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Please refer to the attached file for a copy of the Sustainability Report.

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Attachments [Sustainability%20Report%20Final.pdf](#)

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STRATEGIC EXPANSION RESILIENT GROWTH

METRO HOLDINGS LIMITED
SUSTAINABILITY REPORT 2020

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1.0 INTRODUCTION

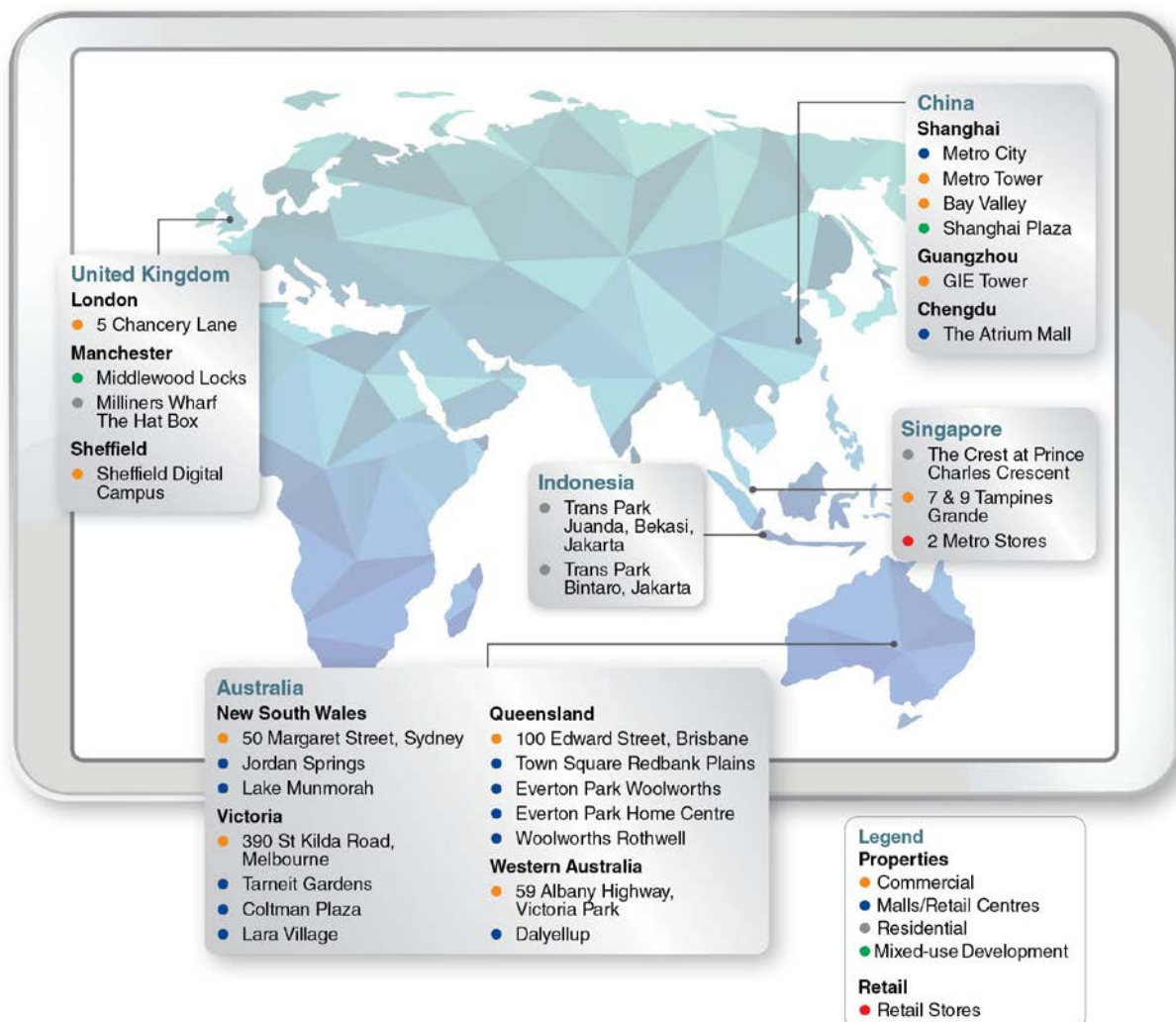
1.1 About Us

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\$210.3 million and net assets of S\$1.5 billion as at 31 March 2020.

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 377,000 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; and over 380,000 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 InfraRed NF China Real Estate Fund II (A), L.P. ("InfraRed Fund II") and InfraRed Fund III respectively, both private equity real estate opportunity funds and 7.4% in Mapletree Global Student Accommodation ("MGSA") Private Trust, a private trust in Singapore.



Metro Tower and Metro City, Shanghai



Trans Park Bintaro, Jakarta



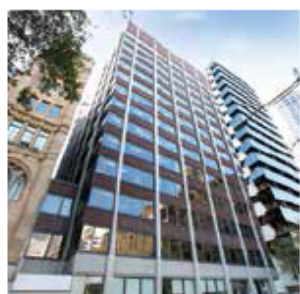
The Atrium Mall, Chengdu



5 Chancery Lane, London



GIE Tower, Guangzhou



50 Margaret Street, Sydney

CHINA

Shanghai

Metro City, Metro Tower, Shanghai Plaza, Shanghai Shama Century Park, Bay Valley

Guangzhou

GIE Tower

Chengdu

The Atrium Mall

INDONESIA

Jakarta

Trans Park Juanda, Bekasi, Trans Park Bintaro

SINGAPORE

The Crest at Prince Charles Crescent, 7 & 9 Tampines Grande

UNITED KINGDOM

Manchester

Middlewood Locks, Milliners Wharf The Hat Box

Sheffield

Sheffield Digital Campus

London

5 Chancery Lane

AUSTRALIA

New South Wales

50 Margaret Street, Jordan Springs, Lake Munmorah

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
InfraRed Fund II
InfraRed Fund III

SINGAPORE INVESTMENT

MGSA Private Trust

RETAIL

Metro's retail arm serves customers through two Metro department stores in Singapore. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise.

SINGAPORE

Causeway Point, Paragon and The Centrepoint (Closed in October 2019 upon lease expiry)

INDONESIA (Divested on 12 December 2019)

Jakarta, Bandung, Makassar, Surabaya and Solo



Singapore



Indonesia

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 2020 (“FY2020”). It has been prepared in accordance with Global Reporting Initiatives (“GRI”) Standards 2016 – 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 conducted our first formal materiality assessment with internal stakeholders 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 have been reviewed and validated again by our Management in FY2020.

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 2019 to 31 March 2020 (“FY2020”). In FY2020, as part of Metro’s long-term strategy of rationalising its retail business, it has closed Metro Centrepoint upon lease expiry in October 2019.

Figure 1: List of Business Segment under SR2020 Report

Country	Business Segment	Under Reporting Scope¹	Reference in Report
China 	<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ Retail 	<ul style="list-style-type: none"> ▪ Metro Paragon ▪ Metro Causeway Point ▪ Metro Centrepoint (Closed October 2019) 	Referred to as “ Singapore (Corporate and Retail Division) ”

Contact us

We welcome feedback 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 global economy is experiencing an uncertain and volatile climate due to the trade tensions between the United States and China which is now exacerbated by the COVID-19 pandemic. The unprecedented global economic crisis and the post-COVID-19 pandemic impact will fundamentally transform the business landscape of the world which we know today.

Amidst the uncertain economic outlook and evolving COVID-19 pandemic situation, Metro continues to take proactive measures to strengthen our financial position, including preserving cash, optimising cash flows and liquidity, and actively managing our existing investment portfolio, for optimal returns. We continue to demonstrate our ability to capitalise on opportunities with prudent capital structure and be well-positioned to ride the next upcycle.

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

Recognising the challenging business environment caused by the COVID-19 pandemic, rental rebates and waivers as well as extension of payment terms were granted to some tenants at Metro City, Metro Tower and GIE Tower who faced cashflow difficulties due to the closure of business operations. Our three properties continue to maintain a high average occupancy rate and contribute stable recurring income. After the lockdown was lifted and businesses resumed in our properties, Metro City witnessed the increase in customer spending levels and leasing activities for the three office buildings in Bay Valley are also improving. Asset management works for Shanghai Plaza and The Atrium Mall in Chengdu have resumed and leasing activities are in progress. Nonetheless, the shadow of a potential second COVID-19 wave in Beijing and Xinjiang, China and the ongoing tensions between China and the United States may likely weigh down the economy.

In this third Metro Sustainability Report 2020, as we continue to expand strategically and grow sustainably, we are mindful of the impact our businesses have on the community and environment. Transparent and timely disclosure of our sustainability performance is a useful tool as it keeps our stakeholders updated with a holistic picture of the Group's performance.

Metro's Board of Directors and Management consider sustainability integral to our Group's success. Review of EESG material matters are critical to Metro's strategy and operations. 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 continue to seek ongoing support from our stakeholders and urge everyone to join us towards the goal of sustainability.

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. 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	Frequency of Engagement
Retail Shoppers and Visitors	<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 	<ul style="list-style-type: none"> ▪ Customer feedback (via Ratelt Portal, Metro's website, phone call, Facebook, WhatsApp, Instagram and email) 	<ul style="list-style-type: none"> ▪ Ongoing
			<ul style="list-style-type: none"> ▪ Dedicated customer service counter 	<ul style="list-style-type: none"> ▪ Daily
			<ul style="list-style-type: none"> ▪ Face-to-face interactions in-store on sales floor 	<ul style="list-style-type: none"> ▪ Daily
			<ul style="list-style-type: none"> ▪ Loyalty programmes 	<ul style="list-style-type: none"> ▪ Ongoing
			<ul style="list-style-type: none"> ▪ Networking events 	<ul style="list-style-type: none"> ▪ As appropriate
Tenants	<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 	<ul style="list-style-type: none"> ▪ Tenant satisfaction survey (through survey form and face-to-face interview) 	<ul style="list-style-type: none"> ▪ Biannually
			<ul style="list-style-type: none"> ▪ Correspondence through email and calls 	<ul style="list-style-type: none"> ▪ Ongoing
			<ul style="list-style-type: none"> ▪ Meetings 	<ul style="list-style-type: none"> ▪ As appropriate
Employees	<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 • Having a safe and healthy working environment 	<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 ▪ Implementation of health and safety measures at the workplace 	<ul style="list-style-type: none"> ▪ Management-Union Dialogue 	<ul style="list-style-type: none"> ▪ Quarterly (Retail)
			<ul style="list-style-type: none"> ▪ MetroNews (internal newsletter) 	<ul style="list-style-type: none"> ▪ Quarterly (Retail)
			<ul style="list-style-type: none"> ▪ Employee orientation 	<ul style="list-style-type: none"> ▪ Ongoing (Retail)
			<ul style="list-style-type: none"> ▪ On-the-job training 	<ul style="list-style-type: none"> ▪ Ongoing (Retail and Property)
			<ul style="list-style-type: none"> ▪ Performance reviews and appraisals for all employees 	<ul style="list-style-type: none"> ▪ Ongoing (Corporate) ▪ Weekly, quarterly and yearly reviews (Retail and Property)
<ul style="list-style-type: none"> ▪ Workshops for both technical and soft skills development 	<ul style="list-style-type: none"> ▪ As appropriate (Corporate) 			

Stakeholder Groups	Key Interests of Stakeholder Groups	Metro's Response	Methods of Engagement	Frequency of Engagement
Employees			<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	<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	<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”) 	<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 	<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	<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	<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 FY2020, these existing matters were reviewed by our Management and remain unchanged. We will 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 FY2020. We will continue to review our material matters annually.

Figure 3: Metro's Materiality Matrix

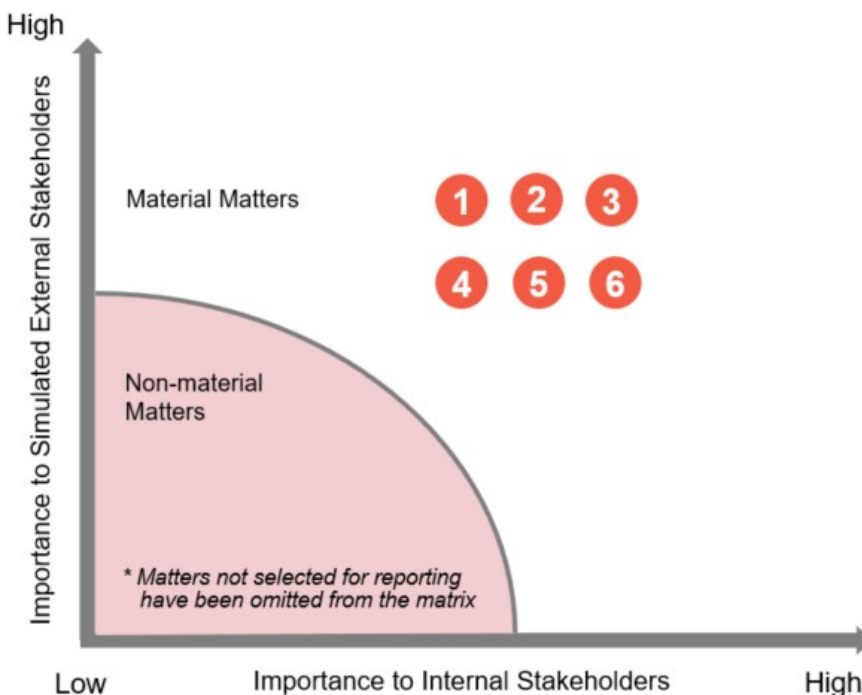


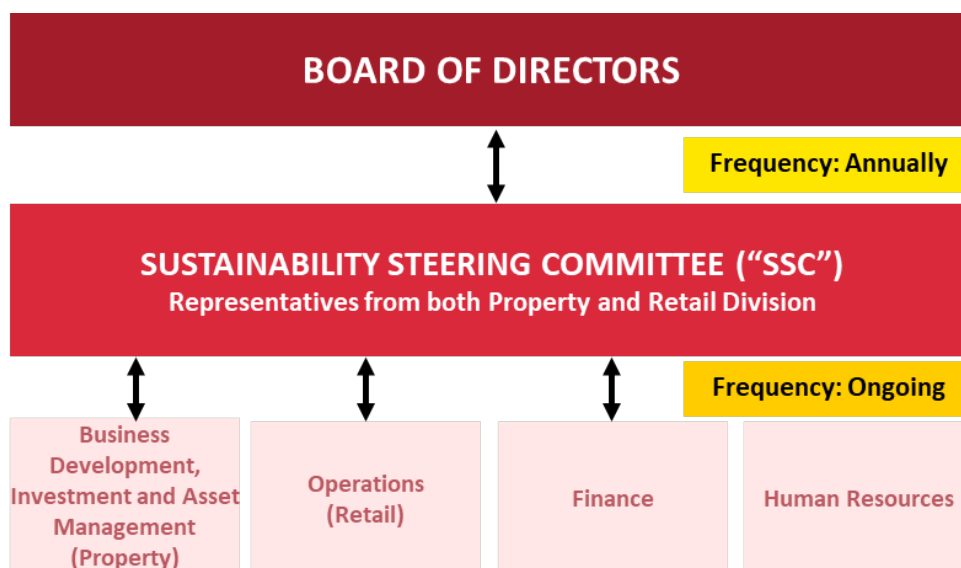
Figure 4: Mapping of Material Matters to GRI Standards

	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] 	28-29
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] 	25-27
3	Talent Management and Development	Social	<ul style="list-style-type: none"> GRI 404: Training and Education [404-1, 404-3] 	11-13
4	Customer Satisfaction	Social	<ul style="list-style-type: none"> No relevant GRI topic-specific disclosure 	14-19
5	Health and Safety of Our Stakeholders ³	Social	<ul style="list-style-type: none"> GRI 403 Occupational Health and Safety [403-2] GRI 416 Customer Health and Safety [416-2] 	19-24
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] 	30

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



³ Stakeholders are defined as employees, tenants, customers and visitors.

3.0 PEOPLE

3.1 Our Employees

Profile of Our Workforce

In FY2020, we saw a 21% decrease in headcount to 469 employees. This was due to the reduction of fixed-term employees at Retail Division in Singapore with the closure of Metro Centrepoint upon lease expiry in October 2019. 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.



469

Total Number of Employees⁴ as at 31 March 2020



Metro Corporate HQ
(Singapore)

30



Retail
(Singapore)

231



Property
(China)

208

⁴ 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 2020, we have a total of 90 workers. They include 20 workers hired under our Retail Division as interns and contractors in Singapore and a total of 70 workers hired under our Property Division.

Figure 6: Breakdown of Employees by Gender and Region

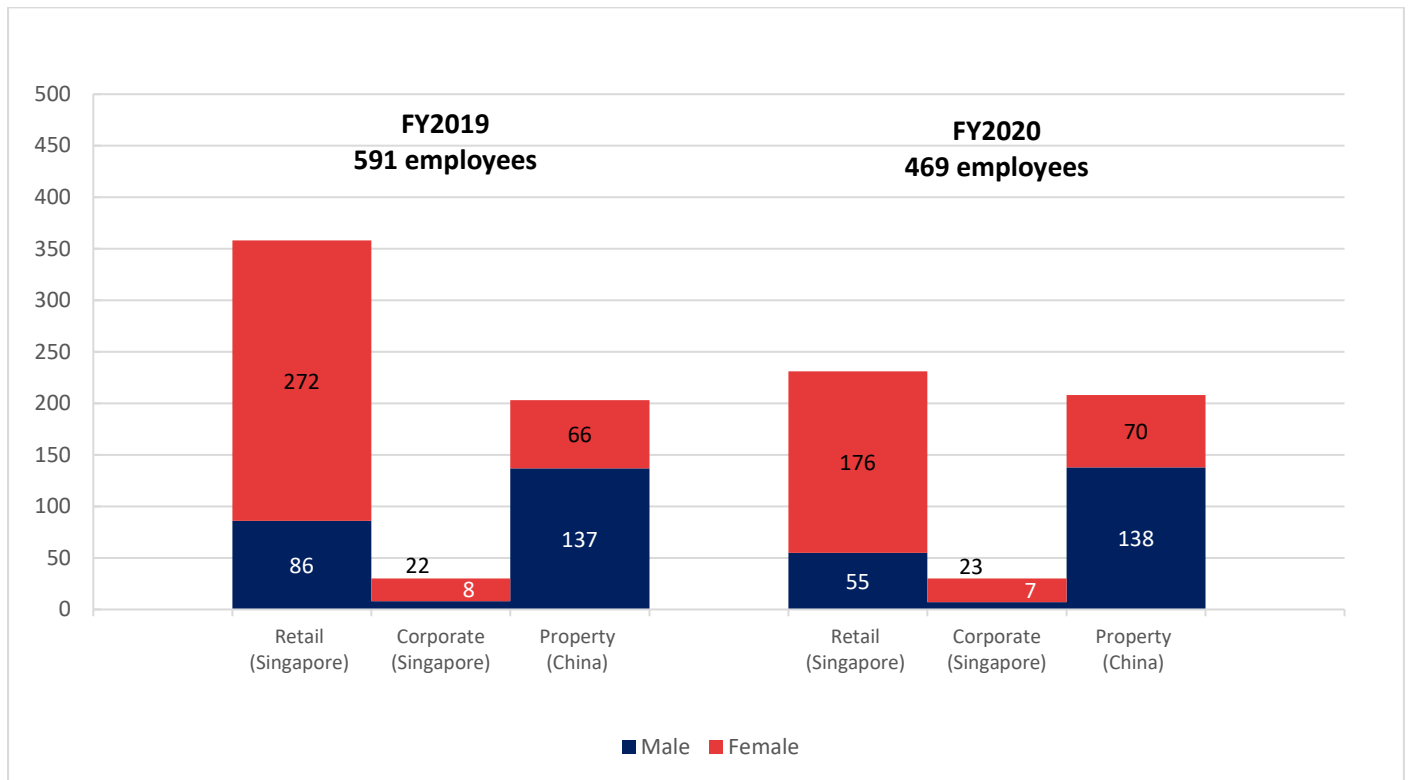
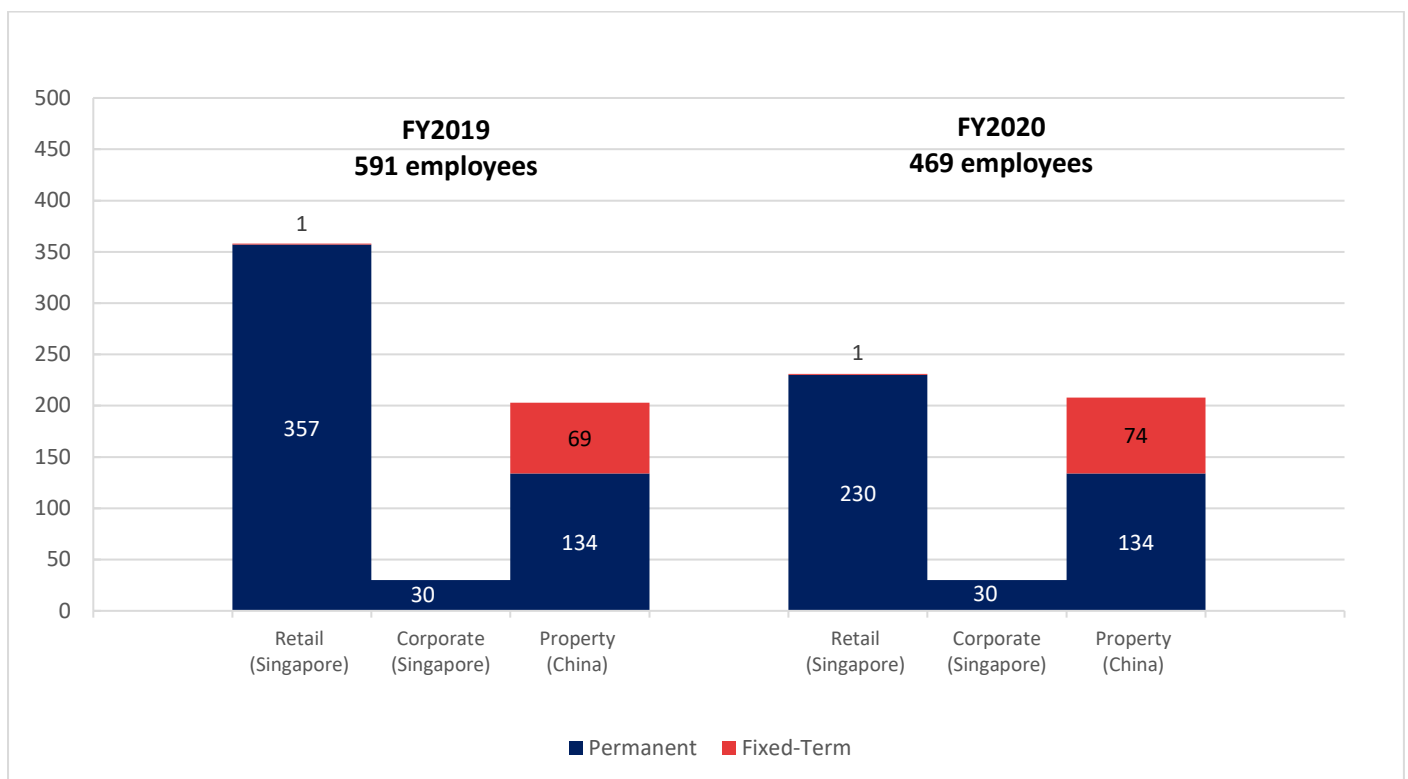
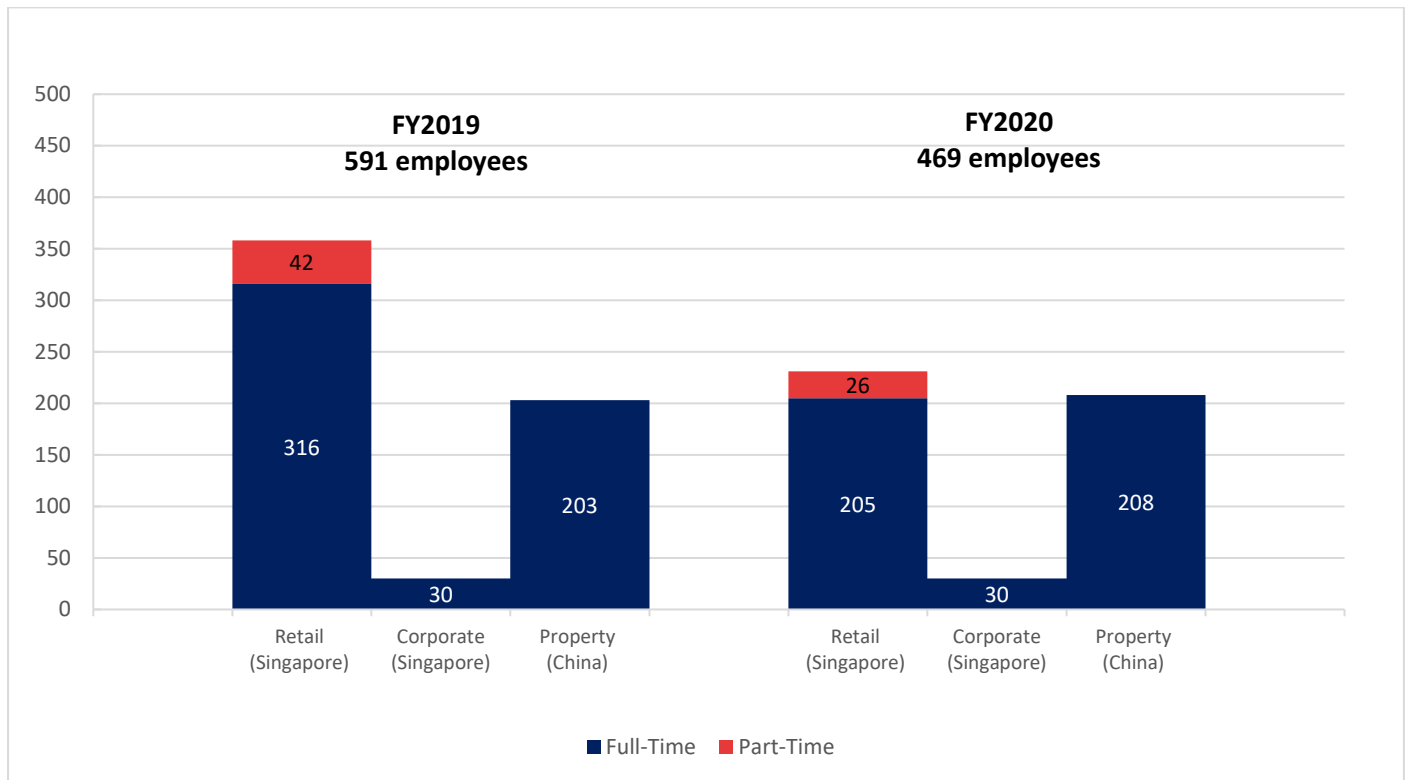


Figure 7: Breakdown of Employees by Employment Contract⁵ and Region



⁵ 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. Alignment of employee/supervisor expectations are enabled through regular communication.

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 trainings on professional and specific skills which will help new hires assimilate into the workplace and upgrade existing employees. Trainings are also conducted to raise awareness on workplace health and safety.

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

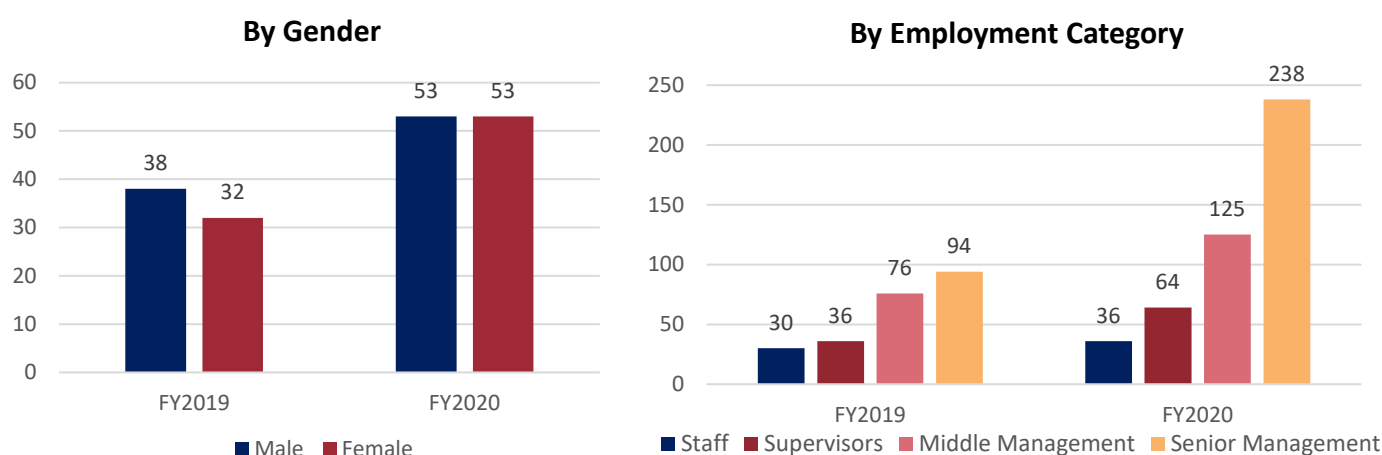
Internal	<ul style="list-style-type: none"> • Mandatory Induction Training <ul style="list-style-type: none"> ○ A general company-wide training will be held for all new hires ○ Department-specific trainings will be held thereafter
	<ul style="list-style-type: none"> • Specialised/Focused Training <ul style="list-style-type: none"> ○ Various topics covering 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 which all employees must complete <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 FY2020	Performance for FY2020	Target for FY2021
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 FY2020, we achieved our China (Property Division) target of 100% training for all new hires in FY2020 and recorded an increase to 11,060 training hours in total, averaging 53.2 hours per employee. This increase was led by additional training hours in particular by senior management, middle management and supervisors.

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




Singapore (Corporate and Retail Division)

Policies and Practices

Talent management and development is overseen by our HR Division. 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. When required, our HR Division will also conduct additional refresher trainings, which included a one-hour update training for existing associates in FY2020. In response to COVID-19 pandemic, all classroom trainings were suspended since January 2020 for safety reasons.

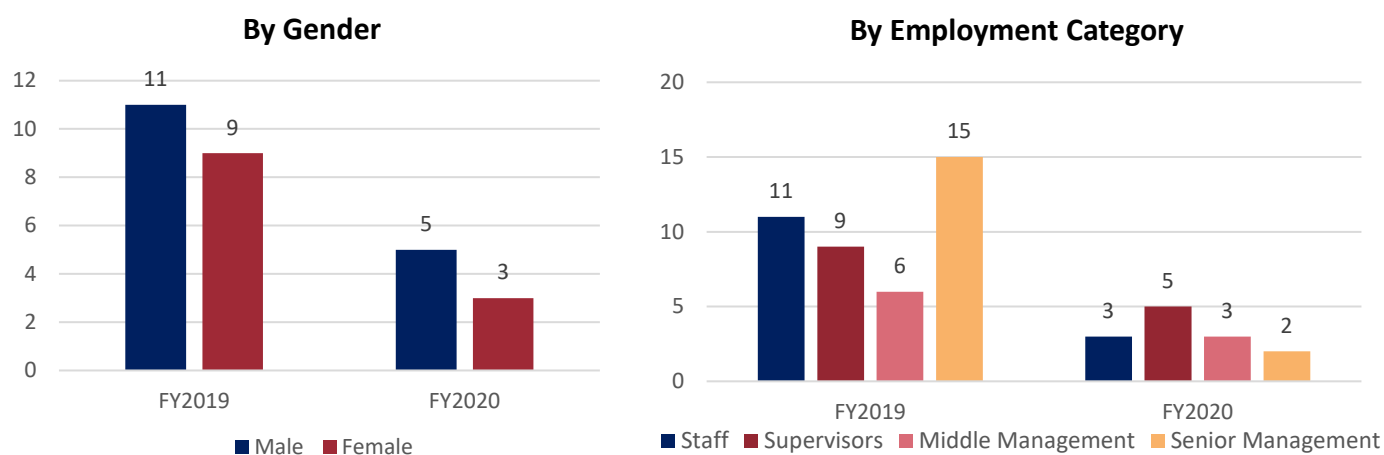
All employees go through a formal annual performance appraisal process, ensuring that expectations are conveyed, and their performance is closely monitored. Regular two-way communication between supervisors and staff is encouraged and allows for prompt addressing of matters.

Performance and Targets

Material Aspect	Target for FY2020	Performance for FY2020	Target for FY2021
Training and Development	Implementation of E-learning for Supervisors and Managers	Recorded 859 hours of total training and development in FY2020 	Increase average training hours for each full-time staff to 5.5 hours

In FY2020, we recorded 859 hours of training and development, a decrease from FY2019. This was due to decrease in training hours due to the Metro Centrepoint moving out sales, reduction in headcount and hiring, followed by 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

Our Property and Retail Divisions have separate supply chains given the different nature of businesses.

Within the Property Division, Shanghai Metro Tower and Metro City 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.

Metro Retail obtains our products of leading international and local brands 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, including maintenance and renovation work, security, and delivery.

Customer Satisfaction

China (Property Division)

Policies and Practices

As tenant satisfaction is important to our China properties, we implemented an ISO 9001:2005 certified customer satisfaction monitoring programme to actively engage and seek feedback from our tenants. A dedicated customer satisfaction committee gathers feedback through surveys, face-to-face meetings, telephone conversations and email. On an annual basis, feedback is formally gathered through our annual satisfaction survey across five areas: security, cleanliness, repair and maintenance work, facility management and provision of amenities. Under the Quality Management Systems requirements, issues raised will be recorded for timely rectification and to prevent reoccurrence.

Based on prior year feedback, we embarked on an escalator upgrading programme at Metro City in FY2020.



In addition, we provided forums for customer engagement such as Metro's official WeChat account, shopping guides featuring tenants' promotions, marketing posters inside elevators and on the annual Christmas newsletter. This has improved customer satisfaction at Metro City.

Performance and Targets

For FY2020, 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.

At GIE Tower in Guangzhou, we achieved a 99.3% tenant satisfaction rate and strive to improve in areas where we have not met expectations. Figure 12 details the actions taken in the reporting year and our future plans.

Figure 12: FY2020 Customer Satisfaction Survey Performance and Future Plans

Survey Group	Perpetual Target	Results for FY2020	Actions Taken in the Reporting Year	Future Plans
Shanghai				
Tenants in Metro Tower	98%	99.7%	<ul style="list-style-type: none"> Reduce paper usage through switching distribution to electronic means, e.g. tenant circulars by email or via Metro APP Active tenant engagement through streamlined response procedure and follow-up Improved maintenance and repair 	<ul style="list-style-type: none"> Assess tenants’ requests and identify areas for improvement and develop action plans
Tenants in Metro City	98%	98.4%	<ul style="list-style-type: none"> Provided forums for customer engagement such as Metro’s official WeChat account, shopping guides featuring tenants’ promotions, marketing posters inside elevators and on the annual Christmas newsletter 	
Consumers	88%	95.4%	<ul style="list-style-type: none"> Embarked on escalator upgrade plan in FY2020 in response to customer feedback Continued optimisation of mall floor plan and store layout, including the addition of more clothing stores on the second floor and improvement of indoor landscaping 	<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%	99.3%	<ul style="list-style-type: none"> Installed air fresheners for a more pleasant and welcoming environment Enhanced frequency of cleaning and hygiene checks 	<ul style="list-style-type: none"> Multiple department meetings each month to review issues

Case Study: Happy Summer in Metro in FY2020

FY2020 marks the 20th year of our “Happy Summer in Metro” event and this has become a popular community activity central to the Shanghai Metro brand. The programme motivates and rewards underprivileged high-achieving students with an experiential excursion to the top modern cities of China. During the year, Metro Shanghai invited more than 10 teachers and low-income students from Tong Jiang Secondary School of Sichuan province to participate in the event and visit the world-class city of Shanghai. Metro Shanghai will contribute RMB50,000 towards this cause.

Happy Summer in Metro

In 2019, as an extension of the programme, Shanghai Metro donated RMB150,000 to the Shanghai Xuhui District Education Development Fund to further the development of education and reward outstanding teachers. Shanghai Metro plans to donate a further RMB150,000 in 2020.



Our scholarship students received RMB150,000 in Metro Scholarship and Bursary awards.



Singapore (Retail Division)

Policies and Practices

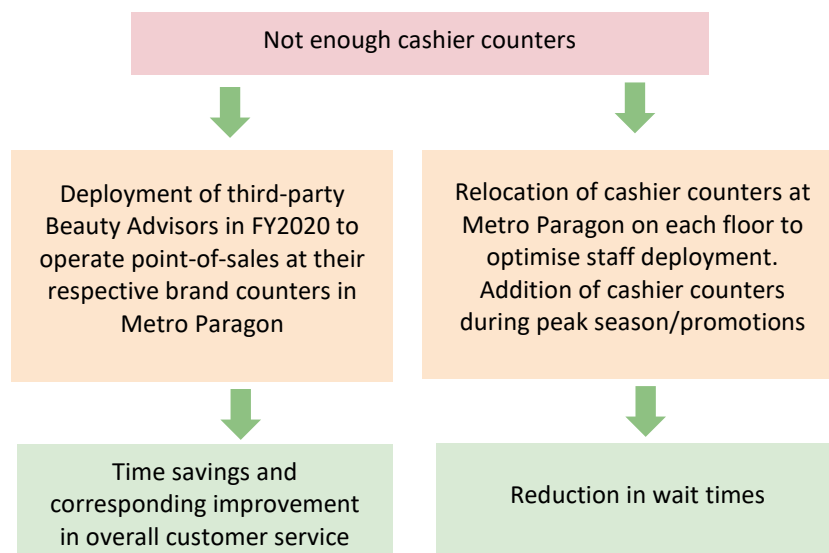
Metro aims to be the consumer’s store of choice. As such, customer satisfaction is our top priority and we remain committed to delivering value to every shopper. In FY2020, we focused on extending our e-commerce presence via Metro Online and Metro LazMall to elevate the Metro shopping experience. This digital move was undertaken prior to the onset of the COVID-19 pandemic in the first quarter of 2020 and accelerated as a result of the temporary closure of our physical stores during the circuit breaker from 7 April to 18 June 2020.

New Product and Service Offerings	Description	Actions Taken by Metro
Extending e-commerce presence via Metro Online and Metro LazMall	Increased product selection and engagement with consumers on e-commerce platforms Metro Online and Metro LazMall	Upskilling associates with e-commerce know-how through on the job training. Continuous review of processes with associates and partners to work 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. Each tablet is strategically placed at our counters that allow for shoppers to rate the service provided. The platform uses a Net Promoter Score⁶ (“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




⁶ 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”)⁷ as performance rating systems. In FY2020, we achieved +81 points for our NPS, which have surpassed the target set in FY2019. We remain committed to delivering exceptional service and have set out our targets for the forthcoming year in Figure 13 below.

Figure 13: FY2020 Targets for Customer Satisfaction, Results and Future Plans

Target for FY2020	Results for FY2020	Performance and Actions Taken in Reporting Year	Target for FY2021	Future Plans	
Customer Satisfaction Index of Singapore (“CSISG”)					
To achieve 3 rd place or better in the Retail sector	N.A. ⁸	<ul style="list-style-type: none"> Deployment of third-party beauty advisors Relocation of cashier counters 	To achieve 3 rd place or better in the Retail sector	Continuous efforts to improve omnichannel presence and service	
Net Promoter Score (“NPS”)					
+80 points	+81 points	 <ul style="list-style-type: none"> Improved from +79 points in FY2019 to +81 points in FY2020 Daily, weekly and monthly monitoring of NPS to rectify issues promptly and prevent reoccurrence 	+85 points		



“Madam Hatimah is very polite and professional in answering our queries. She is very cheerful and friendly. I am very happy with her customer service attitude.”

Feedback received at Metro Paragon via Ratelt on 26 March 2020

“Not enough cashier counters”

Feedback received at Metro Paragon on 19 January 2020



Metro’s Response: We constantly review our service levels and pay attention to spikes in demand. This is of special importance during the year-end peak season, as well as during promotional periods.

⁷ 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.

⁸ Due to the COVID-19 pandemic affecting in-person data collection, Metro was not listed in the results released on 25 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 FY2020, a total of 42 recipients (30 Gold Awards and 12 Silver Awards) were conferred the awards for their excellent service. In FY2021, we have nominated 14 associates for the EXSA award. Results of EXSA 2020 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 safety management systems are formulated in accordance with ISO 45001:2018 International Standards (previously OHSAS 18001). National and regional laws guide the formulation of our China (Property Division) policies. Metro does not directly manage GIE Tower in Guangzhou but instead applies stringent Occupational Health and Safety (“OHS”) standards through our property manager CBRE.

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


Everyone has a role to play in workplace safety. 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 FY2020, Metro Shanghai and its local joint venture partner Shanghai Xujiahui Centre (Group) Co. Ltd. signed the FY2020 Safety Work Responsibility Pledge, affirming Metro Shanghai’s commitments, plans and disclosed targets for a safer workplace for all stakeholders. Submission is done annually, and the Group discusses its approach on training topics such as identification and mitigation of workplace risks. 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 FY2020, 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 FY2020	
Occupational Health and Safety	Zero fatality rate, injury rate, occupational disease rate and lost day rate for employees	Achieved	

Creating a safe environment results in a more productive workforce. In FY2020, we had zero fatalities, occupational diseases and workplace injuries, similar to FY2019 and FY2018. We also recorded a lower absentee rate this year.

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

China (Property Division)	FY2019			FY2020		
	Male	Female	Total	Male	Female	Total
Number of Injuries	0	0	0	0	0	0
Injury Rate ("IR") ⁹	0	0	0	0	0	0
Lost day rate ("LDR") ¹⁰	0	0	0	0	0	0
Absentee Rate ("AR") ¹¹	0.69%	2.43%	1.26%	0.20%	2.52%	0.98%

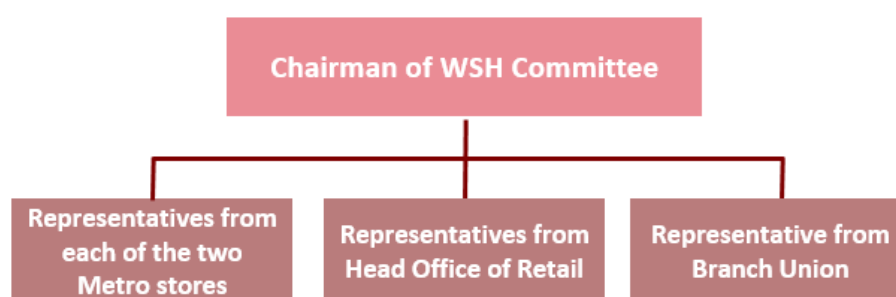
Singapore (Corporate and Retail Division)

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. Every two months, our WSH Committee conducts workplace inspections, ensuring

⁹ 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.

¹⁰ 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.

¹¹ 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.

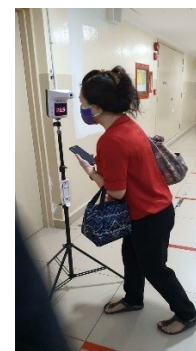
that health and safety risks are recorded, and measures remain relevant. Regular WSH talks are organised to inculcate a safety culture among our employees. We also advocate a healthy lifestyle. Details of our initiatives are showcased in the case studies on pages 21-22.

Case Study: Safeguarding Against the Global COVID-19 Pandemic

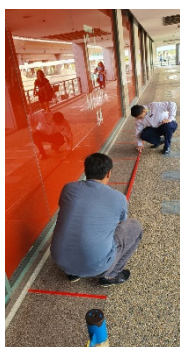
Metro works closely with the public health authorities in managing the impact of COVID-19 pandemic on its properties, staff, tenants and visitors, and taking the necessary precautionary measures. These measures are progressively strengthened where required and developed in line with Metro's Business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

Some of the measures implemented are as follows:

- Limiting entry points to our Metro Paragon and Metro Woodlands stores and imposing of occupancy limits
- Control access at the workplace via implementation of SafeEntry visitor management system
- Temperature screening at the entrances of Metro Paragon, Metro Woodlands, our warehouse at Ang Mo Kio and at our corporate headquarters
- Intensified cleaning and disinfection of common areas (e.g. doors, lift buttons, escalator handrails etc)
- Make available hand sanitisers at cashier counters and office lobbies for visitors and tenants
- Cancellation of mass events and other tenant events
- Compliance with directives and guidelines by the local governments
- Morning briefings at the stores daily on precaution measures including temperature taking, isolation room, declaration forms, one-meter marking on safe distancing etc
- Training staff on the processes to be adopted if someone is suspected to be infected (including bringing the suspected case to the isolation area/room and through designated routes to the ambulance pick-up point)
- Stagger work and break hours
- Implement shift or split team arrangements for employees, with work from home as default
- Posters on DORSCON table, proper way to wear mask/wash hands etc placed at all workplaces



L to R: Temperature screening at Metro Woodlands Department Store and Staff Entrance



L to R: One-meter markings for safe distancing at stores and staff canteen

Case Study: Health and Wellness

Metro continued its partnership with the Orchard Road Business Association (“ORBA”) to support Singapore’s movement towards healthy living and healthier workspaces by promoting “Work Great on A Great Street”. This included activities throughout the year such as nature walks, morning stretching exercises, in-store health checks for Body Mass Index and blood pressure (clockwise from top right).

For the second consecutive year, Metro participated in the Health Promotion Board’s National Steps Challenge™, this time with 86 Corporate Challenge participants for the fifth season which ran from 26 October 2019 to 30 April 2020.



Performance and Targets

Material Aspect	Target for FY2020	Performance for FY2020	Target for FY2021
Occupational Health and Safety	Reduce number of lost days due to work-related injuries and illness by 10%	Increase in lost days recorded	Reduce number of lost days due to work-related injuries and illness by 10% against FY2020

In FY2020, we achieved zero fatalities and zero occupational diseases for both employees and third-party workers. Unfortunately, there were four incidents versus two incidents in FY2019. Corrective actions have been promptly implemented to prevent reoccurrences. The Injury Rate (“IR”) and Lost Day Rate (“LDR”) have increased, as one of the incidents resulted in a long medical absence for a single employee. For FY2021, 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)	FY2019			FY2020		
	Male	Female	Total	Male	Female	Total
Number of Injuries	0	1	1	0	4	4
Injury Rate (“IR”) ¹²	0	340	258	0	2,010	1,533
Lost day rate (“LDR”) ¹³	0	8	6	0	63	47
Absentee Rate (“AR”) ¹⁴	2.01%	1.83%	1.87%	1.99%	1.75%	1.81%

¹² 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.

¹³ 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.

¹⁴ 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.

Figure 17: Summary of Injury Cases for FY2020

FY2020			
Number of Injuries		Description of Injuries	Corrective Measures
Male	Female		
Employees			
0	4	<ol style="list-style-type: none"> Ladder fell on boxes in store, which hit an employee's head Signage stand fell on employee causing a wound on nasal bone Glass shelving causing cut on hand Leg twisted while walking outside ladies' toilet at Corporate HQ resulting in chronic partial tear on right ankle 	<ol style="list-style-type: none"> Ensure proper placement of all ladders and boxes to prevent reoccurrence Proper securing of all signages going forward Staff reminded to exercise caution when working with glass shelves Floor of accident site not wet and slippery. Advised staff to be more careful in the future.

Our Tenants, Customers and Visitors

China (Property Division)

Policies and Practices

In response to the COVID-19 pandemic, entry and exit of our China properties are controlled, with temperature screening put in place. In addition, increased frequency of cleaning of toilets, elevators, escalator and public spaces is implemented. The business hours of Metro City have been adjusted in accordance with government regulations and as the pandemic evolves.




At our Shanghai properties, we have a dedicated Facility Management (“FM”) team that maintains oversight on safety and health of tenants, consumers and visitors. Our risk management framework ensures proper identification and control of risks. In emergencies such as power outages, fires, acts of terrorism, outbreak of diseases or natural disasters, we have a comprehensive response plan. It details the actions undertaken to minimise property damage and injury. Our recently upgraded escalators have significantly lowered incidents, and this has created a safer environment for all tenants, consumers and visitors at Metro City.

At GIE Tower, CBRE also has a similar set of Standard Operating Procedures (“SOP”) in place which manages health and safety of all stakeholders. Their client service team handles feedback raised from tenants and customers. Various practices and initiatives listed below are carried out on an ongoing basis across our properties.

Figure 18: Managing Customer Health and Safety in Property

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

Performance and Targets

Material Aspect	Performance for FY2020		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 upkeep this performance in the future.


Singapore (Corporate and Retail Division)

Policies and Practices

We aim to provide a safe, secure and healthy environment for all our shoppers and visitors. 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 terrorist/bomb threats and fire safety.

Feedback relating to premises' health and safety will be directed to respective branch managers and the WSH Committee. We 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 FY2020		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 track record going forward.

4.0 ENVIRONMENT

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

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



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 usage¹⁵. Since FY2018, Shanghai Metro City has committed to the Xuhui District Energy Conservation Target (“XDECT”), which guides the adoption of specific environmental targets and training. In FY2020, we registered a total energy consumption of 2,840 tonnes of standard coal equivalent¹⁶ (“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 FY2020	Performance for FY2020	Target for FY2021
Energy Consumption	Maintain total energy consumption for Shanghai Metro City below 3,100 TCE (90,830 gigajoules “GJ”) limit	Shanghai Metro City consumed 2,840 TCE (83,212 GJ)	 Maintain total energy consumption to be below 3,100 TCE (90,830 GJ)
	Annual reporting to CBRE Head Office for GIE Tower	Achieved	 Annual reporting to CBRE Head Office for GIE Tower

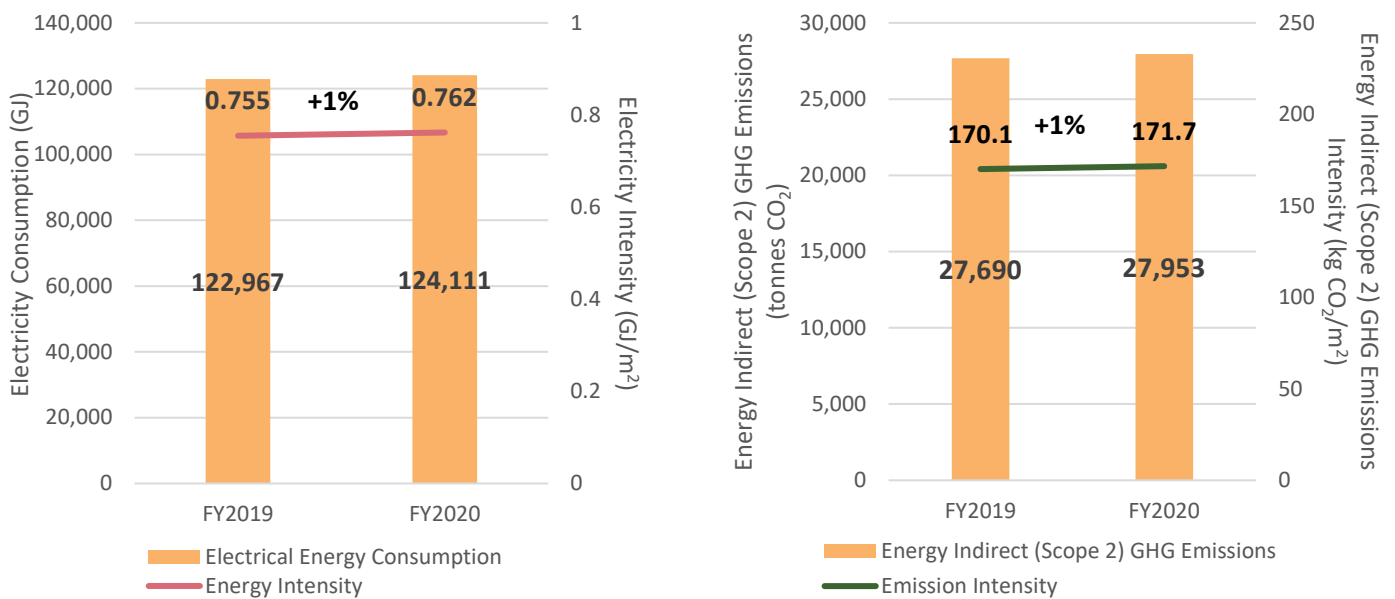
In FY2020, total energy consumption for our three China properties totalled 127,100 GJ, comprising 124,111 GJ of purchased electricity for Metro City Shanghai, Metro Tower Shanghai and GIE Tower Guangzhou (Figure 19) and diesel oil fuel consumption by Metro Tower of 2,989 GJ (Figure 20). This is a 0.2% increase in total energy consumption from FY2019.

Year	Fuel Consumption (GJ)	Purchased Electricity (GJ)	Total Energy Consumption in China (GJ)
FY2019	3,825	122,967	126,792
FY2020	2,989	124,111	127,100

¹⁵ Shanghai Metro Tower 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 FY2020 is 779 TCE (22,819 GJ).

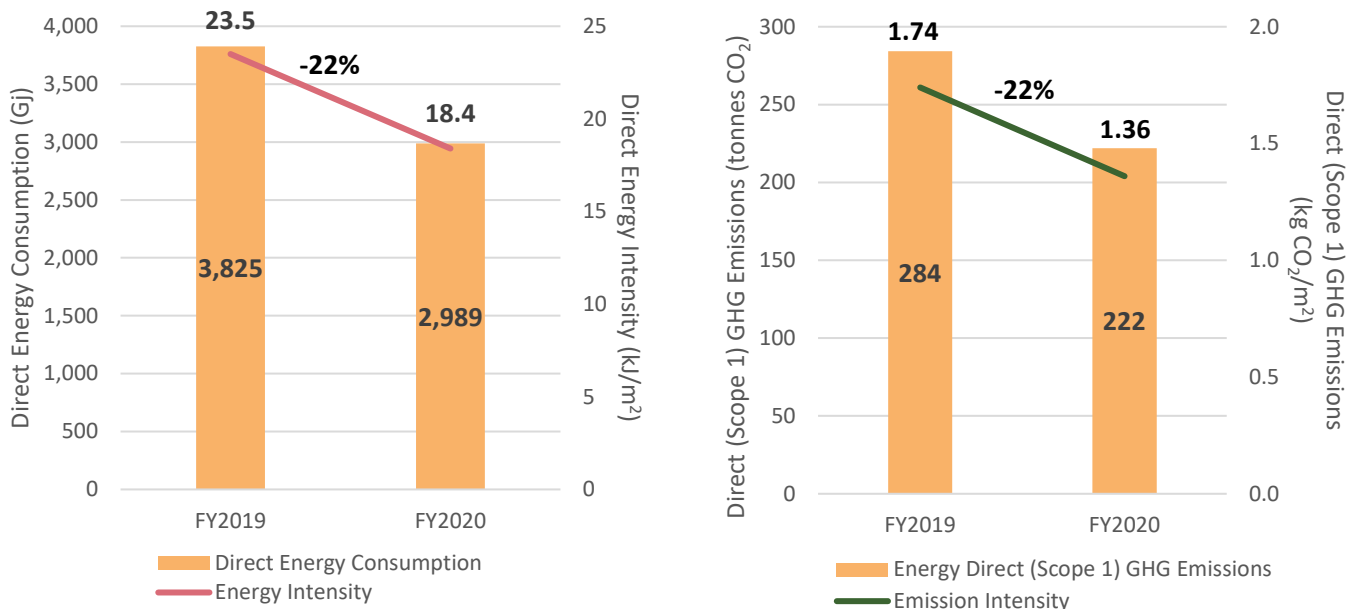
¹⁶ TCE is a unit representing energy generated by burning one metric ton of coal which is equivalent to 29.3 GJ or 8.1 MWh. Conversion was done at <https://www.convert-me.com/en/convert/energy/tce.html?u=tce&v=1>

Figure 19: Electricity Consumption & intensity and Energy Indirect (Scope 2) GHG Emissions¹⁷ & 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 FY2020, we saw a significant decrease from 3,825 to 2,989 GJ in diesel oil used (Figure 20) due to a less cold winter¹⁸. A corresponding decrease is also recorded in Scope 1 GHG emissions and emission intensity.

Figure 20: Fuel Consumption & Intensity and Direct (Scope 1) GHG Emissions¹⁹ & Intensity for China Property



¹⁷ 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.

¹⁸ Source: Shanghai sees historic warm winter, Xinhuanet 6 January 2020


¹⁹ 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)²⁰

Policies and Practices

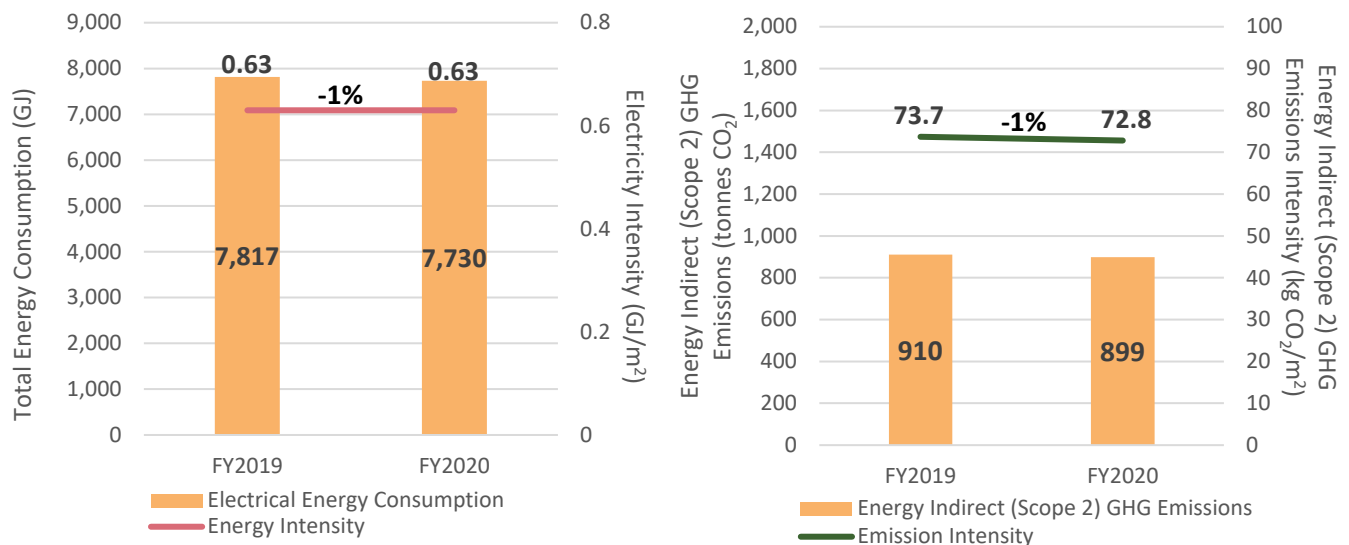
We purchase electricity from the grid for our Corporate and Retail Divisions in Singapore, as no fuel is utilised. As we are located within rented properties, we have limited control on energy management. As such, we ensure efficient energy usage and remind employees to adopt eco-friendly habits and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

Performance and Targets

Material Aspect	Target for FY2020	Performance for FY2020	Target for FY2021
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

Excluding Metro Centrepoint (which was closed upon lease expiry in October 2019), we recorded a 1% year-on-year decrease in electricity consumed in FY2020 to 2,147 MWh of purchased electricity (translating to 7,730 GJ) due to the shortening of operating hours in February and March 2020 brought about by COVID-19. On a per m² basis, electricity intensity went down by 1% as well.

Figure 21: Total Energy Consumption & Intensity and Energy Indirect (Scope 2) GHG Emissions & Intensity for Singapore Retail²¹



²⁰ Performance data does not include Singapore (Corporate Division) since its output is not material when compared to Retail.

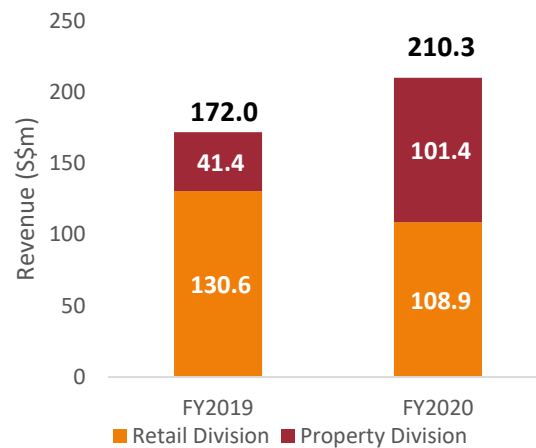
²¹ For a meaningful comparison, we have omitted Metro Centrepoint from both FY2019 and FY2020 figures. Emission factors used in calculation of carbon emissions for Singapore are derived from "2019 Singapore Energy Statistics", published by the Energy Market Authority of Singapore in 2019.

5.0 SUSTAINABLE GROWTH

5.1 Economic Performance

As a property investment and development group backed by an established retail track record, we strive to expand strategically so as to achieve resilient growth. Metro registered a 22.3% increase in total revenue in FY2020. While 52% of revenue in FY2020 is contributed by the Retail Division, the majority of our profits are generated through our joint ventures and associates in the Property Division.

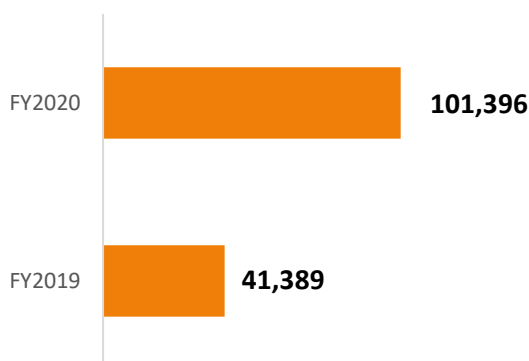
Figure 22: Revenue from Retail and Property Division



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)

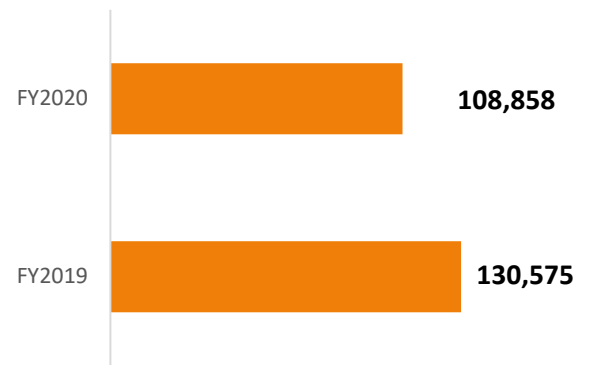


Supported by revenue recognition of S\$95.2 million from the sale of property rights of the residential units in the development in Bekasi and Bintaro, Jakarta, revenue from the Property division increased to S\$101.4 million in FY2020 from S\$41.4 million reported a year ago. This excludes Metro City and Metro Tower, our 60%-owned joint ventures in Shanghai, in which equity accounting is being adopted.

Retail

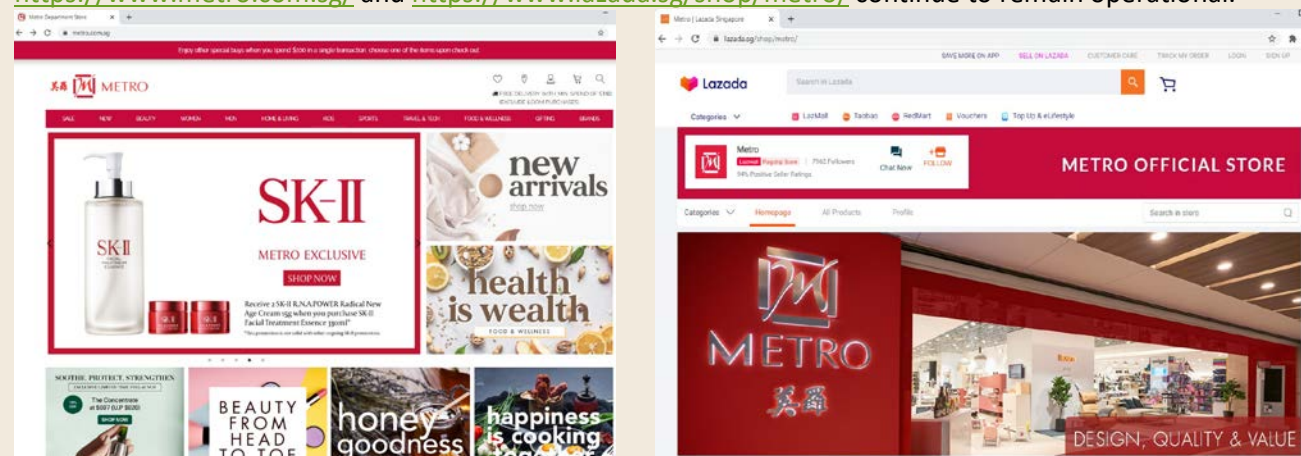
Metro's retail division reported lower sales from S\$130.6 million in FY2019 to S\$108.9 million in FY2020 mainly due to closure of Metro Centrepoint in October 2019 upon lease expiry as well as the shortening of operating hours in February and March 2020, arising from the COVID-19 pandemic. The Group continues to operate amidst difficult trading conditions. In December 2019, Metro divested its Indonesian retail business PT Metropolitan Retailmart ("PT MRM") to our existing partner for a profit whilst retaining a licensing fee, in line with the Group's long-term strategy of rationalising the retail business.

RETAIL REVENUE (S\$'000)



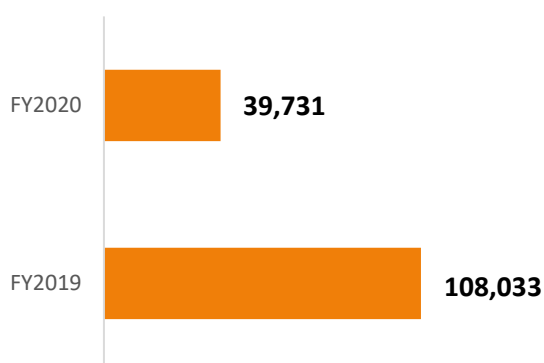
Delivering the Metro Experience via Metro Online and Metro LazMall

In compliance with the Singapore Government's circuit breaker measures, Metro closed all retail stores in Singapore from 7 April 2020 to 19 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 FY2020 profit before tax ("PBT") was S\$39.7 million, as compared to S\$108.0 million in FY2019. This was mainly due to the fair value loss of the Group's investment properties held by our subsidiary, associates and joint ventures of S\$8.5 million in FY2020 versus a fair value gain of S\$49.1 million in FY2019. In addition, arising from the COVID-19 pandemic, the Group recorded a fair value loss of S\$7.9 million on the short term and long term investments in FY2020 versus a fair value gain of S\$9.3 million in FY2019, and S\$13.1 million of rental rebates and waivers granted to tenants for properties held by our subsidiary, associates and joint ventures. All these were partially mitigated by the divestment gain of S\$10.6 million from the disposal of the Group's 50% equity stake in its Indonesian retail associate PT MRM.

For more information on our financial performance, please refer to Metro Annual Report 2020.

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 49 to 68 of the Metro Annual Report 2020.



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 ²² , 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 conducts 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 FY2020
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 FY2020, 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.

²² 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 9-11 28-29
102-8	Information on employees and other workers	Profile of Our Workforce	9-11
102-9	Supply chain	Our Supply Chain	14
102-10	Significant changes to the organisation and its supply chain	About the Report There were no significant changes to the supply chain in FY2020	3
102-11	Precautionary Principle or Approach	Annual Report 2020	61-66
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	4
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Corporate Governance	30
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance	30
Governance			
102-18	Governance structure	Sustainability Governance; Annual Report 2020	8 52-54
102-22	Composition of the highest governance body and its committees	Annual Report 2020	15-21, 52-54
102-23	Chair of the highest governance body	Annual Report 2020	55

GRI Standard Disclosure Reference	Disclosure	Section of Report / Reasons for Omission	Page Reference
102-24	Nominating and selecting the highest governance body	Annual Report 2020	55-58
102-25	Conflicts of interest	Annual Report 2020	49, 52-55
102-26	Role of Highest Governance Body in Setting Purpose, Values and Strategy	Board Statement; Sustainability Governance; Corporate Governance; Annual Report 2020	4 8 30 49-55
102-27	Collective knowledge of Highest Governance Body	Annual Report 2020	49-55
102-28	Evaluating the Highest Governance Body	Annual Report 2020	55-58
102-29	Identifying and Managing Sustainability Impacts	Board Statement	4
102-30	Effectiveness of Risk Management Processes	Annual Report 2020	61-66
102-32	Highest governance body's role in sustainability reporting	Board Statement; Sustainability Governance	4 8
102-35	Remuneration Policies	Annual Report 2020	59-61
102-36	Process for Determining Remuneration	Annual Report 2020	59-61
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	5-6
102-41	Collective bargaining agreements	<u>Singapore (Corporate and Retail Division)</u> 32% 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	5-6
102-43	Approach to stakeholder engagement	Stakeholder Engagement	5-6
102-44	Key topics and concerns raised	Stakeholder Engagement	5-6
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Annual Report 2020	156-164
102-46	Defining report content and topic Boundaries	About the Report	3
102-47	List of material topics	Materiality Assessment	7-8
102-48	Restatements of information	Energy Usage and Associated GHG Emissions	27
102-49	Changes in reporting	Not applicable	
102-50	Reporting period	1 April 2019 – 31 March 2020	
102-51	Date of most recent report	Sustainability Report 2019	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	About the Report	3

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	3
102-55	GRI content index	GRI Content Index	31-34
102-56	External assurance	About the Report	3

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	7-8
	103-2	The management approach and its components	Economic Performance	28-29
	103-3	Evaluation of the management approach	Economic Performance	28-29
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Annual Report 2020	77-84
Energy Usage and Associated GHG Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	7-8
	103-2	The management approach and its components	Energy Usage and Associated GHG Emissions	25-27
	103-3	Evaluation of the management approach	Energy Usage and Associated GHG Emissions	25-27
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Energy Usage and Associated GHG Emissions	25-27
	302-3	Energy intensity	Energy Usage and Associated GHG Emissions	25-27
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	Energy Usage and Associated GHG Emissions	25-27
	305-2	Energy indirect (Scope 2) GHG emissions	Energy Usage and Associated GHG Emissions	25-27
	305-4	GHG emissions intensity	Energy Usage and Associated GHG Emissions	25-27
Health and Safety of Our Stakeholders				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	7-8
	103-2	The management approach and its components	Health and Safety of Our Stakeholders	19-24
	103-3	Evaluation of the management approach	Health and Safety of Our Stakeholders	19-24
GRI 403: Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health and Safety of Our Stakeholders	19-24

Material Matters				
GRI Standard Disclosure Reference		Disclosure	Section of Report	Page Reference
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	19-24
Customer Satisfaction				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	7-8
	103-2	The management approach and its components	Customer Satisfaction	14-19
	103-3	Evaluation of the management approach	Customer Satisfaction	14-19
Talent Management and Development				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	7-8
	103-2	The management approach and its components	Talent Management and Development	11-13
	103-3	Evaluation of the management approach	Talent Management and Development	11-13
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Talent Management and Development	11-13
	404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management and Development	11-13
Corporate Governance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	7-8
	103-2	The management approach and its components	Corporate Governance	30
	103-3	Evaluation of the management approach	Corporate Governance	30
GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance	30
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Corporate Governance	30
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Corporate Governance	30