

Economic

The Manager operates amid a complex and ever-changing business landscape. MIT's performance affects its Unitholders, employees, tenants and service providers. Economic sustainability is pivotal for its long-term success. To navigate through this complex environment, the Manager proactively engages and communicates with different stakeholder groups to integrate their feedback into strategic planning for efficiency and trust. The two material matters covered in this section are: **Economic Performance** and **Strong Partnerships**.



Economic Performance



316.6%
total return since listing as
at 31 March 2024



S\$619.7 million
sustainability-linked facilities
secured as at 31 March 2024



S\$8.9 billion
assets under management



Strong Partnerships



Engaged 140
institutional investors



14 out of 22
new suppliers screened using social criteria



48%
existing suppliers accredited with
environmental certifications

Economic Performance

Why is this important? 3-3

The Manager operates in a complex business environment with unexpected events and a shifting geopolitical, economic, environmental and social landscape. MIT's financial performance directly affects its Unitholders and the economic well-being of the Manager's employees. It also has an indirect impact on its third-party service providers and tenants. Economic sustainability is central to ensuring the viability of the organisation in the long run.

Management approach 201-1

The mission to deliver sustainable and growing returns to Unitholders is underpinned by three key aspects:

Proactive Asset Management

Anchored by a large and diversified tenant base with low dependence on any single tenant or trade sector

Focused on tenant retention to maintain a stable portfolio occupancy

Value-creating Investment Management

Acquired a Tier III+⁵ equivalent and energy-efficient data centre in Osaka, Japan

Divested the Tanglin Halt Flatted Factory Cluster

Prudent Capital Management

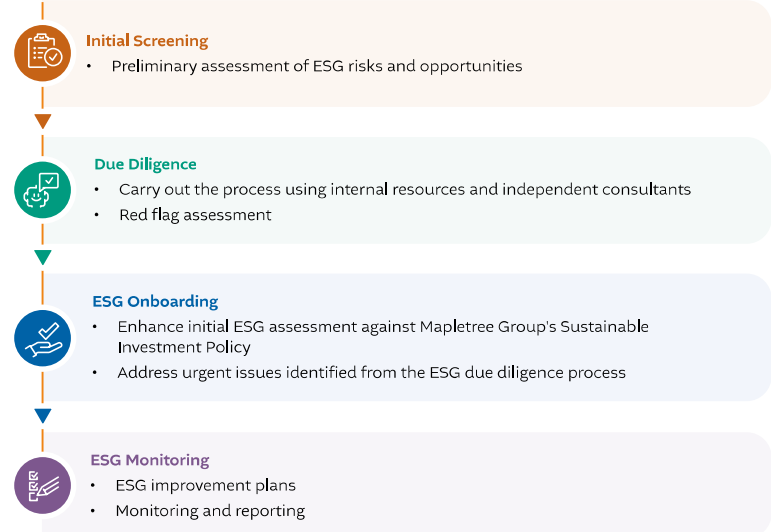
Raised gross proceeds of S\$204.8 million via a private placement to fund the acquisition of the Osaka Data Centre

Sufficient committed facilities of over S\$1 billion

ESG due diligence for investments

The Manager adopts a responsible and disciplined approach to investments and focuses on building a portfolio of high-quality assets at strategic locations. It ensures that its investment decisions are aligned with the Mapletree Group's Sustainable Investment Policy. A crucial part of the investment due diligence process is the incorporation of environmental risk assessments. These assessments are carried out internally and by independent consultants. They enable the Manager to identify potential environmental risks and to ensure compliance with relevant environmental and regulatory requirements. The assessment also considers factors such as natural hazards, land contamination, energy efficiency, energy supply and other climate-related risks. This approach thus underscores the Manager's efforts in embedding ESG considerations into every stage of the property lifecycle beginning from due diligence of investment projects while focusing on mitigating risks that may affect returns.

ESG Due Diligence Process



Sustainable financing

The Manager explores sustainable financing opportunities where possible. In June 2023, the Manager secured a sustainability-linked facility of US\$140 million. This is part of its efforts to diversify sources of funding and to enhance financial flexibility. As at 31 March 2024, the Manager has secured about S\$619.7 million of sustainable financing in the form of sustainability-linked facilities. These facilities are linked to selected sustainability performance targets. The integration of MIT's sustainability performance with its cost of financing underscored the Manager's commitment to sustainable and responsible growth.

Please refer to the following sections in the Annual Report for details of MIT's financial and operational performance:

- Key Highlights, pages 8 to 9
- Strategic Direction, pages 12 to 13
- Significant Events, page 17
- Operations Review, pages 30 to 37
- Financial Review, pages 75 to 77
- Financial Statements, pages 109 to 198



⁵ With reference to Uptime Institute's Tier Classification System.



Strong Partnerships

Why is this important? 3-3

The Manager's daily operations involve a diverse group of stakeholders to run efficiently. Proactive engagement and communication are essential in building stakeholder trust. The Manager seeks effective dialogue with stakeholders and incorporates the outcomes of this process in its business planning.

Management approach 2-6 2-29

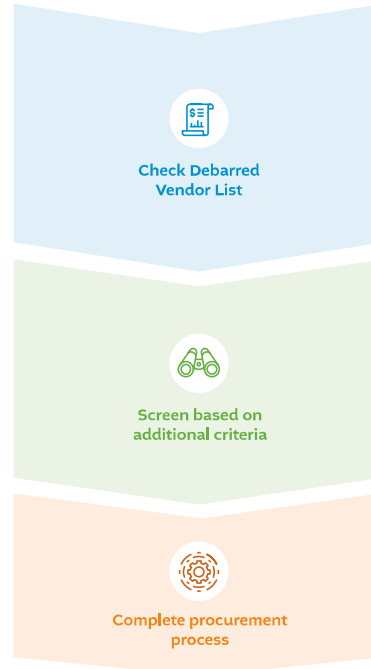
To ensure that its business partnerships leave positive impact on all parties involved, the Manager strives to engage its key stakeholder groups on a myriad of issues, including sustainability matters. The Manager's engagement methods can be found in the 'Stakeholder engagement' section on page 6.



Supplier engagement 205-2 308-1 414-1

Due to the nature of MIT's business activities across different geographies, the Manager recognises that a significant portion of its impact comes from its supply chain. To mitigate any potential negative effects of MIT's operations, the Manager screens its suppliers based on environmental and social criteria before being awarded a project. All material contracts awarded to suppliers also include anti-corruption clauses to ensure ethical business conduct within the supply chain.

In FY23/24, the Manager engaged 22 new suppliers. 12 suppliers were screened for environmental criteria and 14 suppliers were screened for social criteria. Of the existing suppliers, 48% were accredited with environmental certifications and 66% were accredited with social certifications. In FY23/24, the Mapletree Group commenced internal engagement efforts to develop a Supplier Code of Conduct, with rollout to suppliers planned as the next step.



The procurement process is based on four main principles:

- Fairness, Integrity and Transparency;
- Value for Money;
- Sustainability; and
- Best Interest for the Mapletree Group.

Prior to starting a new tender process, the Manager conducts checks to ensure that potential suppliers are not within the Mapletree Group's Debarred Vendor List. The list includes suppliers with previous track records of compromised environmental, health and safety standards or corrupt conduct.

Suppliers are also screened based on financial and non-financial criteria, including environmental and social requirements which include, but are not limited to:

- Safety performance track records;
- Achievement of relevant accreditations awarded by local authorities such as National Environment Agency ("NEA")'s Enhanced Clean Mark Accreditation Scheme and Green Mark accreditations;
- Relevant International Organisation for Standardisation and Occupational Safety and Health Administration certifications; and
- Relevant environmental certifications such as ISO 14001:2015.

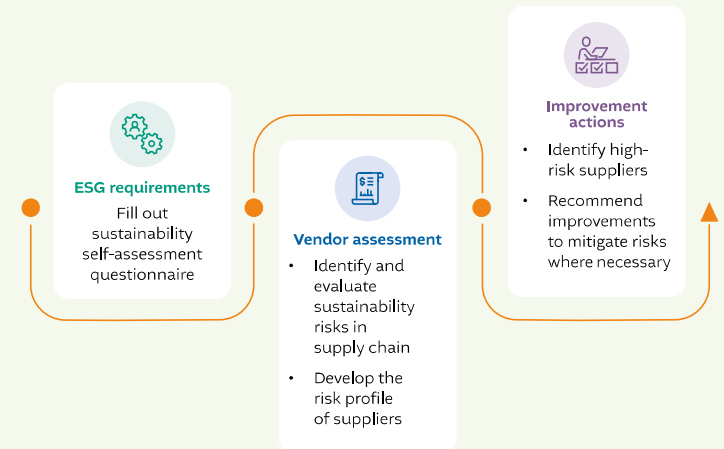
Suppliers are only awarded contracts after they pass all levels of screening. Furthermore, they are evaluated based on their performance on various sustainability criteria and compliance with relevant regulations. These include national regulations relating to mosquito/pest breeding, water stagnation, littering, pollution and waste management.

SPOTLIGHT

Mapletree Vendor Sustainability Questionnaire

The Mapletree Vendor Sustainability Questionnaire is a report submitted by suppliers on the ESG aspects of their business activities. It is used to individually assess the sustainability performance of suppliers in the United States for all contracts above US\$100,000 or its equivalent. The questionnaire covers topics such as company management, environment, health and safety, responsible sourcing of raw materials and responsible supply chain management.

This serves as a starting point of the due diligence process to construct a risk profile for each supplier. In addition, the questionnaire indicates whether the supplier has high-risk potential of adverse ESG impact and whether it has appropriate policies and systems in place to manage potential or actual adverse ESG impact.



Tenant engagement

As a major stakeholder group, MIT's tenants and their key concerns are a top priority to the Manager. The Manager and the Property Manager proactively engage their tenants to foster a positive and collaborative relationship. The Manager and the Property Manager also implement tenant engagement programmes on sustainability matters through building communications, online platforms, tenant guide and tenant events.

Tenant Satisfaction Survey

In FY23/24, the Manager and the Property Manager carried out a tenant satisfaction survey for tenants at Toa Payoh North 2 Cluster. The response rate for the survey was 51%, with an overall satisfaction score of 4.2 out of 5.0 in areas such as building and services management.

Tenant Engagement Events

The Manager also recognises the value of improving tenant experience and promoting a sense of community. Whenever possible, the Manager seeks to provide tenants' employees with support for their health and well-being and opportunities to grow their organisations' capabilities. These will in turn strengthen the resilience of MIT's business community.

Exploring the Intersection of AI and Cybersecurity

On 27 July 2023, the Manager organised a webinar with its tenant, Focus Digitech Pte Ltd, to share insights on "Exploring the Intersection of AI and Cybersecurity". The attendees learned how to enhance their cybersecurity with AI and bolster their organisations' defence against cyber threats. They also learned about the latest trends and advancements in AI-based cybersecurity solutions. 45 tenant representatives attended the hour-long webinar.



Tenant engagement event with SME Centre @ Singapore Manufacturing Federation ("SMF")

Internationalisation

The Manager collaborated with SME Centre @ SMF on 23 August 2023 for an in-person event titled, "Internationalisation". A total of 79 representatives from 74 companies participated in the event to learn how they can prepare for the global market and expand their businesses overseas. The event was facilitated by industry experts who provided attendees with insights on how to empower their businesses' global growth.

SPOTLIGHT

Mental Health and Art Movement: Masks of Singapore

In April 2023, the Manager partnered with ThisConnect today, a dedicated volunteer group focused on promoting mental health care, to raise awareness and facilitate meaningful conversations about mental health and emotional well-being.

This was accomplished through a month-long campaign called, 'Masks of Singapore'. More than 500 individuals from all walks of life participated in three-hour self-awareness, mask-making workshops and expressed their aspirations, dreams and hopes for their future through artistic expression on physical masks. These unique artworks were displayed at Business Park Building, The Signature and depicted individual experiences and perspectives.



Masks of Singapore exhibition at The Signature

Investor engagement

The Manager regards its investors as a key part of its ecosystem. During the financial year, the Manager engaged 140 institutional investors through meetings, conferences and property tours. For more information, please refer to the Investor Relations section in the Annual Report on pages 106 to 108.



Investor engagement at Singapore REITs Symposium 2023



Mr Tham Kuo Wei, CEO of the Manager, presenting at an Singapore Management University seminar

Memberships 2-28

The Manager and the Property Manager are members of various industry organisations. These include the Singapore Chinese Chamber of Commerce & Industry, the Singapore International Chamber of Commerce and the Singapore Precision Engineering & Technology Association. They actively participate in these industry organisations to strengthen their relationships with tenants and prospective clients.

As a member of the REIT Association of Singapore ("REITAS"), the Manager aims to strengthen the Singapore REIT industry through investor outreach events and conferences. Employees of the Manager and the Property Manager regularly attend courses and webinars organised by REITAS.

The Manager, through the Mapletree Group, is a signatory of the United Nations-convened Principles for Responsible Investment ("UN PRI") and is committed to uphold UN PRI's six principles.

The Manager also actively participates in consultations organised by key government agencies to provide feedback on proposed regulatory measures that impact MIT's business.

In FY23/24, MIT pledged support for the REITAS Sustainability Principles. The set of principles is aimed at safeguarding the resilience of the REIT industry by contributing to the global fight against climate change and addressing other environmental and social impact.