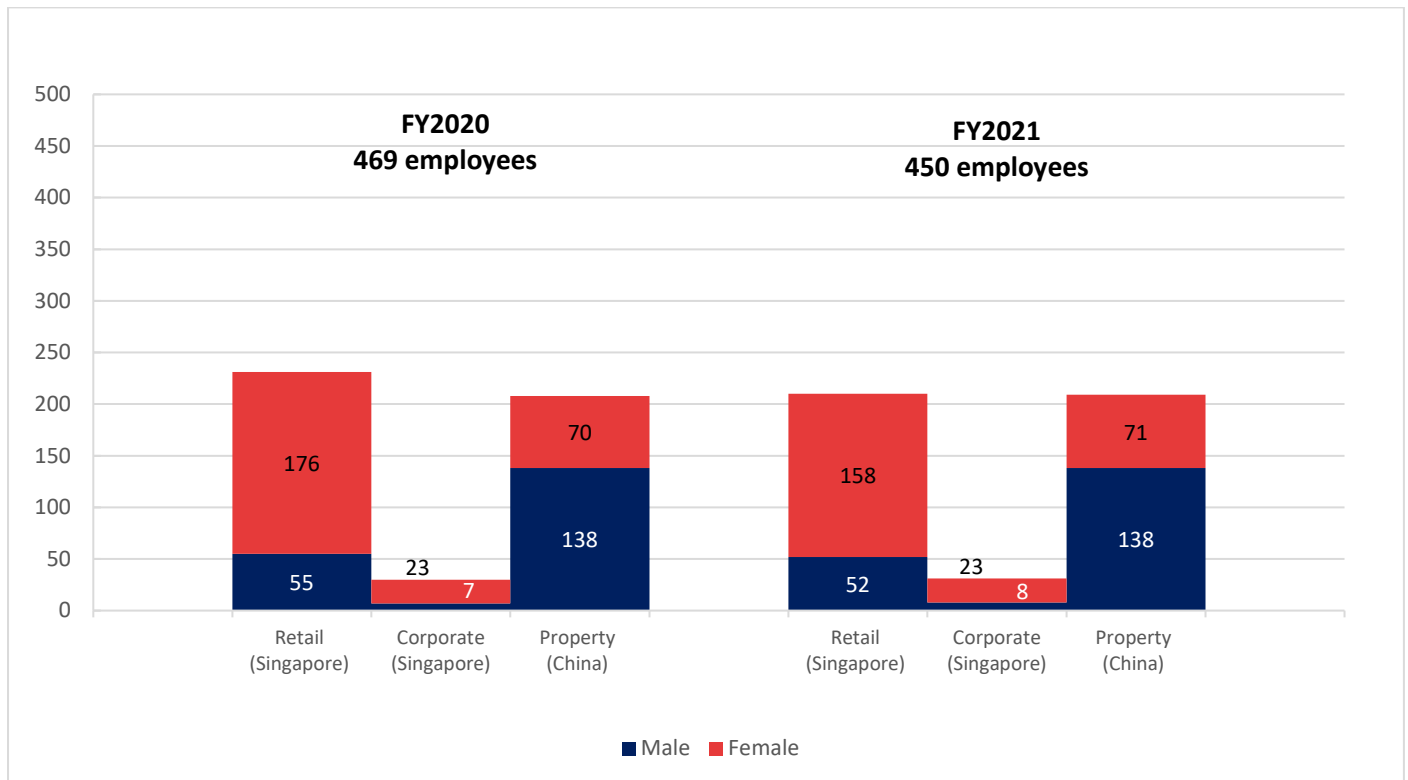
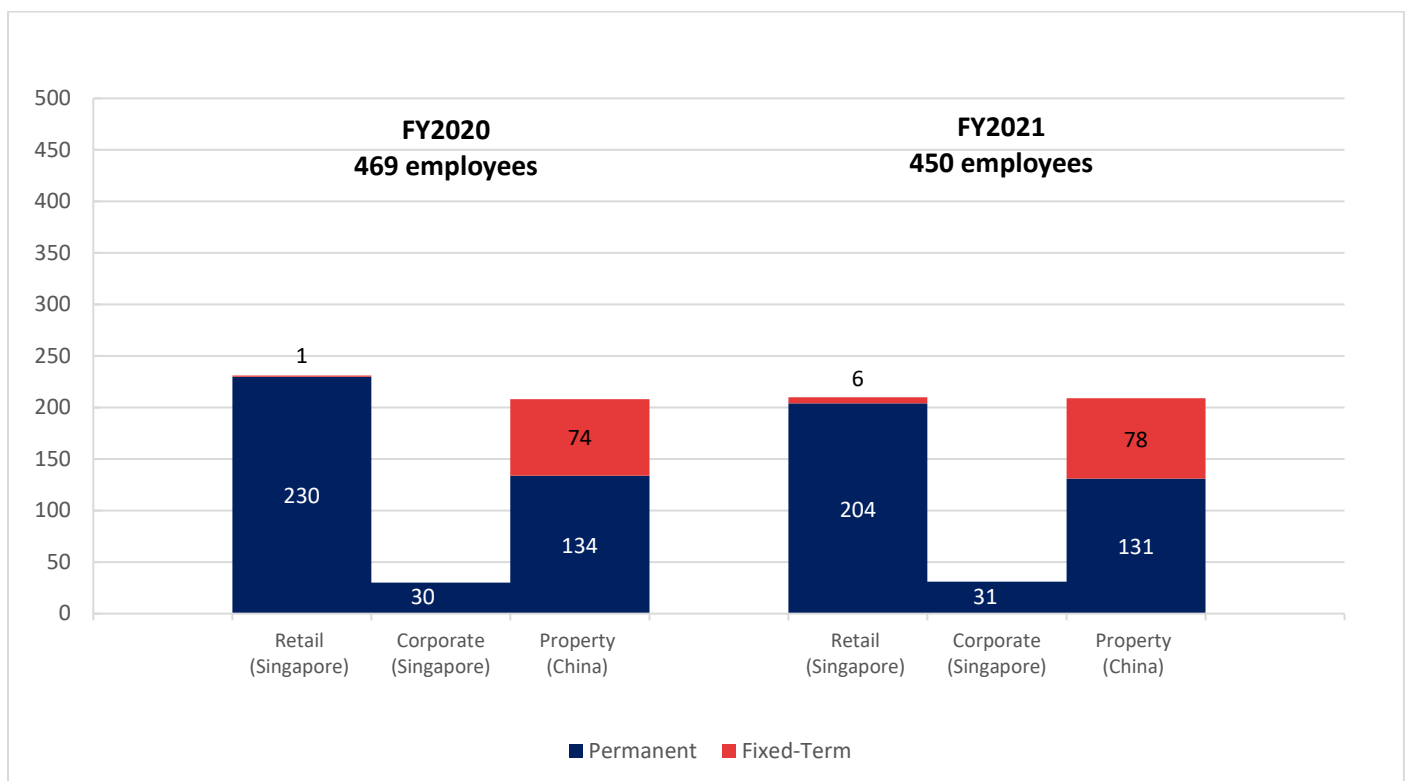
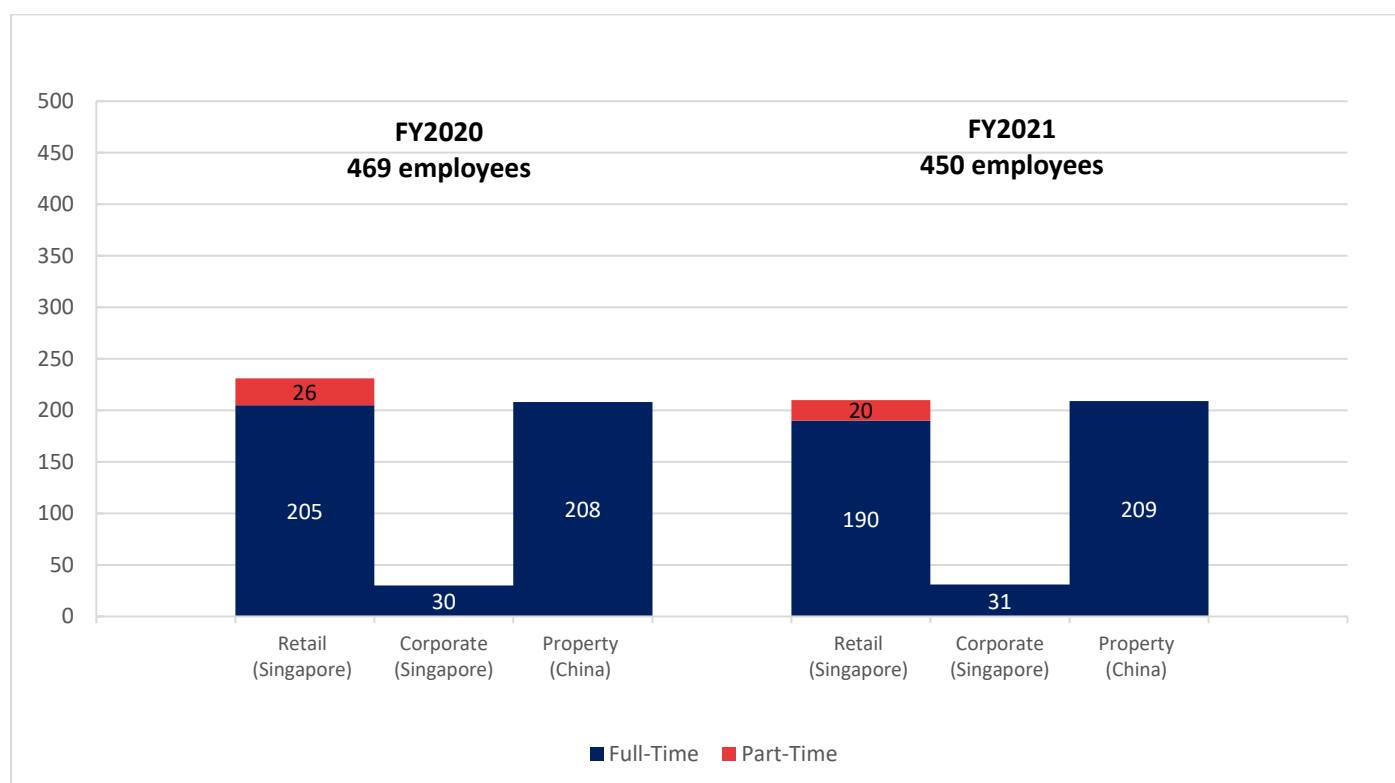


Figure 7: Breakdown of Employees by Employment Contract⁶ and Region



⁶ Employment contract (permanent and fixed-term) and employment type (full-time and part-time) are as defined by the GRI Standards.

Figure 8: Breakdown of Employees by Employment type⁵ and Region



Talent Management and Development

An engaged and motivated workforce is vital to Metro's success. As such, we continuously invest in training and development. Our Human Resources ("HR") Division has formulated various policies and initiatives that aim to provide opportunities for all employees in a safe and conducive working environment.

China (Property Division)

Policies and Practices


Each year, all employees in China undergo an annual formal appraisal where supervisors review performance and highlight areas for improvement. Regular communication enables alignment of employee/supervisor expectations.

The China (Property Division) implements mandatory training for all employees. To achieve this, the training programme and implementation plan are outlined in the Training Management Procedure. All relevant materials are accessible via a training management system which is made available to all employees in Shanghai through the internal portal. The HR Department in Shanghai has implemented various training programmes on professional and specific skills which will help new hires assimilate into the workplace and upgrade existing employees' skills. Trainings are also conducted to raise awareness on workplace health and safety.

Figure 9: Types of Internal and External Trainings conducted for Employees

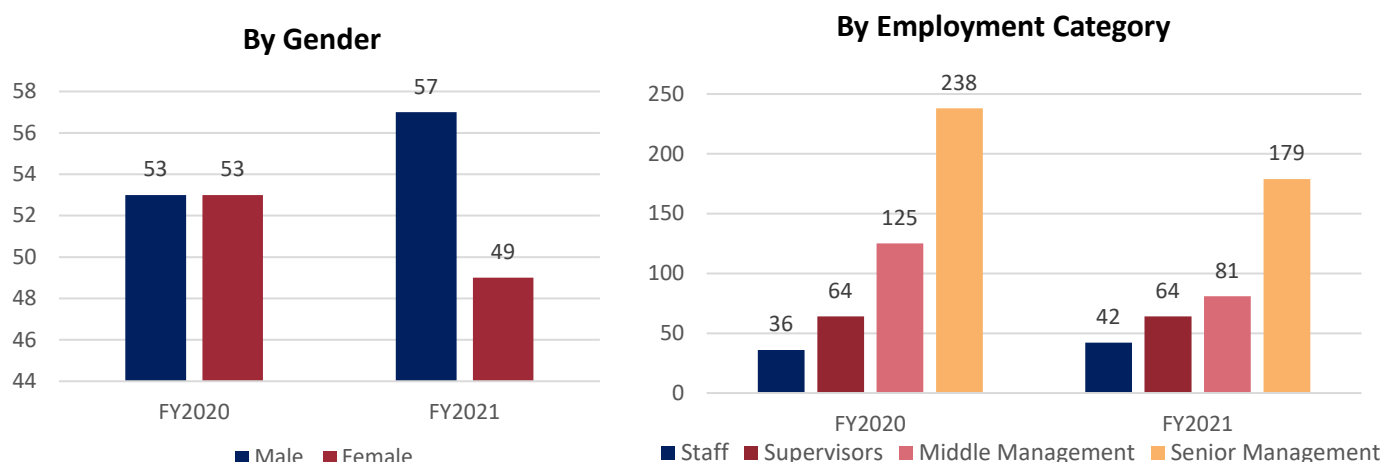
Internal	<ul style="list-style-type: none"> • Mandatory Induction Training <ul style="list-style-type: none"> ○ A general company-wide training will be held for all new hires ○ Department-specific trainings will be held thereafter
	<ul style="list-style-type: none"> • Specialised/Focused Training <ul style="list-style-type: none"> ○ Various topics covering safe management measures, energy management and social aspects are held for employees ○ Topics will be updated every year ○ For Shanghai: Energy Management System training in place ○ For Guangzhou: Training is scheduled quarterly and is mandatory for all employees <ul style="list-style-type: none"> ▪ Each department will conduct at least four trainings per month for employees based on their job scope
	<ul style="list-style-type: none"> • Occupational Health and Safety Training <ul style="list-style-type: none"> ○ Various activities organised to create employee awareness on health and safety
External	<ul style="list-style-type: none"> • Technical Skills Training <ul style="list-style-type: none"> ○ External training vendors will be engaged to conduct specialised trainings in areas such as security, equipment maintenance, mall and property management as well as organisational and managerial capability building workshops when required

Performance and Targets

Material Aspect	Target for FY2021	Performance for FY2021		Perpetual Target
Training and Development	Achieve 100% onboarding training for all new hires in China	Achieved		Achieve 100% onboarding training for all new hires in China

In FY2021, we achieved our China (Property Division) target of 100% training for all new hires in FY2021 and recorded an increase to 11,302 training hours in total, averaging 54.1 hours per employee. This increase was led by additional training hours in particular by staff.

Figure 10: Average Training Hours Per Employee by Gender and Employment Category for China (Property Division)




Singapore (Corporate and Retail Division)

Policies and Practices

Our HR Division maintains oversight of talent management and development. We encourage constant improvement of all employees throughout their careers at Metro. Morning briefings are conducted by our Duty Manager at both our stores to refresh associates on our service standards. In response to COVID-19 pandemic, all classroom trainings were suspended since January 2020 for safety reasons.

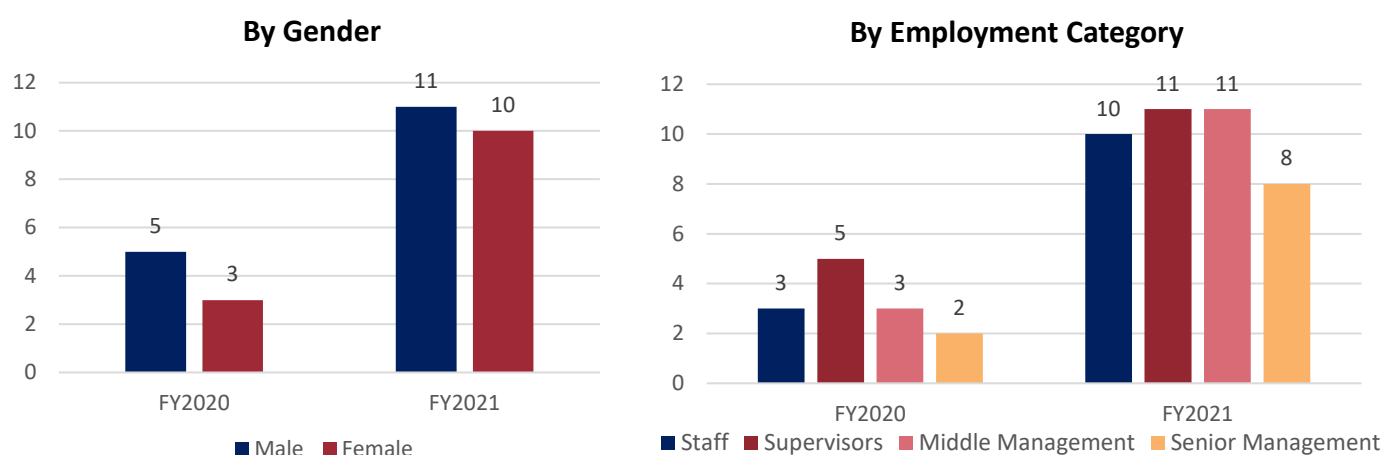
All employees go through a formal annual performance appraisal process, ensuring that expectations are conveyed, and their performance is closely monitored. Regular two-way communication between supervisors and staff is encouraged and allows for prompt addressing of matters.

Performance and Targets

Material Aspect	Target for FY2021	Performance for FY2021	Target for FY2022
Training and Development	Implementation of E-learning for Supervisors and Managers	Recorded 2,471 hours of total training and development in FY2021 	Increase average training hours for each full-time staff to 6.0 hours

In FY2021, we recorded 2,471 hours of training and development, an increase from FY2020. Employees were able to complete more trainings due to online learning modes following the suspension of classroom trainings from January 2020 onwards with the onset of COVID-19 pandemic.

Figure 11: Average Training Hours per Employee by Gender and Employment Category for Singapore (Corporate and Retail Division)



3.2 Our Customers

Our Supply Chain

Due to the differing nature of our businesses, our Property and Retail Divisions have separate supply chains.

Within the Property Division, Metro City, Shanghai and Metro Tower, Shanghai engage contractors for cleaning services, security services, renovation works and maintenance of facilities. We put in place various guidelines on the scope of work to ensure consistency in the provision of services across the properties. All applicable state laws and regulations which must be acknowledged by the service providers before engagement are encapsulated in contractual agreements. We communicate the service expectations upfront and engage with service providers on a regular basis to ensure alignment. For GIE Tower in Guangzhou, CBRE China has been engaged as the property manager to take charge of day-to-day operation such as the maintenance and repair works, security, and cleaning.

The Metro retail brand is home to an array of highly recognised local and international brands. We obtain our products of leading international and local brand from local distributors, with products ranging from skincare and cosmetics, fragrances, fashion wear to bedding and mattresses. Metro also engages third-party contractors to provide services such as maintenance and renovation work, security, and delivery.

Customer Satisfaction

China (Property Division)

Policies and Practices

Across our China properties, we are committed to maintaining a high level of tenant satisfaction. We interact with stakeholders regularly through surveys, face-to-face meetings, telephone conversations and email. Feedback is formally gathered through our annual satisfaction survey across five areas: security, cleanliness, repair and maintenance work, facility management and provision of amenities.

Based on prior year feedback, we completed escalator and safety barrier upgrading programmes at Metro City.



Our customer satisfaction monitoring program is ISO9001:2015 certified. Under the Quality Management Systems requirements, issues raised will be recorded for timely rectification and to prevent recurrence. Metro City continues to improve customer satisfaction through engaging its customers via social media, Metro's official WeChat account, shopping guides, physical posters (elevators, public areas) and via newsletters.

Performance and Targets

For FY2021, we are proud to disclose that we have surpassed our customer satisfaction survey targets at Metro City and tenant satisfaction survey targets at Metro Tower. Customer and tenants in both our Shanghai properties were "very satisfied" with the provision of amenities and cleanliness. Figure 12 details the actions taken in the reporting year and our future plans.

Figure 12: FY2021 Customer Satisfaction Survey Performance and Future Plans

Survey Group	Perpetual Target	Results for FY2021	Actions Taken in the Reporting Year	Future Plans
Shanghai				
Tenants in Metro Tower	98%	99.2%	<ul style="list-style-type: none"> Improved cleaning frequency of toilets and common spaces Four-eye checks for electricity meter readings 	<ul style="list-style-type: none"> Assess tenants' requests and identify areas for improvement and develop action plans
Tenants in Metro City	98%	98.9%	<ul style="list-style-type: none"> Improved cleaning frequency of bathrooms and common spaces Provided forums for customer engagement via social media, Metro's official WeChat account, shopping guides, physical posters (elevators, public areas) and via newsletters 	
Consumers	88%	95.9%	<ul style="list-style-type: none"> Optimised mall floor plan and store layout, including improvement of indoor landscaping Completed escalator and safety barrier upgrading programme in FY2021 in response to customer feedback 	<ul style="list-style-type: none"> Improve customer experience through periodic review and update in-line with market trends
Guangzhou				
Tenants in GIE Tower	90%	N.A. ⁷	<ul style="list-style-type: none"> Improved cleaning frequency of toilets and common spaces 	<ul style="list-style-type: none"> Multiple department meetings each month to review issues

⁷ No survey conducted during FY2021 due to COVID-19 pandemic. 99.3% score recorded in FY2020.

Case Study: “Metro Is Singapore” COVID-19 Initiative

Despite COVID-19 headwinds, Metro raised S\$250,000 in a month for the “Metro Is Singapore” COVID-19 Initiative. Partnering Beyond Social Services (“BSS”), Metro provided more than 200 laptops for low-income Singaporean students’ home-based learning. The charity drive ran from 1st to 31st August 2020, and Metro donated 2.5% of department store and online sales revenues. Board Directors, management, staff and key shareholders also contributed.



Caption (L to R): “Metro Group CEO Mr. Yip Hoong Mun, Recipient and New town Secondary 4 Student Nur Musyafiqah Bte Mustaffa, Metro Chairman Lt-Gen (Retd) Winston Choo and Beyond Social Services Executive Director Mr. Gerard Ee after the laptop-giving ceremony.”

PROUDLY SINGAPOREAN

Metro[®] IS SINGAPORE!

METRO PLEDGES 2.5% OF RETAIL REVENUE CHARITY DRIVE 1ST-31ST AUGUST 2020

FOR MORE INFORMATION, VISIT WWW.METRO.COM.SG AND WWW.METROHOLDINGS.COM.SG/CSR

Mr. Gerard Ee, Executive Director, Beyond Social Services said: “We are grateful for Metro’s donation, which will enable us to reach out to the less privileged youth and support them with laptops for their home-based learning. We hope that our joint contribution will positively impact our younger generation.”

Singapore (Retail Division)

Policies and Practices

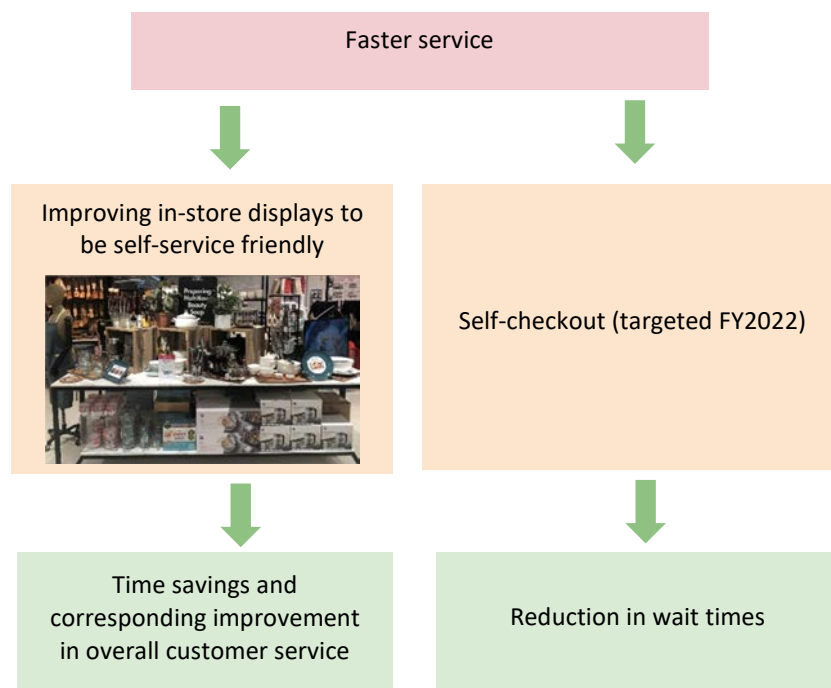
At Metro, customer satisfaction is our top priority and we remain committed to delivering value to every shopper. As such, in FY2021 we focused on extending our e-commerce presence via Metro Shopee Mall, supplementing existing online channels Metro Online and Metro LazMall. This digital move commenced before the onset of the COVID-19 pandemic in the first quarter of 2020 and accelerated post the April-June 2020 circuit breaker.

New Product and Service Offerings	Description	Actions Taken by Metro
Extending e-commerce presence via Metro Shopee Mall, supplementing existing online channels Metro Online and Metro LazMall	Increased product selection and engagement with consumers on e-commerce platforms Metro Online, Metro LazMall, Metro Shopee Mall, as well as social media platforms Facebook and Instagram	On-the-job-training to upskill associates with e-commerce know-how. Continuous review of processes with online platforms, partners and associates to improve e-commerce customer experience

Feedback is gathered in real-time from our two stores and our social media platform. At our stores, performance is continuously tracked through the “RateIt” Tablet or via one’s own mobile device through scanning a QR code. Each tablet is strategically placed at our counters that allow for shoppers to rate the service provided. The platform uses a Net Promoter Score⁸ (“NPS”) which is tabulated live and is reflective of our performance at any one time. It also allows for store managers to investigate recurring issues, ensuring they are promptly addressed.

Feedback and issues received via “RateIt” have also been used for coaching and identifying areas for improvement. Our team aims to respond to any negative feedback within three working days, and such comments on social media platforms will not be removed.

FINDINGS FROM “RATEIT” TABLET AND ACTIONS TAKEN BY METRO







⁸ Net Promoter Score (“NPS”) is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company’s products or services to others. It is often used to measure the customer’s overall satisfaction and loyalty to the brand.

Performance and Targets

Our Retail Division uses NPS (via the Ratelt Platform) and Customer Satisfaction Index of Singapore (“CSISG”)⁹ as performance rating systems. In FY2021, we achieved +73 points for our NPS, which was affected by the closure of our two Singapore stores during the Circuit Breaker from April to June 2020 and below the target set in FY2020. We remain committed to delivering exceptional service and have set out our targets for the forthcoming year in Figure 13 below.

Figure 13: FY2021 Targets for Customer Satisfaction, Results and Future Plans

Target for FY2021	Results for FY2021	Performance and Actions Taken in Reporting Year	Target for FY2022	Future Plans
Customer Satisfaction Index of Singapore (“CSISG”)				Continue working with Ratelt vendor to better identify development areas such as: <ul style="list-style-type: none"> Improving product range/availability e.g. Expanded Home & Lifestyle and Fashion
To achieve 3 rd place or better in the Retail sector	5th place	 <ul style="list-style-type: none"> Expanded online presence to include Metro Shopee Mall, to complement existing Metro.com.sg and Metro LazMall 	To achieve 3 rd place or better in the Retail sector	
Net Promoter Score (“NPS”) ¹⁰				 <ul style="list-style-type: none"> Continuous monitoring of NPS scores to quickly identify and fix lapses
+85 points	+73 points	 <ul style="list-style-type: none"> NPS took a hit during Circuit Breaker with store closures from April to June 2020 We observed reluctance for shoppers to touch surfaces given COVID-19 and worked with Ratelt to generate QR codes for contactless rating since September 2020 	+85 points	



“Mari is knowledgeable and very helpful. Such attentive and patient client-centric frontline staff is not often experienced in department stores. Congrats.”

Feedback received at Metro Paragon via Ratelt on 12 March 2021

“Cashiers are very slow.”

Feedback received at Metro Woodlands via Ratelt on 3 July 2020



Metro’s Response: We have reviewed our service levels and will focus on demand spikes during peak periods, including Christmas season and Chinese New Year.

⁹ The Customer Satisfaction Index of Singapore (“CSISG”) computes customer satisfaction scores at the national, sector, sub-sector, and company levels. CSISG is an annual quantitative benchmark of the quality of goods and services produced by the Singapore economy over time and across the country.

¹⁰ NPS results for shortened period from July 2020 to March 2021, as stores were closed during Circuit Breaker from April to June 2020.

Excellent Service Award (“EXSA”) – Retail

Metro participates in EXSA (Retail) yearly. Employees are required to fulfil three customer service criteria: (1) number of compliments received, (2) internal and external service-related awards received, and (3) clock a minimum of 3.5 hours of service skills training.

In FY2021, a total of 14 recipients (10 Gold Awards and four Silver Awards) were conferred the awards for their excellent service. In FY2022, we have nominated 15 associates for the EXSA award. Results of EXSA 2021 will be announced in the subsequent Sustainability Report.



3.3 Health and Safety of Our Stakeholders

Our Employees

China (Property Division)

Policies and Practices

Our China (Property Division) policies are formulated in accordance with regional and national laws. We align our safety management systems to international standards such as ISO 45001:2018 International Standards (previously OHSAS 18001). While GIE Tower in Guangzhou is not directly managed by Metro, stringent Occupational Health and Safety (“OHS”) expectations are conveyed to our property manager CBRE.

The OHS Committee maintains oversight on workplace safety and health. As part of employee induction, new-hires are required to understand and acknowledge the guidelines set out in this policy. Third-party contractors are required to sign-off prior to the commencement of their work.


Safety is a shared responsibility. The various departments conduct regular risk assessments to identify and rectify potential hazards. Employees can highlight to their supervisors immediately or via the Group Corporate Office in Singapore on any breach of OHS policy and are encouraged to exercise vigilance in the prevention of all unsafe acts.

In FY2021, Metro Shanghai signed the FY2021 Safety Work Responsibility Pledge, with its local joint venture partner Shanghai Xujiashui Centre (Group) Co. Ltd. This pledge affirmed Metro Shanghai’s commitments, plans and disclosed targets for a safer workplace for all stakeholders. Submission is done on an annual basis and the Group discusses our approach on training topics such as identification and mitigation of workplace risks and how to mitigate them. It also details frequency and focus areas for security checks.

Internal audits are conducted twice a year and external audits are done annually in accordance with ISO 45001:2018 International Standards (previously OHSAS 18001). In FY2021, there were no non-compliance incidents raised during the external audit.

CBRE manages OHS at GIE Tower in Guangzhou in a similar manner. All CBRE employees are required to adhere to health and safety guidelines listed in the Employee Handbook. CBRE provides insurance coverage on workplace injuries, introduce health and wellness initiatives such as annual health screenings, health talks, hiking and other sports activities to employees. Injury rates are reported annually to the Ministry of Human Resources and Social Security of the People’s Republic of China and we remain committed to our perpetual target of zero safety incidents.

Performance and Targets

Material Aspect	Perpetual Target	Performance for FY2021
Occupational Health and Safety	Zero fatality rate, injury rate, occupational disease rate and lost day rate for employees	Achieved 

In FY2021, we had zero fatalities, occupational diseases and workplace injuries, similar to prior years.

Figure 14: Occupational Health and Safety Statistics for China (Property Division)

China (Property Division)	FY2020			FY2021		
	Male	Female	Total	Male	Female	Total
Number of Injuries	0	0	0	0	0	0
Injury Rate ("IR") ¹¹	0	0	0	0	0	0
Lost day rate ("LDR") ¹²	0	0	0	0	0	0
Absentee Rate ("AR") ¹³	0.20%	2.52%	0.98%	0.47%	2.35%	1.11%

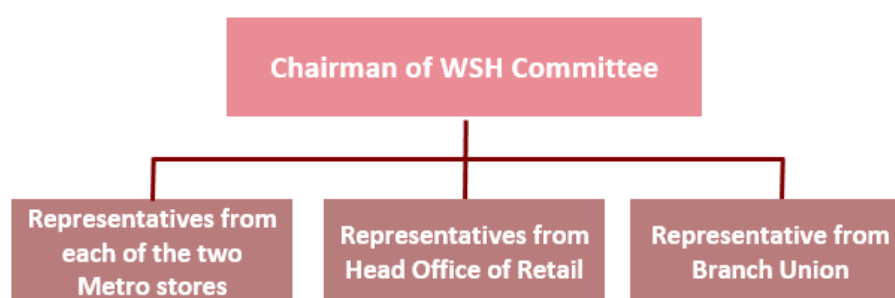
Singapore (Corporate and Retail Division)

Policies and Practices

We endeavour to provide all employees with a safe and healthy work environment. The Workplace Safety and Health ("WSH") Chairman oversees the Retail Division's WSH matters and is supported by committee members who are representatives of our Metro stores, Head Office of Retail and the Branch Union. Collectively, this committee is responsible for establishing and maintaining safety and health initiatives and programmes at the workplace. While representatives from Corporate are not part of this committee, they ensure compliance at the Corporate office.

Retail Division's WSH policy outlines our commitment and approach towards WSH and is developed in accordance with the WSH Act stipulated by the Ministry of Manpower ("MOM"). Roles and responsibilities have been clearly detailed within this document, which guides employees on carrying out risk assessments, guidance on inspection and reporting procedures. All employees across our business operations and third-party workers are required to adhere to the policy and practices.

Figure 15: Retail Division's WSH Committee



All new employees will be given a Safe Work handbook as part of induction, which outlines expected safe work practices and reporting channels. Monthly, our WSH Committee conducts workplace inspections, ensuring that health and safety risks are recorded, and measures remain relevant. Regular WSH talks are organised to inculcate a safety

¹¹ Injury Rate is calculated as the total number of fatal and non-fatal workplace injuries per 100,000 employees, as defined by the Ministry of Manpower ("MOM") in Singapore.

¹² Lost Day Rate is calculated as the number of man days lost to workplace accidents per 1,000,000 man-hours worked, as defined by MOM in Singapore. We have used MOM's formulas to calculate safety statistics which ensures consistency and comparability between China and Singapore.

¹³ Absentee Rate is the total absentee days lost, relative to the total days scheduled to be worked by the employees in the reporting period, expressed as a percentage, as defined by the GRI Standards.

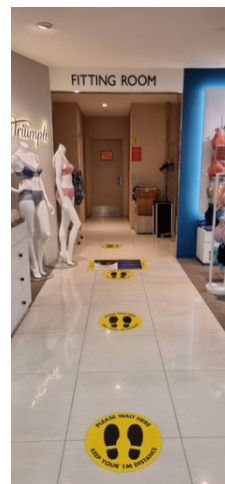
culture among our employees. We also advocate a healthy lifestyle. Details of our initiatives are showcased in the case studies on pages 22-23.

Case Study: Safeguarding Against the Global COVID-19 Pandemic

Metro works closely with the public health authorities in managing the impact of COVID-19 pandemic on its properties, staff, tenants and visitors, and taking the necessary precautionary measures. These measures are progressively strengthened where required and developed in line with the Multi-Ministry Taskforce's advisories.

Metro continues to adopt the latest Safe Management Measures ("SMM"):

- Shorter operating hours during phase 1/2/3 reopening when work from home ("WFH") remained as default
- For job functions that were not able to WFH, staff were organized in teams to ensure optimal floor coverage
- Employed technology for submission of daily temperature reading and health/travel declaration
- Several channels of communication were utilised to ensure staff are updated with latest COVID-19 SMM, which include emails, memo, App announcements and MetroNews in-house newsletter
- 20 single use surgical masks were issued to each associates every month
- In addition to the "Do not sit" markings on tables and chairs, acrylic plastic dividers were put up at tables in the canteens to ensure safe-distancing
- Regular refreshing of posters, one-meter markings of safe distancing signage, hand & surface sanitisers, and regular cleaning and disinfection of work surfaces and common areas by both associates and cleaners etc
- Regular inspections by the team of Safe Management Officers



L to R: Acrylic Plastic Dividers at Staff Pantry and One-Meter Markings for Safe Distancing to the Fitting Room



L to R: One Meter Markings for Safe Distancing to the Cashier Counter

Case Study: Workplace Safety and Health

The frequency of WSH inspections, meetings and training has been increased from bi-monthly to monthly since January 2021. The step up in the frequency is necessary as we are operating our own warehousing and logistic services. Risk assessments were also reviewed and updated.



L to R: Inspection of First Aid Box, Inspection of Store Room and Training: Work At Height

Case Study: Certificate In Retail (Operations)


10 associates underwent the rigorous 3-months course, totalling 900 training hours, which they have successfully completed and were awarded the Certificate in Retail (Operations). To encourage acquisition of knowledge and upskilling, associates were rewarded with salary adjustment.

The programme equipped these associates with a better understanding of current and emerging retail technology that are critical operational skills to providing customer-centric business excellence, product and service innovation at work.



L to R: Experiential Learning and Problem-Solving

Performance and Targets

Material Aspect	Target for FY2021	Performance for FY2021	Target for FY2022
Occupational Health and Safety	Reduce number of lost days due to work-related injuries and illness by 10%	27% decrease in lost days recorded 	Reduce number of lost days due to work-related injuries and illness by 10% against FY2021

In FY2021, we achieved zero fatalities and zero occupational diseases for both employees and third-party workers. There were three incidents versus four incidents which happened in FY2020. Corrective actions have been promptly

implemented to prevent reoccurrences. The Injury Rate (“IR”) and Lost Day Rate (“LDR”) have decreased. For FY2022, we maintain our commitment towards reducing the number of lost days by 10% and strive towards a zero-incident work environment.

Figure 16: Occupational Health and Safety Statistics for Singapore (Corporate and Retail Division)

Singapore (Corporate and Retail Division)	FY2020			FY2021		
	Male	Female	Total	Male	Female	Total
Number of Injuries	0	4	4	1	2	3
Injury Rate (“IR”) ¹⁴	0	2,010	1,533	1,667	1,105	1,245
Lost day rate (“LDR”) ¹⁵	0	63	47	8	47	37
Absentee Rate (“AR”) ¹⁶	1.99%	1.75%	1.81%	0.97%	1.50%	1.37%

Figure 17: Summary of Injury Cases for FY2021

FY2021			
Number of Injuries		Description of Injuries	Corrective Measures
Male	Female		
Employees			
1	2	1. Employee cut index finger 2. Employee cut pinkie finger 3. Employee thumb caught between fixtures	1. Re-visit Safety Handbook on use of penknife 2. Re-visit Safety Handbook on use of penknife 3. Reminder on safety when moving fixtures

Our Tenants, Customers and Visitors

China (Property Division)

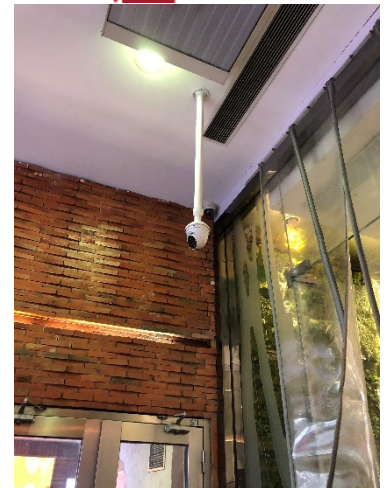
Policies and Practices

More than one year into the COVID-19 pandemic, Metro continues to enforce enhanced measures to combat COVID-19, including the controlled entry and exit of our China properties, with temperature screening and mask checks as a prerequisite for entry. We implemented increased cleaning frequency of toilets, elevators, escalator and public spaces. The business hours of Metro City have reverted to normal in line with government regulations and will adjust accordingly as the pandemic evolves.

¹⁴ Injury Rate is calculated as the total number of fatal and non-fatal workplace injuries per 100,000 employees, as defined by the Ministry of Manpower (“MOM”) in Singapore.

¹⁵ Lost Day Rate is calculated as the number of man days lost to workplace accidents per 1,000,000 man-hours worked, as defined by MOM in Singapore.

¹⁶ Absentee Rate is the total absentee days lost, relative to the total days scheduled to be worked by the employees in the reporting period, expressed as a percentage, as defined by the GRI Standards.



L to R: Registration of Metro City, Shanghai visitors using their mobile devices, Temperature screening at entrances

In Shanghai, we have a dedicated Facility Management (“FM”) team that maintains oversight on safety and health of tenants, consumers and visitors. Proper identification and control of risks is maintained by our risk management framework. We have in place a comprehensive business recovery plan to deal with emergencies such as power outages, fires, acts of terrorism, outbreak of diseases or natural disasters. It details the actions undertaken to minimise property damage and injury. A safer environment for all tenants, consumers and visitors at Metro City has been created as a result of our recently upgraded escalators that have significantly lowered incidents.

At GIE Tower in Guangzhou, CBRE also has in place a similar set of Standard Operating Procedures (“SOP”) to manage health and safety of all stakeholders. CBRE’s client service team handles feedback raised from tenants and customers and carries out various practices and initiatives on an ongoing basis across our properties as listed below.

Figure 18: Managing Customer Health and Safety in Property


Temperature screening and visitor registration on entry to Metro City, Metro Tower and GIE Tower	Conduct emergency drills with tenants, staff and visitors, including COVID-19, fire, terrorism etc	Compliance with directives and guidelines by the local governments
Increased disinfection and cleaning of common areas to prevent spread of COVID-19 and other diseases	Training staff on the procedure if someone is suspected to have COVID-19 (designated exit route)	Daily security briefings and on-premises inspections

In support of local regulations, Metro Shanghai has been actively promoting vaccination amongst its employees and achieved a 95% first-dose vaccination rate within two weeks. As of 30 June 2021, 100% of Metro Shanghai staff have received both doses, with the next target to promote the vaccine to the wider group of Metro merchants and tenants.



L to R: Metro Shanghai vaccination registration, Metro Shanghai employees queuing for their first dose

Performance and Targets

Material Aspect	Performance for FY2021		Perpetual Target
Health and Safety of Stakeholders	Achieved		Zero incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services

Our Property Division in China aims to maintain this performance in the future.


Singapore (Corporate and Retail Division)

Policies and Practices

Our goal is to provide a safe and healthy environment for all our customers and vendors. At our retail stores, health and safety risks are continually assessed as stipulated by our Retail WSH Policy. Managers and supervisors conduct daily floor walks to identify, evaluate and record potential risks. We have also engaged a part-time Safety Officer to conduct WSH talks across our two stores and Corporate office. Topics covered range from fire safety, safe use of a ladder/working at heights, proper posture for lifting heavy objects to dealing with COVID-19 evacuation procedures, terrorist/bomb threats and fire safety.

The respective branch managers and the WSH Committee process feedback relating to premises' health and safety and target to resolve all complaints within three working days. Regular WSH meetings are held to review findings from daily inspections and handle complaints. Real cases will be used as examples to teach and inform employees.

Performance and Targets

Material Aspect	Performance for FY2021		Perpetual Target
Health and Safety of Stakeholders	Achieved		Zero incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services

We strive to maintain this performance going forward.

4.0 ENVIRONMENT

4.1 Energy Usage and Associated Greenhouse Gas (“GHG”) Emissions

Given the growing importance of climate change and the reduction of greenhouse emissions, energy conservation efforts are central to Metro’s operations. We are able to manage our carbon footprint through efficient energy usage and regular monitoring, even though most of Metro’s energy usage across our Retail and Property Divisions arise from our tenants, shoppers and the community.

China (Property Division)

Policies and Practices

Our China properties comply with all applicable environmental standards. Metro City, Shanghai has been identified as a key building for energy usage¹⁷. Since FY2018, Metro City, Shanghai has committed to the Xuhui District Energy Conservation Target (“XDECT”), which guides the adoption of specific environmental targets and training. In FY2021, we registered a total energy consumption of 2,445 tonnes of standard coal equivalent¹⁸ (“TCE”) per building per annum, achieving our target.

In Guangzhou, energy consumption at GIE Tower is monitored by the Operations Team and reported to CBRE’s head office annually. While there are no provincial targets in Guangzhou, CBRE ensures that the property complies with all applicable environmental rules and legislations. Automatic energy-efficient lighting and central air-conditioning have been introduced to conserve energy and reduce GHG emissions.

Performance and Targets

Material Aspect	Target for FY2021	Performance for FY2021	Target for FY2022
Energy Consumption	Maintain total energy consumption for Metro City, Shanghai below 3,100 TCE (90,830 gigajoules “GJ”) limit	Metro City, Shanghai consumed 2,445 TCE (71,639 GJ)	Maintain total energy consumption to be below 3,100 TCE (90,830 GJ)
	Annual reporting to CBRE Head Office for GIE Tower, Guangzhou	Achieved	Annual reporting to CBRE Head Office for GIE Tower

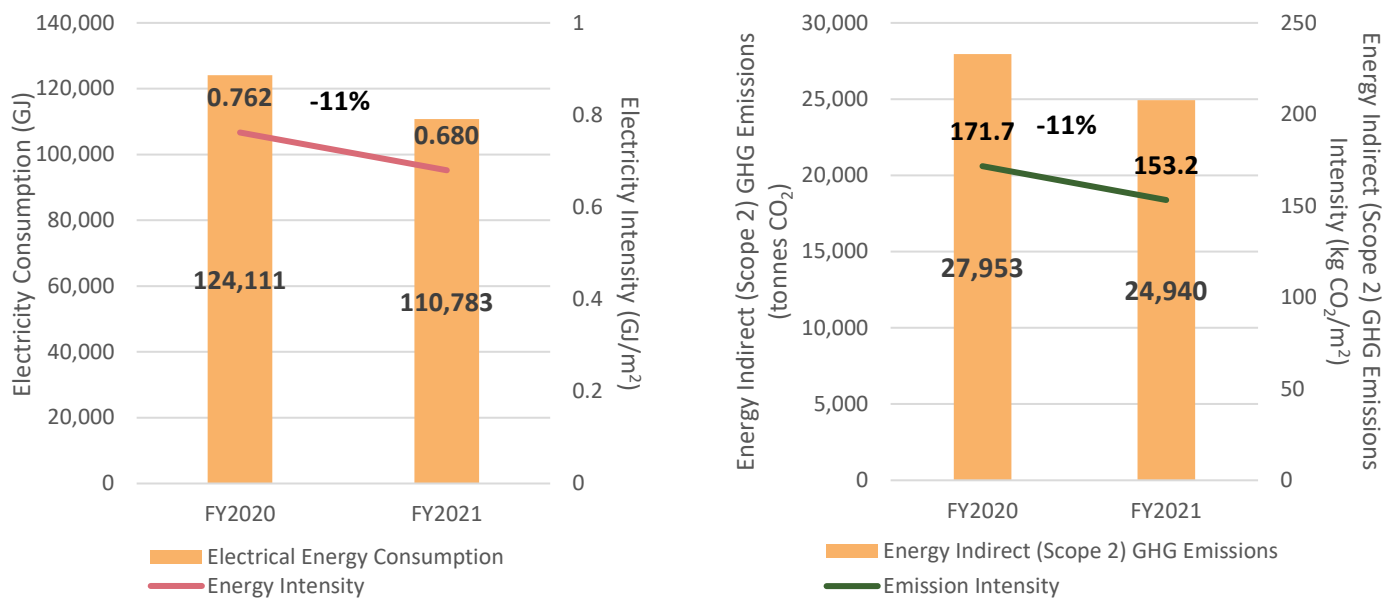
In FY2021, total energy consumption for our three China properties totalled 110,783 GJ, a 12.8% decrease in total energy consumption from 127,100 GJ in FY2020 due to more efficient electrical usage. Our FY2021 total energy consumption figure comprises entirely of purchased electricity (Figure 19), with zero diesel oil fuel consumption by Metro Tower, Shanghai from FY2021 onwards (Figure 20), as the diesel boiler was upgraded to a more efficient electrical heat pump.

Year	Fuel Consumption (GJ)	Purchased Electricity (GJ)	Total Energy Consumption in China (GJ)
FY2020	2,989	124,111	127,100
FY2021	0	110,783	110,783

¹⁷ Metro Tower, Shanghai has been classified as a low energy consumption building as total energy consumption does not exceed 1,000 TCE (29,308 GJ). It is excluded from the XDECT. Energy consumption for FY2021 is 647 TCE (18,971 GJ).

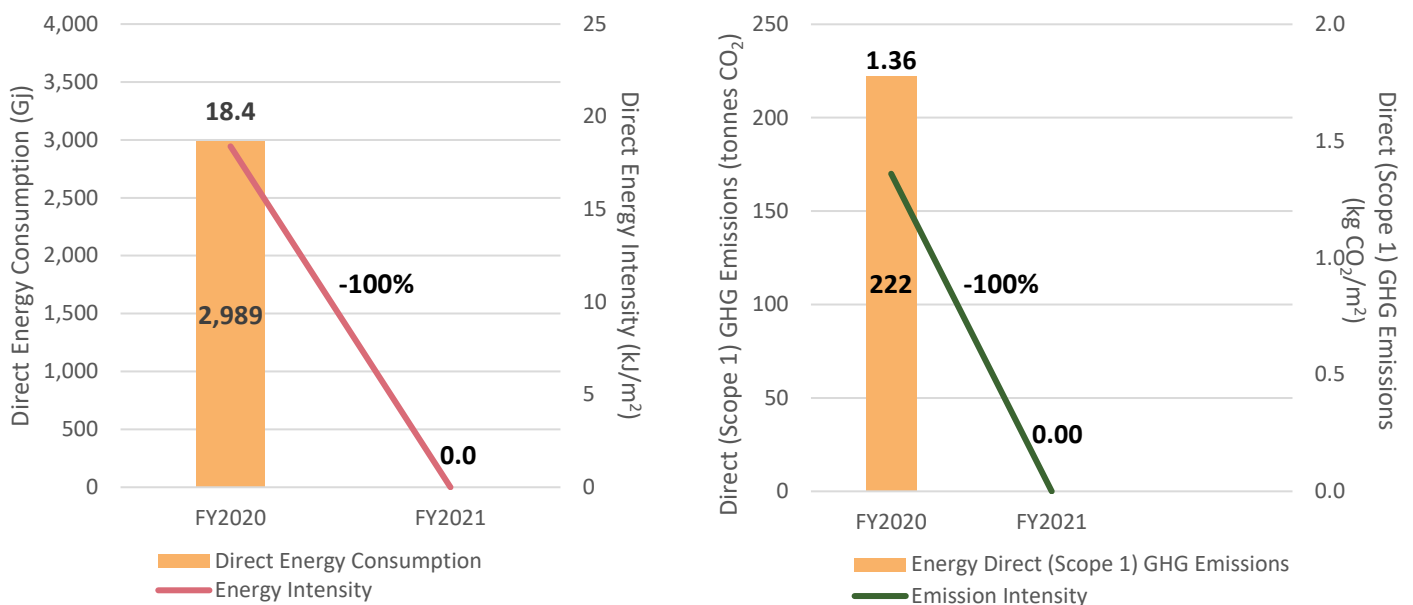
¹⁸ TCE is a unit representing energy generated by burning one metric ton of coal which is equivalent to 29.3 GJ or 8.1 MWh. Conversion was done at <https://www.convert-me.com/en/convert/energy/tce.html?u=tce&v=1>

Figure 19: Electricity Consumption & intensity and Energy Indirect (Scope 2) GHG Emissions¹⁹ & intensity for China Property



In addition to electricity at Metro Tower, Shanghai, diesel oil fuel was consumed to power boilers to supply hot water to the Heating, Ventilation and Air-Conditioning (“HVAC”) system in prior years. In FY2021, we saw a significant decrease from 2,989 to 0 GJ in diesel oil used (Figure 20), as the diesel boiler was upgraded to a more efficient electrical heat pump and whose electrical usage is captured in Figure 19 above. A corresponding decrease is also recorded in Scope 1 GHG emissions and emission intensity.

Figure 20: Fuel Consumption & Intensity and Direct (Scope 1) GHG Emissions²⁰ & Intensity for China Property



¹⁹ The latest emission factors for China were obtained from 2017 National Grid Emission Factors published by Ministry of Ecology and Environment of the People's Republic of China. Global warming potential (“GWP”) were derived from 2019 Refinement to the 2006 Intergovernmental Panel on Climate Change (“IPCC”) Guidelines for National Greenhouse Gas Inventories.


²⁰ GHG emission factors and GWP were derived from the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Singapore (Corporate and Retail Division)²¹

Policies and Practices

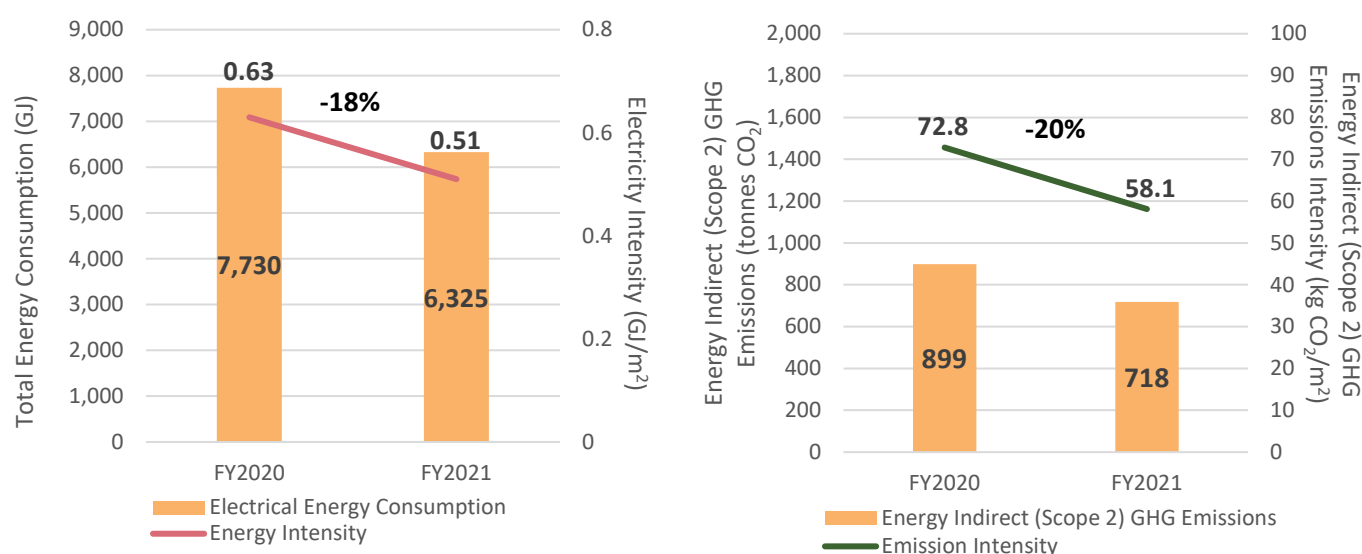
In our Singapore Corporate and Retail Divisions, we are located within rented properties and thus have limited control on energy management. We purchase electricity from the grid and no fuel is utilised. As such, we ensure efficient energy usage and remind employees to adopt eco-friendly habits and conserve resources, where possible.

Performance and Targets

Material Aspect	Target for FY2021	Performance for FY2021	Target for FY2022
Energy Consumption	Aim to maintain/reduce electricity consumption by considering the use of energy-saving options in future refurbishment works such as energy saving LED bulbs	Decrease in electricity consumption 	Aim to maintain/reduce electricity consumption by considering the use of energy-saving options in future refurbishment works such as energy saving LED bulbs

This year we recorded a 18% year-on-year decrease in electricity consumed in FY2021 to 1,757 MWh of purchased electricity (translating to 6,325 GJ) due to store closures during the Circuit Breaker from April to June 2020 and the shortening of operating hours from July 2020 onwards, brought about by COVID-19 pandemic. Similarly, on a per m² basis, electricity intensity went down by 20%.

Figure 21: Total Energy Consumption & Intensity and Energy Indirect (Scope 2) GHG Emissions & Intensity for Singapore Retail²²



²¹ Performance data does not include Singapore (Corporate Division) since its output is not material when compared to Retail.

²² For a meaningful comparison, we have omitted Metro Centrepoint from FY2020 figures. Emission factors used in calculation of carbon emissions for Singapore are derived from "2019 Singapore Energy Statistics", published by the Energy Market Authority of Singapore in 2019.

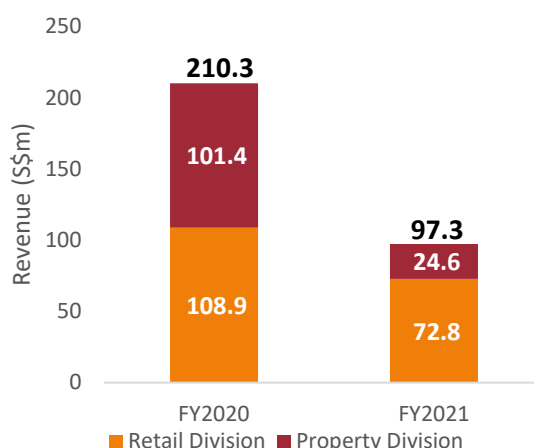
5.0 SUSTAINABLE GROWTH

5.1 Economic Performance

Metro aims to be a leading property investment and development group in the region, building on the synergies of our rich retail experience, strong foothold in our core markets, and our strategic partnerships. Group turnover for the financial year to 31 March 2021 ("FY2021") decreased to S\$97.3 million from S\$210.3 million in the previous year ("FY2020") as the property division recognised lower revenue of S\$17.9 million in FY2021 as compared to S\$95.2 million in FY2020 from the sale of property rights of the residential development properties in Bekasi and Bintaro, Jakarta, largely impacted by the ongoing COVID-19 pandemic. Revenue from GIE Tower, Guangzhou, increased marginally from S\$6.2 million in FY2020 to S\$6.6 million in FY2021.

The retail division also reported lower sales from S\$108.9 million in FY2020 to S\$72.8 million in FY2021 mainly due to closure of Metro Centrepont in October 2019 upon lease expiry as well as lower sales in the departmental stores in Singapore from the closures of retail stores during circuit breaker and Phase One from 7 April 2020 to 18 June 2020, arising from the COVID-19 pandemic. While 75% of revenue in FY2021 is contributed by the Retail Division, the majority of our profits are generated through our joint ventures and associates in the Property Division.

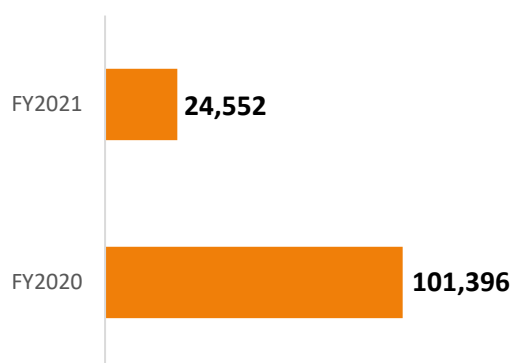
Figure 22: Revenue from Retail and Property Division



As we maintain our balanced portfolio of investment and development assets, we explore regional countries for diversification. The Group leverages on strategic alliances with existing and new partners to broaden our asset base and geographical spread.

Property Investment and Development

PROPERTY REVENUE (S\$'000)

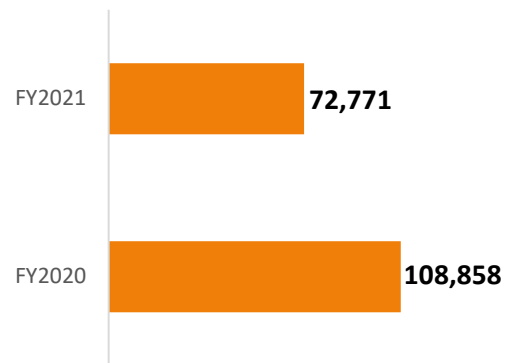


The Property Division's revenue decreased by S\$76.8 million to S\$24.6 million in FY2021 from S\$101.4 million in FY2020, mainly from the lower sale of property rights of the residential development properties in Bekasi and Bintaro, Jakarta, largely impacted by the ongoing COVID-19 pandemic. Revenue from GIE Tower, Guangzhou, increased marginally by S\$0.4 million to S\$6.6 million in FY2021. This excludes Metro City and Metro Tower, our 60%-owned joint ventures in Shanghai, in which equity accounting is being adopted.

Retail

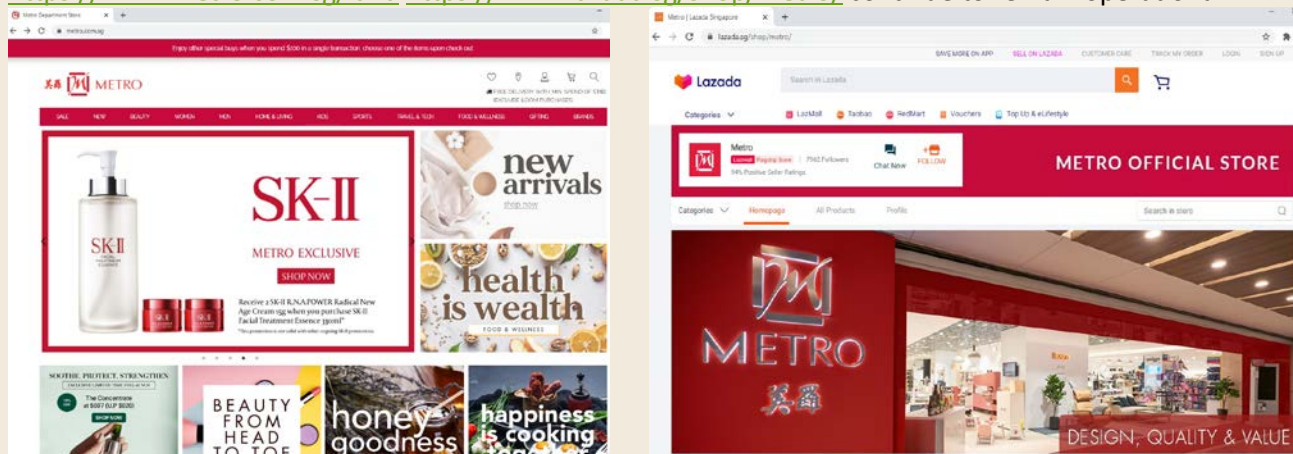
RETAIL REVENUE (\$S'000)

Metro's retail revenue decreased to S\$72.8 million in FY2021 from S\$108.9 million in FY2020 mainly due to the closure of Metro Centrepoint in October 2019 upon lease expiry as well as lower sales in the departmental stores in Singapore from the closures of retail stores during the circuit breaker from 7 April 2020 to 18 June 2020, arising from the COVID-19 pandemic. The Group's online retail business continues to remain operational.



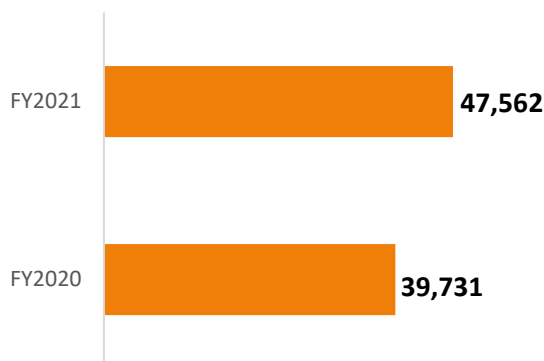
Delivering the Metro Experience via Metro Online and Metro LazMall

In compliance with the Singapore Government's circuit breaker measures, Metro closed all retail stores in Singapore from 7 April 2020 to 18 June 2020 for the safety of our staff and customers. The Group's online businesses at <https://www.metro.com.sg/> and <https://www.lazada.sg/shop/metro/> continue to remain operational.



Profit Before Tax

PROFIT BEFORE TAX (\$S'000)



The Group's profit before tax for the year increased to S\$47.6 million in FY2021 from S\$39.7 million in FY2020. Segment results decreased to S\$22.8 million in FY2021 from S\$34.2 million in FY2020 mainly due to the absence of divestment gain of S\$10.6 million from the disposal of the Group's 50% equity interest in its associate in Indonesia, PT Metropolitan Retailmart.

For more information on our financial performance, please refer to Metro Annual Report 2021.

5.2 Corporate Governance

Policies and Practices

Strong corporate governance and business ethics are core to all successful enterprises. Metro prides itself on aligning with the industry's best practices and exceeding stakeholders' expectations. Our corporate governance framework includes policies on responsible business conduct and can be found on pages 57 to 76 of the Metro Annual Report 2021.



Our employees are informed of their expected conduct during onboarding and are required to acknowledge our Management Integrity Statement. Our whistle-blowing policy encourages the raising of any complaints regarding questionable accounting, audit matters, internal controls, unsafe work practices or any other matters involving serious breaches of Group policy, corruption and employee misconduct. We have implemented a Lost Control Incentive Mechanism in our Retail Division, which provides cash incentives to staff and security personnel for reporting cases of internal theft.

Our set of policies, summarised in Figure 23 below, guides Metro on maintaining the highest standards of fairness, integrity and accountability.

Figure 23: Metro's Policies and Practices

Policy	Description
Management Integrity Statement	This policy provides a guide on integrity at the workplace, covering topics such as conflicts of interest, especially for persons in a position of major responsibility ²³ , so as to avoid situations of unintentional infringement of this policy. Management associates comprising of managers and executives are required to read and acknowledge his / her understanding of the Code of Conduct set forth herein; and acknowledgements are kept in their respective personnel files.
Whistle-Blowing Policy	This policy which is put in place by the Audit Committee allows staff and external parties to raise concerns about any possible improprieties in the organisations anonymously so that they will be protected from reprisals or victimisation. Arrangements are also put in place for independent investigations on cases to be conducted and for appropriate follow up actions to be taken.
Loss Control Incentive (Applicable to Retail Division only)	This policy provides cash incentives to staff and security personnel for reporting cases of internal theft.

Performance and Targets

Material Aspect	Perpetual Target	Performance for FY2021
Anti-corruption	Zero-tolerance approach towards corruption	Zero reported cases through Whistle-blowing Policy 
Regulatory Compliance	Zero-tolerance approach towards non-compliance in socio-economic and environmental areas	Zero cases of non-compliance in socio-economic and environmental area 

For FY2021, there were no reported cases under our Lost Control Incentive mechanism in our Retail Division. We continue to emphasise on honesty and integrity to all employees during sharing sessions at our morning briefing to maintain our track record.

²³ For Corporate, persons in position of major responsibility refers to managerial level and above. For Retail Division, it is applicable to supervisory level and above.

6.0 GRI CONTENT INDEX

GRI Standard Disclosure Reference	Disclosure	Section of Report / Reasons for Omission	Page Reference
GRI 102: General Disclosures 2016			
Organisational Profile			
102-1	Name of the organisation	About Us	1
102-2	Activities, brands, products, and services	About Us	1
102-3	Location of headquarters	About Us	1
102-4	Location of operations	About Us	1-2
102-5	Ownership and legal form	About Us	1
102-6	Markets served	About Us	1-2
102-7	Scale of the organisation	About Us; Profile of Our Workforce; Economic Performance	1-2 10-12 30-31
102-8	Information on employees and other workers	Profile of Our Workforce	10-12
102-9	Supply chain	Our Supply Chain	15
102-10	Significant changes to the organisation and its supply chain	About the Report There were no significant changes to the supply chain in FY2021	4
102-11	Precautionary Principle or Approach	Annual Report 2021	69-73
102-12	External Initiatives	Not applicable to Metro	
102-13	Membership of Associations	Key Memberships of our Retail Division in Singapore includes: Singapore Retailers Association, Singapore National Employer Federation, Singapore Business Federation, Global Compact Network Singapore, National Retail Federation, Human Capital Partnership and Orchard Road Business Association Under China (Property Division), we are a member of the Shanghai Association for Quality Association.	
Strategy			
102-14	Statement from senior decision-maker	Board Statement	5
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Corporate Governance	32
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance	32
Governance			
102-18	Governance structure	Sustainability Governance; Annual Report 2021	9 60-63
102-22	Composition of the highest governance body and its committees	Annual Report 2021	23-29, 60-63
102-23	Chair of the highest governance body	Annual Report 2021	63

GRI Standard Disclosure Reference	Disclosure	Section of Report / Reasons for Omission	Page Reference
102-24	Nominating and selecting the highest governance body	Annual Report 2021	64-66
102-25	Conflicts of interest	Annual Report 2021	57, 59-63
102-26	Role of Highest Governance Body in Setting Purpose, Values and Strategy	Board Statement; Sustainability Governance; Corporate Governance; Annual Report 2021	5 9 32 57-63
102-27	Collective knowledge of Highest Governance Body	Annual Report 2021	57-63
102-28	Evaluating the Highest Governance Body	Annual Report 2021	63-66
102-29	Identifying and Managing Sustainability Impacts	Board Statement	5
102-30	Effectiveness of Risk Management Processes	Annual Report 2021	69-73
102-32	Highest governance body's role in sustainability reporting	Board Statement; Sustainability Governance	5 9
102-35	Remuneration Policies	Annual Report 2021	67-69
102-36	Process for Determining Remuneration	Annual Report 2021	67-69
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	6-7
102-41	Collective bargaining agreements	<u>Singapore (Corporate and Retail Division)</u> 56% of employees in Singapore are covered under collective bargaining agreements. <u>China (Property Division)</u> 100% of employees in China are covered under collective bargaining agreements.	
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	6-7
102-43	Approach to stakeholder engagement	Stakeholder Engagement	6-7
102-44	Key topics and concerns raised	Stakeholder Engagement	6-7
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Annual Report 2021	159-167
102-46	Defining report content and topic Boundaries	About the Report	4
102-47	List of material topics	Materiality Assessment	8-9
102-48	Restatements of information	Energy Usage and Associated GHG Emissions	27-29
102-49	Changes in reporting	Not applicable	
102-50	Reporting period	1 April 2020 – 31 March 2021	
102-51	Date of most recent report	Sustainability Report 2020	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	About the Report	4

GRI Standard Disclosure Reference	Disclosure	Section of Report / Reasons for Omission	Page Reference
102-54	Claims of reporting in accordance with the GRI Standards	About the Report	4
102-55	GRI content index	GRI Content Index	33-37
102-56	External assurance	About the Report	4

Material Matters				
GRI Standard Disclosure Reference		Disclosure	Section of Report	Page Reference
Economic Performance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Economic Performance	30-31
	103-3	Evaluation of the management approach	Economic Performance	30-31
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Annual Report 2021	85-92
Energy Usage and Associated GHG Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Energy Usage and Associated GHG Emissions	27-29
	103-3	Evaluation of the management approach	Energy Usage and Associated GHG Emissions	27-29
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Energy Usage and Associated GHG Emissions	27-29
	302-3	Energy intensity	Energy Usage and Associated GHG Emissions	27-29
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	Energy Usage and Associated GHG Emissions	27-29
	305-2	Energy indirect (Scope 2) GHG emissions	Energy Usage and Associated GHG Emissions	27-29
	305-4	GHG emissions intensity	Energy Usage and Associated GHG Emissions	27-29
Health and Safety of Our Stakeholders				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Health and Safety of Our Stakeholders	20-26
	103-3	Evaluation of the management approach	Health and Safety of Our Stakeholders	20-26
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Health and Safety of Our Stakeholders	20-26
	403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety of Our Stakeholders	20-26
	403-3	Occupational health services	Health and Safety of Our Stakeholders	20-26

Material Matters				
GRI Standard Disclosure Reference		Disclosure	Section of Report	Page Reference
	403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety of Our Stakeholders	20-26
	403-5	Worker training on occupational health and safety	Health and Safety of Our Stakeholders	20-26
	403-6	Promotion of worker health	Health and Safety of Our Stakeholders	20-26
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety of Our Stakeholders	20-26
	403-9	Work-related injuries	Health and Safety of Our Stakeholders	20-26
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety of Our Stakeholders	20-26
Customer Satisfaction				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Customer Satisfaction	15-20
	103-3	Evaluation of the management approach	Customer Satisfaction	15-20
Talent Management and Development				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Talent Management and Development	12-14
	103-3	Evaluation of the management approach	Talent Management and Development	12-14
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Talent Management and Development	12-14
	404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management and Development	12-14
Corporate Governance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	8-9
	103-2	The management approach and its components	Corporate Governance	32
	103-3	Evaluation of the management approach	Corporate Governance	32

Material Matters				
GRI Standard Disclosure Reference		Disclosure	Section of Report	Page Reference
GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance	32
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Corporate Governance	32
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Corporate Governance	32