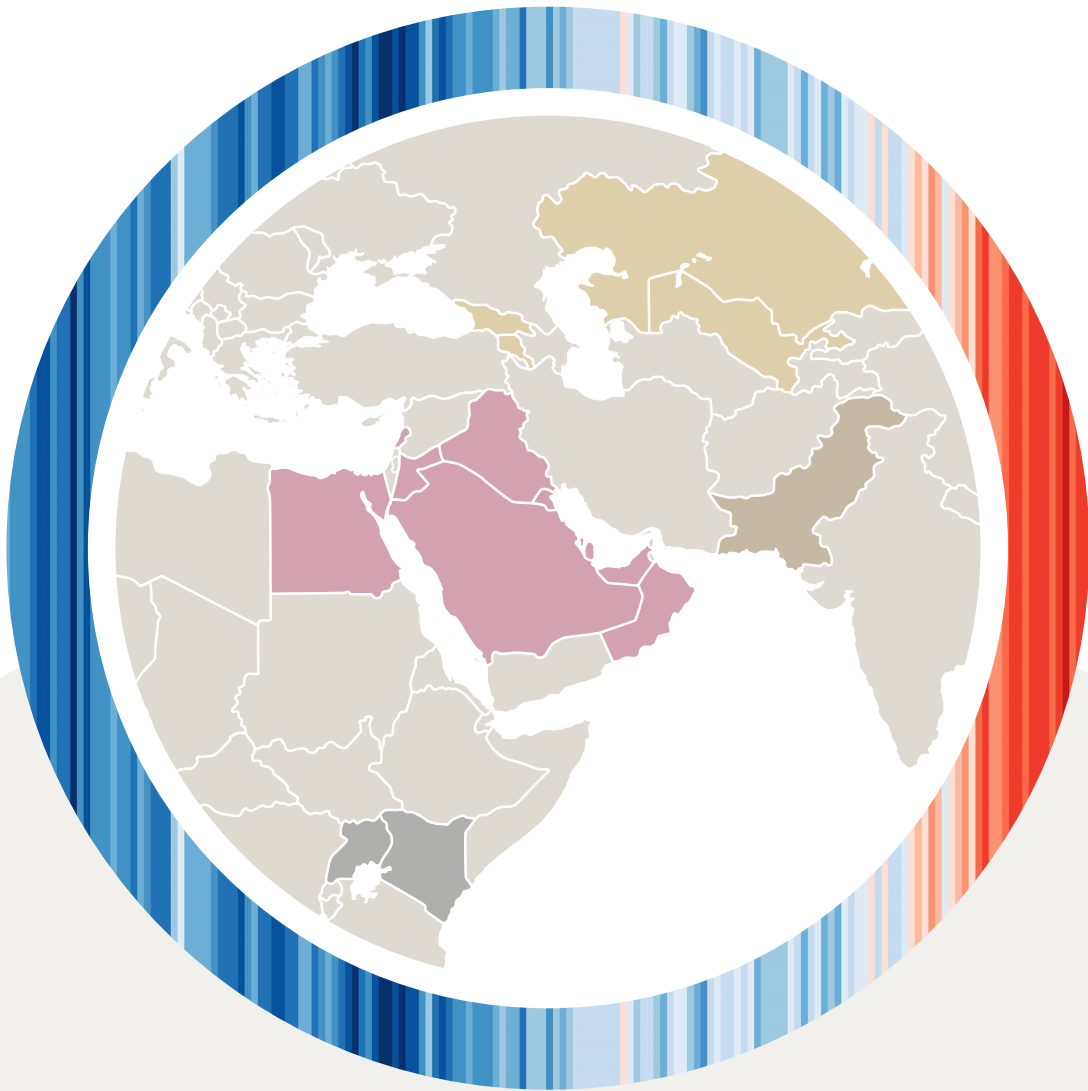



ESG REPORT 2021

DARE TOGETHER





**We do what we
do so that future
generations can
transform the world**

 ماجد الفطيم
MAJID AL FUTTAIM

 the
leadership
institute

About us

At Majid Al Futtaim, we strive to create great moments for everyone, everyday. Founded in 1992, Majid Al Futtaim is the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa, and Asia. A remarkable business success story, Majid Al Futtaim started from one man's vision to transform the face of shopping, entertainment, and leisure.

It has since grown into one of the United Arab Emirates' (UAE) most respected and successful businesses spanning 17 international markets, employing more than 43,000 people and maintaining the highest credit rating (BBB) among privately held corporates in the region. Our brand is a legacy that represents our founder's heritage, culture, and vision for a future where families, friends and communities connect, create and experience those great moments, everyday. Representing our past, present, and future, the Majid Al Futtaim brand is the glue that holds the magic and moments together.

About this report

This report covers the period from 1 January to 31 December 2021. It demonstrates our actions to deliver an ambitious sustainability vision to employees, tenants, operators, customers, and suppliers, to regional and global peers, communities, NGOs, governments, and global investors and signifies our transition to an Environmental, Social and Governance (ESG) approach to reporting.

We have adopted internationally accepted best practice to measure and report our sustainability activities and therefore benchmark our performance with reference to the revised and more comprehensive 2021 GRI Standards on page 95. This report includes all the operations and assets in our portfolio, including four office buildings, one of which is our Headquarters. Our UAE property portfolio includes Matajer Malls, a neighbourhood retail centre concept by Sharjah Holding, and Al Zahia, Sharjah's first gated mixed-use community; both are joint ventures with the government of Sharjah. This excludes other joint venture projects where we did not have full operational control or responsibility for 100% of the floor area in 2021.

The absolute environmental data in this report covers 100% of the floor area¹ of the assets over which we have operational control, and which were operational at any point in 2021. In addition, the environmental impacts of all Majid Al Futtaim's major construction projects underway during 2021 have also been included in the annex to the report. To increase transparency and ensure accuracy of disclosed information, we have appointed a third-party auditor to provide independent assurance of our 2021 environmental data. This report includes assurance of our full portfolio across all Operating Companies. The scope of the assurance engagement as well as the Assurance Statement can be found on page 76. Our Green Sukuk 2021 report can be found [here](#).

¹ Floor area is measured by Gross Internal Area for the majority of assets, but Common Parts Area is used for Malls. No floor area has been included in the company total for the Al Zahia gated mixed-use community where Majid Al Futtaim - Properties is responsible for external common areas only

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The warming stripes on the cover page surrounding Majid Al Futtaim's countries of operation represent global temperature change from 1850 to 2019 [Data source: UK Met Office and <https://showyourstripes.info>]

A message from our Chief Executive Officer



“My dream is to create great moments for everyone, everyday.”

MR. MAJID AL FUTTAIM

Founder of Majid Al Futtaim, 1934 - 2021

Two years on and communities, industries and economies continue to feel the devastating impact of the global health crisis. In that time there have been innumerable opportunities to learn and evolve, regardless of the lens through which we chose to see the world. As a society, we have learned the importance of mindfulness and an understanding of the role we individually and collectively play in the wellbeing of others. We have understood what it takes to be truly resilient beyond the limits of business continuity, to ensure we are able to support each other in a way that benefits all. We have been able to understand the degree of collaboration and unity it will take to drive lasting change. For those that have looked, we have seen the possibility to leverage the renewed sense of purpose and connection that enable us to navigate the uncertain terrain and discover new opportunities for equitable, sustainable growth across the value chain.

As we look ahead, we are presented with an opportunity to recalibrate, re-evaluate and reimagine the role we chose to play in our respective sectors and industries. We can choose to embrace the positive force for change we have collectively demonstrated we can achieve. We can understand the socio-economic value we can create for our communities. We can embrace the tenets of stakeholder capitalism to ensure that together we are able to positively contribute to the global sustainable development agenda and create a better society today and for the generations to come.

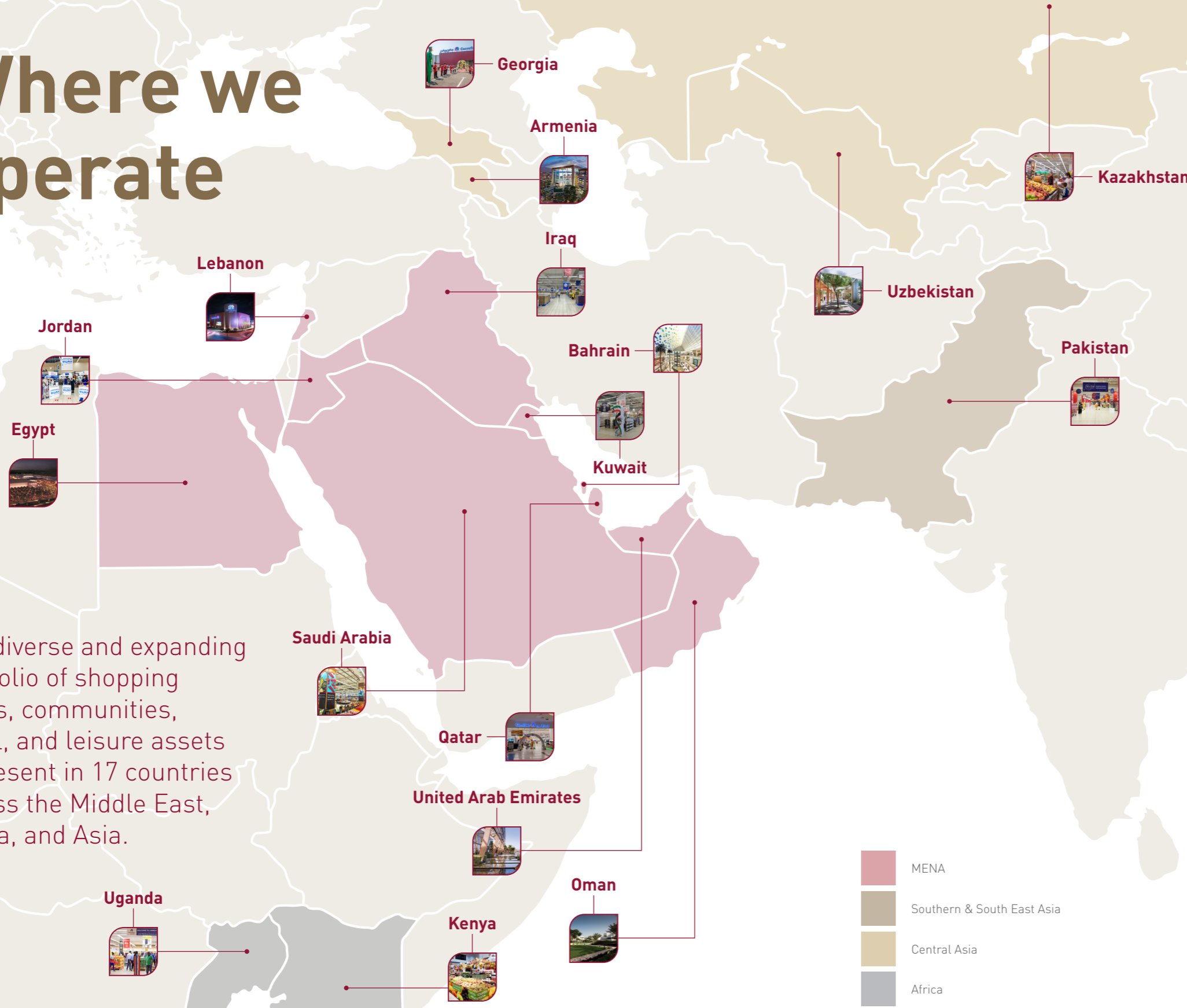
I am proud to say that Majid Al Futtaim has always put the needs of its customers and communities at the heart of our operations and activities. Over the last year, we have made good progress in furthering our Environmental, Social and Governance (ESG) ambitions. We were the first company in the Middle East and the first 62 organisations worldwide, to sign up to the World Economic Forum's Stakeholder Capitalism Metrics and align our reporting on performance against a globally aligned set of environmental, social and governance indicators. The launch of our AED 5.51 billion Sustainability-Linked Loan (SLL) underpinned that commitment, setting out bold targets regarding gender balance and local economic development that we continue to progress.

As an organisation, we are proud that we achieved 82% of our annual sustainability targets and partially achieved 17%. However, we understand that to become truly sustainable we must continue to *Dare Today to Change Tomorrow*, challenging ourselves, our suppliers, our partners and our customers to join us as we collectively work towards a more connected, more sustainable, more equitable future for all.

ALAIN BEJJANI

Chief Executive Officer
Majid Al Futtaim

Where we operate



Our diverse and expanding portfolio of shopping malls, communities, retail, and leisure assets is present in 17 countries across the Middle East, Africa, and Asia.

2021 snapshot

806,927
tCO₂e (Scopes 1 and 2)

21.4 M kWh
renewable energy generated

34,094 kWp
renewable energy installed capacity

45
LEED, BREEAM or equivalent certified assets

2,200+
BREEAM certified dwellings

SINGLE-USE PLASTIC FREE
Majid Al Futtaim - Lifestyle

+70%
green star rated assets in four countries for Majid Al Futtaim - Properties

Our business at a glance

Majid Al Futtaim - Holding is responsible for the company's strategic vision, supporting the five Operating Companies and maximising value creation opportunities while allowing them to operate independently and manage day-to-day operations. In 2021, our Ventures Operating Company was replaced by two new Operating Companies: Leisure, Entertainment and Cinemas (LEC) and Lifestyle due to their substantial growth in scale to become significant contributors to the company's overall performance.

Today, Majid Al Futtaim creates and manages a vast ecosystem of brands, places and spaces from our

shopping malls, hotels and communities and exclusive Carrefour franchise to the experiences and connections we create with our fashion and retail brand partners and through our entertainment offerings including VOX Cinemas and Magic Planet.

With a tenfold growth ambition over the next decade, we remain focused on expanding our relevance with all stakeholders, scaling our business across existing and new footprints, and, above all, being a company that has a long-term sustainable vision.

Majid Al Futtaim - Holding

Majid Al Futtaim - Properties	Majid Al Futtaim - Retail	Majid Al Futtaim - Leisure, Entertainment & Cinemas	Majid Al Futtaim - Lifestyle	Majid Al Futtaim - Global Solutions
<ul style="list-style-type: none"> Shopping Malls Hotels Communities Project Management Centre of Excellence (PMCOE) Enova JV 	<ul style="list-style-type: none"> Carrefour 	<ul style="list-style-type: none"> VOX Cinemas Magic Planet Little Explorers Ski Dubai & Ski Egypt Snow Park Mall of Oman iFly Dreamscape 	<ul style="list-style-type: none"> Abercrombie & Fitch AllSaints Crate and Barrel Maison Du Monde Lululemon Athletica Hollister LEGO THAT Concept Store 	<ul style="list-style-type: none"> Human Capital Technology Project Management Office Procurement Finance

- +43,000** employees
- +110** nationalities
- BBB** credit rating
- 17** countries
- 423** carrefour outlets
- 600** VOX Cinema screens
- 29** shopping malls
- 13** hotels
- 4** mixed-use communities

A message from our Chief Sustainability Officer

As momentum built for COP26 in 2021, organisations worldwide, across all sectors and industries, scaled-up their net zero carbon pledges and ESG commitments to reflect global recognition of the seriousness of the climate crisis. In the UAE, the Government launched the UAE Net Zero by 2050 strategic initiative and will host COP28, reflecting the increased efforts to find innovative solutions for climate change and environmental protection within our region and play a leadership role in accelerating action within the international community.

At Majid Al Futtaim, we have similarly built on our Net Positive carbon and water targets. We joined Race to Zero, publicly committing to set science-based targets (SBTs) and are one of only four companies in the UAE who have committed to or set SBTs. This will significantly accelerate the success of our Net Positive carbon ambition across the business. Similarly, we are closely following the development of science-based targets for nature, having more actively integrated nature-based solutions into our sustainability approach in 2021, given the significant role they can play in providing cost-efficient solutions for the achievement of our targets and beyond. Such frameworks add credibility to our Net Positive pathways by ensuring we are aligned with the latest climate science whilst providing reassurance to our stakeholders.

We are increasingly focused on addressing and driving a just and fair transition, one that encompasses the full scope of ESG issues. Local economic inclusion is key to how we are building resilience and supporting the next generation to become sustainability leaders. An example is the 'Posterity 20' initiative that we launched with the Ministry of Climate Change and Environment and the Posterity Institute, which will celebrate the top 20 young role models and thought leaders in the MENA region who are helping to shape and build upon sustainability.

Our MAFers continued to challenge themselves and drive our performance despite the ongoing impacts of the COVID-19 pandemic. To attract and retain talent, we are creating healthy workplaces that foster their wellness, adapting our training and education programmes to capture the benefits to employees of digital learning and have set diversity and inclusion targets to achieve gender balance.

Our collective progress over the last 12 months means we achieved 90% of our Rethinking Resources annual commitments, 80% for Transforming Lives, and 79% for Empowering our People.

Year on year, we have enhanced our reporting against external frameworks and reporting standards to demonstrate the credibility of our performance to our stakeholders. This year, we are reporting against the new GRI standards and taking part in the United Nations Global Compact early adopters programme to support the launch of an enhanced Communication on Progress (CoP). The new CoP will help participants more effectively understand, measure, monitor and disclose their progress on the Ten Principles and their contribution to the United Nations Sustainable Development Goals (UN SDGs).

I expect 2022 to mark the beginnings of tangible action and increased disclosure against organisations' ESG commitments. It is time to walk the talk, which will require wide-spread collective effort to create and accelerate the deployment of solutions to address the climate crisis and deliver inclusive socio-economic development for all. As we approach the end of our first company-wide sustainability strategy in 2022, I look forward to setting new ambitious targets, furthering our role as a sustainability pioneer, and exploring new opportunities that support us to make a Net Positive impact on our people, in our communities and for the environment.

IBRAHIM AL-ZU'BI
Chief Sustainability Officer
Majid Al Futtaim



"In a region where youth unemployment has been a prevalent issue for decades, upskilling our next generation is both a necessity and opportunity to embed structural changes and resilience for a rapidly transforming labour market. Technological progress and sustainability are forces that are significantly influencing the skills required to nurture our current and future generations to ensure they have the capabilities to address the most pressing issues and opportunities of our time including climate change and artificial intelligence. Collaboration through initiatives such as Posterity20, that Majid Al Futtaim is a part of with the Arab Youth Center, help to build momentum to the UAE hosting COP28, create public awareness of these younger sectors and grow aspirations amongst our potential future leaders of tomorrow."

H.E. SHAMMA AL MAZRUI
UAE MINISTER OF STATE FOR YOUTH



"The UAE Gender Balance Council's SDG 5 Pledge to Accelerate Women's Leadership in the UAE Private Sector aims to encourage gender balance within companies across four pillars: equal pay, employment and promotion, policies and programmes, and transparency, with a particular emphasis on increasing the representation of women in senior leadership positions to 30% by 2025. This will only be achieved with strong support from the UAE's private sector, the integration of sound governance, and meaningful targets to drive their performance and programmes to support the education of women and girls. Majid Al Futtaim's support of this pledge and its ambition to go further and embed a diversity target within its recent SLL, demonstrates the seriousness of its commitment to driving gender equality in the UAE."

H.E. MONA AL MARRI
SECRETARY-GENERAL OF THE UAE GENDER BALANCE COUNCIL
CEO OF DUBAI WOMEN ESTABLISHMENT



Science-based targets

for Majid Al Futtaim - Properties verified

21.4 million kWh

of renewable energy generated, with 30,094 kWp installed capacity

\$1.5 billion

Sustainability-Linked Loan secured, with carbon, green building and gender balance targets

Committed to recruiting
3,000 Emiratis
over the next five years

+93,800
hours of learning completed via our Leadership Institute

2021 Highlights

100% employment rate for trainees from Almaza Recruitment and Training Centre

Joined Scale Up to support PropTech start-ups

Pledged to employ over
35% of women
in advanced tech and digital roles by 2023

3.6% reduction in Scope 1 and 2 emissions across the company

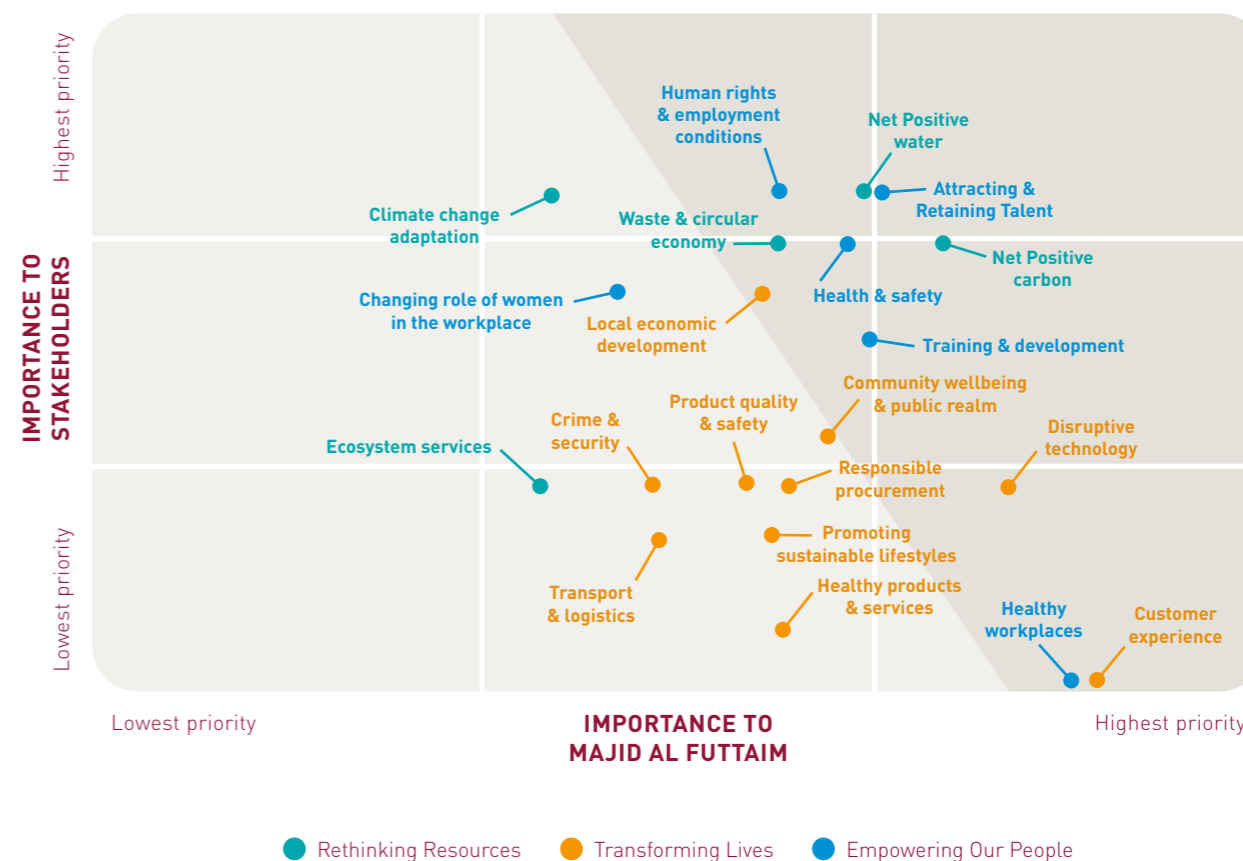
9,000 mangroves planted in the UAE

Our sustainability strategy

Dare Today, Change Tomorrow is our roadmap to addressing our material risks and opportunities, ensuring we manage the issues that matter most to our stakeholders and respond effectively to the ESG trends that could impact how we operate.

Our three pillars: Rethinking Resources, Transforming Lives and Empowering our People define our strategic approach to our 21 material issues supporting us to take a holistic view and

create a positive impact in our communities, on the environment and for our people. Our material issues were determined based on a materiality assessment (displayed below) that was conducted in 2017, which scored issues based on their importance to stakeholders and their importance to Majid Al Futtaim. The material issues within the shaded area below form our 11 Sustainable Business Commitments.



Mapping our strategic context



Majid Al Futtaim's operations is affected by macro-trends that influence how we generate value for our stakeholders. For example, the World Economic Forum's (WEF) 2022 Global Risks Report highlighted that respondents signal societal and environmental risks as the most concerning including social cohesion erosion, mental health deterioration, the livelihood crises, climate action failure, extreme weather and biodiversity loss.

Our 11 Sustainable Business Commitments (SBCs) seek to address our most material risks and opportunities in the context of macro-trends that present the highest risk to our company, outlined below. Our sustainability strategy is aligned with the SDGs, which support our aspirations to deliver a significant impact through our operations and engagement with our stakeholders. You can learn more about our disclosures against Majid Al Futtaim's material SDG targets on pages 90-94.

RISK LEVEL	VERY HIGH	VERY HIGH	HIGH	MEDIUM	MEDIUM	HIGH	MEDIUM	HIGH			
KEY TRENDS	CARBON EMISSIONS With many climate risks considered unavoidable and the particular vulnerability of the MENA region along with rising legislation in this space, we must transition to low carbon and manage our climate risks to keep providing high-quality spaces and experiences.	USE OF NATURAL RESOURCES Amid rapid population growth, the exploitation of natural resources is leading to the destruction of ecosystems, supply chain disruptions and biodiversity loss, threatening our health and livelihoods. Rethinking how we use resources is vital for embedding resilience.	SOCIETAL IMPACT Business pressure to demonstrate positive socio-economic impact is at an all-time high. Concepts such as stakeholder capitalism mean companies must go beyond shareholder value and prioritise the needs of all stakeholders.	EVOLVING CUSTOMER EXPECTATIONS With greater societal awareness on environmental and social issues, customers are taking a stance through the brands they choose. Reinventing the customer experience in a post-COVID world, means understanding their role and fostering trust.	DIGITISATION AND INNOVATION The pandemic has accelerated digital and new modes of consumption such as e-commerce and the need to consider how these technologies and models can enhance convenient and flexible interactions.	HEALTH AND WELLBEING Through a heightened focus on wellness, driven by the trend towards sustainability lifestyles, companies can align their offerings with employee and customer expectations to have a positive impact in their lives.	ATTRACTING AND RETAINING FUTURE TALENT Businesses are operating in a competitive market when attracting and retaining talent. Evolving the employee experience in line with their needs and expectations, with an increased focus on diversity, equality, inclusion and flexibility, is required.	TRANSPARENCY AND ETHICS With bribery and corruption considered a significant risk in our operating countries along with rising ESG reporting standards, operating ethically is critical for driving change in the Gulf Cooperation Council (GCC) and credibility amongst stakeholders.			
2022 SBCs	Be Net Positive in carbon by 2040	Be Net Positive in water by 2040	Embed circular economy principles into business operations	Increase our contribution to local economies to help reach prosperity and promote economic development	Develop skills and entrepreneurship in line with local needs through enterprise hubs	Enrich our customers' experiences through sustainability across our business	Invest in employees' innovative ideas through an Innovation Centre of Excellence to drive sustainability performance improvements across Majid Al Futtaim and our supply chain	Put wellbeing programmes in place across the business and demonstrate measurable improvements in employee health, wellbeing and productivity	Integrate sustainability into attraction and retention programmes	Provide sustainability training to employees and suppliers	Require all employees and direct (tier 1) contractors to comply with the International Labour Organisation's eight core conventions
OUR SDG MAPPING											
EXAMPLES OF OUR MEASURES OF SUCCESS	OpCo-specific operational carbon reduction sub targets by 2022 Net Positive in carbon for operational footprint by 2030 Net Positive in carbon for tenants and developments by 2040 AED direct investment in renewable energy projects % of renewable energy generated by Power Purchase Agreements (PPAs) % of Majid Al Futtaim tenancies with Green Star Rating % of existing assets with upgraded infrastructure (adaptation to climate change)	OpCo-specific operational water reduction sub target by 2022 Net Positive in water for operational footprint by 2030 Net Positive in water for tenants and developments by 2040 Water (in m ³) reduction resulting from system installations AED investment in grey and black water recycling systems	% reduction of waste tonnes / AED procurement spend 50% reduction waste to landfill by 2030 Annual value of new revenue streams (AED) from waste	% procurement expenditure with local suppliers AED value of infrastructure investment	# of people who received training and have gone on to permanent employment # of people who started work as a result of the training Social return on investment (SROI) of training & skills programmes Partnership with academic institutions	Implementation of Group-wide sustainable customer experience strategy % of people who think Majid Al Futtaim is their sustainable brand of choice % of sales of sustainable products and services Advertising equivalent value (AEV) from sustainable lifestyle campaigns	AED investment (direct and time) in innovation hub Productivity rating (output per AED) & improved ICS or net-promoter score Use of technology to achieve sustainability targets ROI/SROI/ROCE from tech start-ups acquired or invested in	% reduction in employee sickness and absenteeism % increase in productivity All Majid Al Futtaim offices to be WELL Health-Safety certified	Professional development programme for underrepresented workplace groups % of employees with unique talent development plan % of employees who feel empowered to innovate and contribute to decision-making Employee survey reports sustainability as a positive influence on attraction/retention	% of employees who have completed role-specific sustainability training % of tier 1 suppliers and/or tenants whose personnel have completed sustainability training	2x accommodation and health & safety audits per annum of all Majid Al Futtaim and direct supplier sites Remediation plans and follow-ups conducted following non-compliance Continuous improvement in audit recommendations demonstrated for all health & safety and accommodation audits Annual increase in number of suppliers/contractors that adopt the human rights and employment conditions policy down the supply chain

Scaling up our ESG commitments

With rising investor requirements and reporting frameworks to disclose performance against ESG topics, our sustainability strategy has naturally progressed to encompass ESG risks and opportunities, which we now consider critical to our long-term business success. We are transitioning to a risk management approach - embedding this within our policies, processes, and procedures. We are linking our ESG performance with how we finance our operational and capital expenditures. In 2021, we secured a \$1.5 billion Sustainability-Linked Loan (SLL), a first in the region, which is dependent on our measurable improvements on specific yearly targets that seek to have a positive impact on people and the planet. We also listed the world's first benchmark corporate Green Sukuk in 2019, raising \$600 million, followed by a second Green Sukuk of \$600 million in the same year, which we use to finance and refinance existing and future green projects. As part of this, we report the emissions and energy performance of our Green Sukuk portfolio annually. As we move towards increased transparency, for the first time this year we expanded the scope of the independent assurance to include our full portfolio across all Operating Companies.

\$1.5 billion
SLL and
\$1.2 billion
raised through two
Green Sukuk

As we reach the end of our first company-wide sustainability strategy in 2022, the external landscape we are operating in has changed considerably. We undertook a materiality review in 2021 to ensure we understand our most significant ESG risks and opportunities.



SUSTAINABILITY-LINKED LOAN TARGETS

1

Reduce Majid Al Futtaim - Properties' portfolio Scope 1 and 2 emissions intensity, calculated as kgCO₂e/managed sqm, in line with our SBTs towards Net Positive by 2040

2

Certify the remainder of the shopping malls portfolio by 2026, and achieve a minimum LEED Gold rating or equivalent for malls that are not green building certified

3

Increase gender diversity among senior management in the top three seniority levels (board, senior executive and senior management) to reach 30% and align to the 30% Club

With the support of an external third-party expert, we undertook a baseline review of our practices to assess our current performance against a wide range of ESG criteria; engaged with internal and external stakeholders including representatives from our Operating Companies, suppliers, regional NGOs, and global industry-wide organisations to understand the issues that matter most to them; completed a peer and investor review to understand industry trends and best practice approaches and, reviewed existing and upcoming legislation relevant to our countries of operation to safeguard against regulatory non-compliance.

Building on the success and learnings of our current strategy and harnessing the opportunities presented by a new external environment, we are well positioned to take forward our new strategy in 2023 to accelerate our progress, firm our reputation as a sustainability leader in our region and ensure we are creating long-term value for our stakeholders.

External initiatives and benchmarking

To establish a credible approach, maintain confidence amongst our stakeholders and align with international best practice, we have embedded various external initiatives into our strategy, reporting and targets. This allows us to understand our performance against peers, track our efforts and improve whilst demonstrating how we are walking the talk on our commitments and progressing across our ESG focus areas.



GRESB scores and benchmarks ESG performance of real estate and infrastructure. In 2021, we increased our scores and maintained our Green Star Status for the 8th year: **85% Standing investments & 88% Developments.**



TCFD supports companies to report and manage their climate-related risks and opportunities. We were **one of the first** in the MENA region to report in line with the TCFD in 2021 and will do so annually in our ESG report. Read our latest response on page 64.



We were **one of the first three signatories** to the WGBC's Net Zero Carbon Buildings Commitment, requiring all operational carbon emissions to be reduced (and compensated for) by 2030 along with embodied carbon from new developments and major renovations under direct control. We report on our progress annually.



In 2021, we joined the UN Race to Zero campaign through the **Business Ambition for 1.5°C**, led by the Science Based Targets initiative (SBTi). Our SBTs for Majid Al Futtaim - Properties have been approved and we are developing SBTs for the remaining Operating Companies in 2022.

Advocacy for ESG topics and national to international industry-wide change happens at the most senior levels of our organisation. Our Chief Sustainability Officer, who oversees Majid Al Futtaim's sustainability agenda, is the elected Chairperson of the World Green Building Council's Corporate Advisory Board, the Chairperson of the Global Council on SDG13 on climate action, a founding member of the Emirates Green Building Council, the Vice Chair of the UN Global Compact UAE network and a member of the World Economic Forum's Circular Economy Council. To address the global megatrends of today, cross-sector and international collaboration is essential, and we will continue to be a voice and pioneer of sustainability within our region and beyond.



Sustainalytics' ESG Risk Ratings measure a company's exposure to and management of industry-specific material ESG risks. We have been rated as **low-risk since 2019.**



Led by Climate Group, EP100 commits businesses to measuring and reporting on **energy efficiency improvements.** We have committed to owning, occupying, and developing buildings that are net zero in operation and embodied carbon by 2030.



In 2013, we committed to incorporating the Ten Principles of the UN Global Compact into our strategies, policies, and procedures. In 2021, we **became an early adopter** for the enhanced Communication on Progress (CoP) platform to streamline sustainability reporting on the Ten Principles and SDGs. Our CoPs can be accessed [here](#).



For eight years, we have **received the Standard Dubai Chamber CSR Label**, recognising and endorsing our sustainability agenda. We have also received the Advanced Dubai Chamber CSR Label for the 4th year running and was the first company to receive the advanced version.

Stakeholder engagement

Throughout our operations, from the development of our assets to our workplaces, communities, and malls, we create wide-ranging benefits for our stakeholders whilst contributing to the success of our developments.

Regular and productive stakeholder engagement is vital for our approach, providing a channel for us to listen to our stakeholders' needs and expectations and understand where we can add value. By developing long-term relationships that pursue mutually beneficial goals, we can help to transform the economic and social development of our regions, whilst helping the environment to flourish.

We engage with a multitude of stakeholders, from NGOs to governments and customers to communities, through numerous channels, which are detailed below.

For example, through our Community Impact workshop, we engage with our community partners to hear about the action they are taking on key issues including youth enablement, education, gender equality and climate change so that we can collaborate with them and maximise our reach and impact.

We have also signed up to the World Economic Forum's (WEF) Stakeholder Capitalism Metrics, meaning we will regularly report our progress against the core standards, which are centred around four pillars: people, planet,

prosperity, and the principles of governance (please see 'Stakeholder Capitalism Metrics' on page 110). The metrics aim to create long-term value by meeting the needs of all the organisation's stakeholders, including society and the planet, as well as providing a benchmark for assessing companies ESG performance, improving transparency, accountability, and decision-making.

Our stakeholders, detailed below, have been identified through a stakeholder mapping exercise with input from each Operating Company based on their importance.

EMPLOYEES

Intranet, focus groups, forums, newsletters, unstaffed displays, staffed displays, interviews, training, emails, Workplace

Key topics:

- Sustainability awareness and training
- Wellness, air quality improvement
- Diversity and inclusion
- Health and safety
- Employee engagements and initiatives
- Business updates by the leadership team



TENANTS

Leaflets/brochures, newsletters, site visits, surveys and questionnaires, social media, focus groups, forums, Community Advisory Committee, events

Key topics:

- Additional support
- Branding
- Unit-specific questions
- Tenancies and letting
- Security



COMMUNITIES

Public meetings, advertising, press in local/national media, videos, telephone lines, exhibitions and events, surveys and questionnaires, deliberative opinion polls, interviews, forums, internet forums, Community Advisory Committee, events, sustainability awareness events, maintenance upgrades, infrastructure improvements

Key topics:

- More CCTV in the community
- Shared pool and gym
- Grocery shop or pop-ups
- Additional infrastructure including parks and mosques



NGOS

Public meetings, advertising, press in local/national media, videos, telephone lines, exhibitions and events, surveys and questionnaires, interviews, forums, online and face-to-face workshops, focus groups

Key topics:

- How to form partnerships
- Ways that Majid Al Futtaim can support



CUSTOMERS

Public meetings, advertising, press in local/national media, videos, apps, telephone lines, exhibitions and events, surveys and questionnaires, deliberative opinion polls, social media

Key topics:

- Providing reusable bag options
- Having an organic section in Carrefour
- In-store health and wellness activations
- Advancing and improving our digitalisation



SUPPLIERS

Leaflets/brochures, press in local/national media, newsletters, site visits, surveys and questionnaires, focus groups, forums, training

Key topics:

- Providing training on Majid Al Futtaim's sustainability strategy
- Helping the supply chain to upskill their employees
- Sustainable procurement



CHARITIES

Public meetings, advertising, press in local/national media, videos, telephone lines, exhibitions and events, surveys and questionnaires, interviews, forums, internet forums, online and face-to-face workshops, focus groups

Key topics:

- How to form partnerships
- Ways that Majid Al Futtaim can support



GOVERNMENTS

Visioning, Community Advisory Committee, forums, public meetings, focus groups, workshops, local and national media

Key topics:

- Community initiatives
- Role in master planning
- Best practice and knowledge sharing



CONTRACTORS

Leaflets/brochures, newsletters, site visits, surveys and questionnaires, focus groups, forums, Community Advisory Committee, events

Key topics:

- Providing training on Majid Al Futtaim's sustainability strategy
- Helping contractors to upskill their employees
- Labour accommodation audits
- Employment conditions



REGIONAL AND GLOBAL PEERS

Newsletters, press in local/national media, social media, videos, forums

Key topics:

- Best practice and knowledge sharing



WE DARE TO...

rethink our use of resources to make a Net Positive impact

Rethinking Resources

3.8%

reduction in Scope 1 and 2 vs. 2019 baseline

9,000

mangroves planted in the UAE

21.4M kWh

renewable energy generated

17,233

reusable bags sold over three days

OUR RETHINKING RESOURCES SUSTAINABLE BUSINESS COMMITMENTS:



NET POSITIVE CARBON

We will become Net Positive in carbon by 2040.



NET WATER POSITIVE

We will become Net Positive in water by 2040.



CIRCULAR ECONOMY

We will embed circular economy principles across our business operations to minimise our impact on the environment and generate new revenue streams.

OUR ALIGNMENT TO THE SDGS:



[Click the goal](#) for more information

Our progress

2021 was a year marked by world-wide carbon commitments across the public and private sector in the build up to COP26. World leaders gathered to discuss society's most pressing environmental issues, an indication that the severity and imminence of the climate crisis is being seriously recognised and not deterred by the persistent challenges of the global pandemic. In the UAE, the Government launched the UAE Net Zero by 2050 strategic initiative, a commitment that was strongly welcomed by Majid Al Futtaim, in line with our own target to be Net Positive in carbon by 2040.

Whilst operating in a region faced with significant challenges including above-average population growth², substantial vulnerability to climate risks and water scarcity, our Rethinking Resources focus area seeks to manage our material environmental risks and opportunities. Through our Sustainable Business Commitments to be Net Positive in carbon and water by 2040 and embed circular economy principles across our business operations by 2030 including eliminating single-use plastics by 2025, we are minimising our impact on the environment and focusing our investments, innovations, and partnerships to drive green solutions that have a positive impact.

As 2022 marks the end of our first company-wide strategy, we are operating within a new landscape, and look forward to exploring new and exciting opportunities such as nature-based solutions and innovative water technologies to realise tangible progress on our commitments.



GOING BEYOND NET ZERO

In 2017, we set targets to become Net Positive in carbon and water across our company by 2040. That means we will take more carbon out of the atmosphere than we emit and ensure we create more clean water than we use.

Our approach is aligned with international best practice and harnesses the strength of collaboration to foster industry-wide progress. Majid Al Futtaim was one of the first three signatories to the World Green Building Council's Net Zero Carbon Buildings Commitment and in 2021, firmed its commitment to the global agenda by joining the Business Ambition for 1.5°C Commitment and Race to Zero campaigns. As the world embraces net zero carbon commitments, our aim is to match these and go beyond with additional measures to reduce carbon emissions.

Sustainable buildings

The built environment is integral to our business. It helps us to provide experiences, homes and workplaces for our communities and employees, and influences our environmental performance. Building and operating our portfolio based on best-in-class environmental standards means we can achieve long-term asset value and demonstrate high environmental performance to our investors and stakeholders. Through our Green Sukuk portfolio, we have selected a portfolio of assets where we are heavily investing to accelerate our positive impact.

A comprehensive set of policies including the Sustainable Fit-Out Policy, Sustainable Building Policy and Sustainable Operation Policy set out minimum standards throughout the property lifecycle, from design through to operation, to contribute to our Net Positive and circular economy commitments. Standards are set on a wide variety of topics including health and wellbeing such as indoor air quality and thermal comfort, carbon and energy performance, water demand and efficiency, waste and materials and climate risk. Policies are frequently reviewed and updated to ensure they reflect best practice requirements needed to drive improvements. For example, we are working to update the Sustainable Operation Policy to align with SBTi requirements and our most material transitional and physical climate risks.

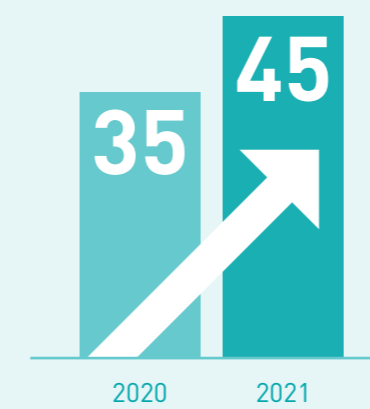
Importantly, the policies set requirements on sustainable building certifications, which are widely accepted as an indication of high performance and quality.

We hold the world's first LEED Platinum certification for our hotel portfolio and Mall of Oman is our first super-regional mall to be LEED Platinum certified. The Sales and Experience Centre in Tilal Al Ghaf, our flagship mixed-use community in Dubai, is the first Net Positive building in Majid Al Futtaim's portfolio, the first in the region to be Zero Energy certified by the International Living Future Institute (ILFI), the first recipient of BREEAM Excellent in the GCC, winner of the 2022 BREEAM Asia Regional Award and 2019 EmiratesGBC award for Zero Building Design and on track to receive WELL Silver certification.

Our environmental impact extends beyond what we can directly control so we work with our value chain to encourage them to adopt good environmental practices and support them in achieving their own sustainability commitments. Collaboration and knowledge sharing is essential, so we work with leading companies and participate in various taskforces to find solutions and define best practice. An example of how we are working with our value chain is through Majid Al Futtaim's Green Star Rating system, which assesses tenants' sustainability policies and specific environmental and social aspects relevant to their fit-outs and operations, including energy and emissions, materials and resources, water efficiency, waste management, innovation, and the design process. Tenants then receive a score and are allocated a green star rating from one to five. A total of 535 stores have been rated 3-star or above. In addition, we are in the process of developing SBTs for our Scope 3 emissions. Once these are set, there will be an even greater need to strengthen our relationships with our suppliers to collaboratively determine how to reduce these emissions.



Total assets with a LEED, BREEAM or equivalent certification



Total assets in the process of being certified



As part of our \$1.5 billion SLL, we will work to ensure our entire shopping mall portfolio is certified by 2026, with non-certified malls achieving a minimum of LEED Gold or equivalent.

² <https://www.weforum.org/agenda/2018/05/why-the-world-s-fastest-growing-populations-are-in-the-middle-east-and-africa/>

Renewable energy

Growing the proportion of our energy use that is supplied by renewable sources is vital for reducing our dependency on fossil fuels, securing supply, decreasing energy costs and ultimately, helping us reach our 2040 Net Positive carbon commitment. As such, our Sustainable Building Policy requires all new projects to achieve a minimum on-site renewable energy generation of 25% of its total energy use. During 2021, our shopping malls, communities and retail assets grew their renewable energy generation to 21.4 million kWh compared to 17 million kWh in 2020, an increase of 26%.

To achieve our commitments, Majid Al Futtaim has partnered with Yellow Door Energy, the leading solar developer for commercial and industrial businesses in the Middle East and South Asia, on a series of Power Purchase Agreements (PPAs). In 2021, a 17 MW solar park in Jordan became operational, providing 100% of the energy use of 35 Carrefour stores across the country with renewable supply. Comprising over 49,000 solar panels, it is estimated that 300,000 tonnes of carbon emissions across Carrefour's operations will be avoided because of the PPA over its lifetime.

A second 6.2 MWp PPA was signed in 2021 with the developer, which will be the largest private solar plant in the Kingdom of Bahrain once developed.

6.2 MWp PPA
signed, the largest
private solar plant
in Bahrain once
developed

Spanning over 40,000 m², the rooftop solar plant will generate 10 million kWh of clean energy in its first year of operation for The Bahrain Mall, meeting 50% of the shopping mall's energy consumption needs, equivalent to reducing carbon emissions by 6,300 tonnes. Similarly, our Shopping Malls business unit is embarking on a third 20-year PPA with Yellow Door Energy to provide renewable energy to 16 shopping malls across the UAE, Bahrain, and Oman. Scheduled to be completed by the end of Q1 2023, the PPA will provide more than 65 million kWh of renewable energy per year and support the business unit to reach its goal of generating 25% of landlord electricity demand from renewable sources.

Moving forward, we are actively exploring opportunities for off-site PPAs as well as other high-quality renewable, clean energy opportunities to ensure 100% of our energy consumption is supplied from renewable sources in the future and that additional capacity is being added to the grid.

Climate risk

The Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report released in August 2021 gave its most stark warning about the risks posed by climate change³. Many of these risks are now inevitable, while others will be unavoidable unless serious climate action is taken by all global economies. In the Middle East, North Africa and Asia, the effects of the climate crisis are a reality that many of our communities are already experiencing in their daily lives including high levels of air pollution and water scarcity. Our region is particularly exposed to heat stress, drought, and coastal flooding and as a property owner and developer, these are material risks we must manage to ensure that we keep providing high-quality spaces and experiences for our customers, far into the future.

To effectively manage our climate risks, we needed to first understand in detail the climate-related risks posed to our business and our portfolios. We have undertaken a rigorous, quantitative modelling exercise of our entire properties' portfolio against different climate scenarios. We have also conducted climate scenario analysis of our entire business strategy. Together, these exercises have given us a clear picture of the top physical and transition climate-related risks we face in both the near and longer-term (you can read more in our Addressing Climate-Related Risks white paper [here](#)). These exercises have informed several key steps that we need to take to effectively govern and oversee climate-related issues, as well as risk-specific actions for us to mitigate our top risks. To learn more about our climate risk management, see page 64 for our second response to the Task Force on Climate-related Financial Disclosures (TCFD).

One of the **first**
in our region
to report in line
with the TCFD

³ <https://www.ipcc.ch/report/ar6/wg1/>

"I believe we are the only company in the world to open two super-regional malls in 2021, demonstrating our resilience against the challenges of the past two years and the success of our approach. At the same time, we set even higher standards for our sustainability performance, with the recently opened Mall of Oman becoming our first super-regional mall with LEED Platinum certification."



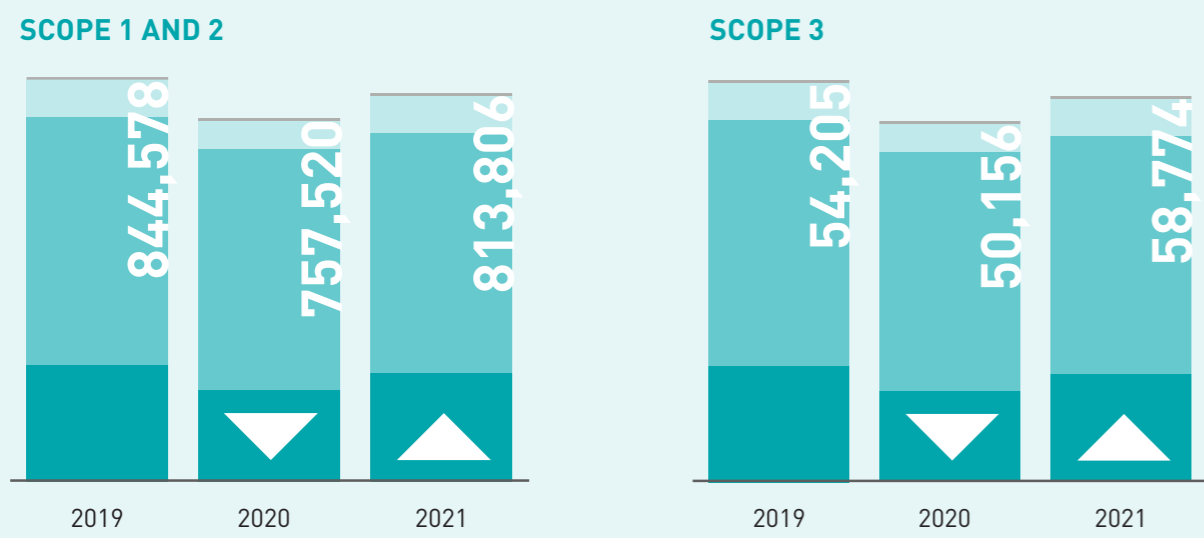
AHMED GALAL ISMAIL
CHIEF EXECUTIVE OFFICER
MAJID AL FUTTAIM – PROPERTIES

Energy and emissions

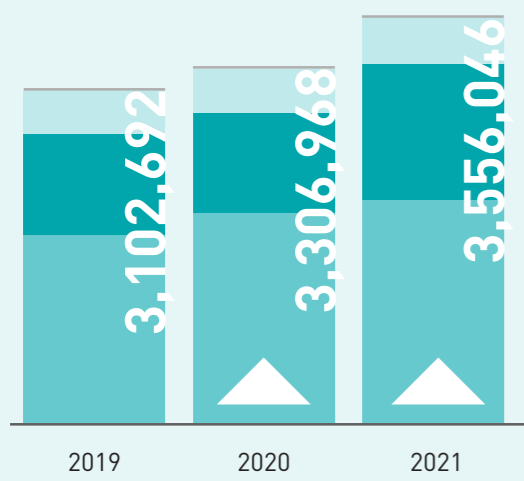
Operational emissions (Scope 1 & 2) decreased by 3.6% in 2021 compared to the 2019 baseline. This was the result of an increase in efficiency and partially due to closures and reduced asset operations because of COVID-19. Whilst we continue to increase the share of renewable electricity through PPAs including our 17MW solar park in Jordan, our emissions reductions from these activities will be realised in 2022.

-3.6%
reduction in
CO₂e emissions
(Scope 1 and 2) vs.
2019 baseline

Carbon emissions (tonnes of CO₂e)



Floor area (m²)



Our floor area has increased by 453,354 m² over the three year period.

We report on assets where Majid Al Futtaim has operational control, meaning we only report on assets where we have some form of management control such as property management. This excludes properties where we have a financial investment but no managerial control. Our operational footprints include all energy sources for which we have operational control. This excludes tenant energy consumption and the emissions from our developments (both construction processes and embodied emissions).



Data has been restated compared to previous years as more complete and accurate data is available. In line with our science-based targets, we have set our baseline year as 2019.



OUR APPROACH TO CARBON REDUCTION

- 1 Reduce embodied carbon
- 2 Optimise energy efficiency
- 3 Maximise renewable energy on-site
- 4 Maximise high quality renewable energy procurement off-site
- 5 Use high quality carbon offsets as a last resort

To achieve our carbon commitment, we will reduce our embodied carbon emissions in line with our embodied carbon intensity target outlined in our Sustainable Building Policy, reduce the energy consumption associated with our operations through energy efficiency investments, and continue to invest in high-quality renewable and clean energy. Specifically, we will increase the proportion of our energy use supplied by renewables and clean energy using a combination of on-site generation and off-site purchasing.

To set a clear, credible, and scientific trajectory to which we can focus our activities and align our Net Positive target, our science-based targets (SBTs) for Majid Al Futtaim - Properties have been approved and we are in the process of developing SBTs for the three remaining Operating Companies (see page 34 for more information on how we have been developing SBTs).

Lastly, any residual carbon emissions that we cannot remove will be offset using high-quality carbon offsets that align with the Oxford Offsetting Principles. Given our efforts to reduce our Scope 1 and 2 emissions, we anticipate that any offsets needed will be for our residual Scope 3 emissions. These will arise in part from the embodied carbon associated with developments and refurbishments and from our supply chain, including our tenants.

Embodied carbon

Recognising that embodied carbon represents a significant source of carbon emissions in the lifecycle of our buildings, we operate an assessment tool, which allows us to measure, monitor and manage these emissions. In line with our Sustainable Building Policy, all new development projects are required to complete an assessment using Majid Al Futtaim's Embodied Carbon Tool during the design stage.

In 2021, we commenced a study on Majid Al Futtaim Tower 1 and Tower 2 along with four of our malls to calculate the embodied carbon emissions savings that were achieved during the construction stage through the adoption of sustainable building materials. Majid Al Futtaim Tower 1 and Tower 2, My City Centre Masdar, City Centre Al Zahia, City Centre Almaza and Mall of Oman achieved combined embodied carbon savings of 122.8 million kg CO₂e against a business-as-usual scenario, equivalent to the emissions of one person taking 30,700 round-trip flights from Dubai to New York.

Building on the success of our tool, we will be conducting studies on selected assets to estimate the embodied carbon for our total portfolio of properties. This will support us to create a strategy for offsetting our embodied carbon within the next 20 years.

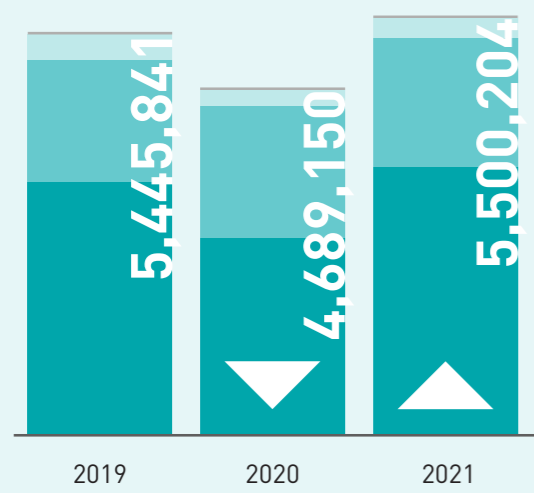
Scope 3 emissions

In 2021, we developed a full Scope 3 emissions inventory for Majid Al Futtaim - Properties, aligned with the GHG Protocol's Corporate Value Chain (Scope 3) Standard and the SBTi's criteria. As part of this process, we assessed the relevance and materiality of the 15 categories as set out by the standard against our business activities. Embodied carbon in our developments, our tenant emissions and the expected lifetime emissions of the residential properties we develop and sell were found to be amongst the most material emissions sources in our value chain.

Establishing a Scope 3 footprint was required for the development of Scope 3 emissions targets, as mandated by the SBTi. Our proposed target is to reduce our Scope 3 GHG emissions intensity within the target boundary by 57.3% by 2035 from a 2019 base-year. Out of our total Scope 3 emissions, we are including approximately 73% in our Scope 3 target boundary. Our SBTs have been officially approved by the SBTi (more information can be found on page 34).

For our other three Operating Companies, Majid Al Futtaim - Retail, Lifestyle and LEC, we are in the process of developing Scope 3 footprints by following a similar approach. Once our SBTs are officially approved by the SBTi, we will look to disclose our company-wide Scope 3 emissions, covering all four Operating Companies in our annual reporting.

Water use (m³)



+1%

increase in water use (m³) vs. 2019 baseline

+14.6%

increase in floor area (m²) vs. 2019 baseline

In 2021, our operational water consumption increased by 1% compared to the 2019 baseline due to the increased number of assets in our portfolio (please see page 26 for more information on our floor area). We are continuing to explore and implement efficiency measures to decrease our negative impact.

For our water consumption, we report on assets where Majid Al Futtaim has operational control, meaning assets where we have some form of management control, such as property management. This excludes properties where we have a financial investment but no managerial control.

Our operational footprints include all water sources for which we have operational control. This excludes tenant water consumption and the water impacts from our developments.

■ PROPERTIES
 ■ RETAIL
 ■ LEC
 ■ LIFESTYLE

Data has been restated compared to previous years as more complete and accurate data is available. In line with our science-based targets, we have set our baseline year as 2019.

With operations spanning the most water scarce countries in the world and some of the fastest growing populations, water availability presents a material risk to our business and the long-term socio-economic development of our region. We have committed to become Net Positive in water by 2040, which means we will create more clean water than we use.

Primarily, we will optimise the efficiency of our water use, reduce our demand, and seek to maximise opportunities to source and manage it responsibly, including the evaluation of the use of treated wastewater. In practice, we operate a suite of policies including the Majid Al Futtaim – Properties’ Sustainable Building Policy that set minimum standards on topics such as water quality, water use, efficiency equipment, monitoring and leak detection, metering, recycling, and water generation feasibility studies. We work with our tenants and suppliers to improve their performance regarding water consumption and efficiency through mechanisms including our Sustainable Procurement Policy and Green Star Rating System. We also set annual key performance indicators (KPIs) and efficiency measures for each of our Operating Companies to drive progress internally. In our efforts to think more expansively about managing water, we are also exploring the option for setting

SBTs for nature, which would include identifying the most material water management issues related to our company.

Though exceeding the scope of our Net Positive commitment, we are engaging with our supply chain to manage our wider impact, having identified key opportunity areas including effective agricultural management, smart engagement on fashion, and water management with our communities (read our Water in the Supply Chain white paper [here](#)). We recognise that it will be challenging to achieve water neutrality by efficiency and alternative sources alone. Therefore, we have developed a water offsetting strategy to address residual water consumption.

Despite our water efficiency efforts, we recognise that the vast majority of water use in the region is outside of our industry, particularly in agriculture. Therefore, the water offsetting strategy aims to identify opportunities to support actors in our supply chain who work in these sectors to find meaningful water efficiency and productivity opportunities.



OUR AIR-TO-WATER PILOT

Given the importance of water to our business activities such as food, beverages, and fashion, which rely on agriculture and other water intensive processes, significant innovation is required to safeguard this important resource. In 2021, we began exploring hydro-panel technology and solar power to generate clean drinking water from air. We launched a pilot at Majid Al Futtaim offices in Dubai, installing 10 hydro-panels, which each produce an average of four litres of water per day using solar energy and have the capacity to store 40 litres of water.

The air-to-water produced is used for consumption in the Leadership Institute and any excess water is used to irrigate the terrace garden. We have also expanded the air-to-water integration across several indoor assets using air-to-water generators. For example, we placed two 1,000 litre dispensers in our community's construction areas for labour workers to receive high-quality chilled water on-site, four 30 litre dispensers in our offices across the UAE, one 30 litre dispenser in Crate and Barrel, one of our tenants' shops in our mall, for our customers and twelve 100 litre dispensers in metro stations across Dubai. In 2022, we will be expanding the use of this technology across our hotels and operating countries to support our Net Positive water commitment.



Nature-based solutions

Addressing the climate crisis requires respect for nature and an understanding of its significant role in the carbon cycle, biodiversity, providing water, food, medicines as well as fuelling economies, culture, and traditions. Solutions that are nature-based have the potential to deliver up to 37% of the solutions needed to achieve the climate goals of the Paris Agreement, along with other important societal challenges⁴. Majid Al Futtaim has joined over 900 companies and signed up to the Business for Nature's Call to Action to publicly call on governments to adopt ambitious policies to reverse nature loss. As mentioned, we are also exploring SBTs for nature, which in addition to the potential for managing water, will identify the most impactful actions that can be taken to support the ecosystems over which we have influence.

We are investigating ways that we can integrate nature-based solutions into our *Dare Today, Change Tomorrow* strategy. For example, we are piloting 10 beehive farms across the Tital Al Ghaf community and our headquarters (Tower 1) to help preserve and normalise the bee populations in our communities. With one third of all plants or plant products that we consume as humans' dependent on bee pollination⁵, we are working with Native, a local SME, to enhance the presence of bees for safeguarding local food security in the UAE whilst positively contributing to the local ecosystem.

Majid Al Futtaim - Retail in the UAE partnered with P&G to launch Forests for Good, an initiative that aims to plant mangrove trees in the UAE. The overall goal of the project is to plant 26,000 mangrove trees within one year, with Majid Al Futtaim achieving its goal of planting 9,000 mangroves. When spending over AED 50, customers received a voucher with a QR code to plant a tree, giving them access to the Eco-Matcher app, which they can use to track their mangrove. As well as engaging customers in local conservation efforts, mangroves provide protection against flooding, storm surges and sea level rise, optimal breeding grounds for marine biodiversity and habitats for sea life.

At Al Zahia, Sharjah's first gated mixed-use community, we created an organic farm, which uses regenerative farming techniques to promote soil health, improve carbon sequestration from the atmosphere and produce herbs and 30 varieties of vegetables for the community. The farm uses organic waste from our Carrefour supermarkets, harnessing circular economy principles, and supporting a lower environmental footprint when compared with traditional agriculture. Similar to other urban farms, the project also provides an education opportunity, encouraging residents to lead healthier lives and connecting them with nature, which is shown to have a positive impact on wellness⁶.

⁴ <https://bit.ly/38xMrVJ>
⁵ <https://bit.ly/37UXt7q>
⁶ <https://bit.ly/3MjBAxy>



INNOVATING TO INCREASE FOOD SECURITY

With concern over the environmental impact of agriculture and the risks posed by synthetic foods to health, hydroponic farms offer an agricultural and innovative solution to food waste and insecurity, water use and disrupted supply chains. Following the success of Majid Al Futtaim's first retail hydroponic farms in the region at My City Centre Masdar and Yas Mall in Abu Dhabi, we expanded this solution to include six farms in total including Dubai's first in-store hydroponic farm in Carrefour UAE Market at Al Wasl. The farms grow a wide variety of unique leafy green herbs and vegetables, using 90% less water than traditional soil agriculture and less space than traditional farms.

9,000 mangroves
planted in the UAE through the Forests for Good initiative

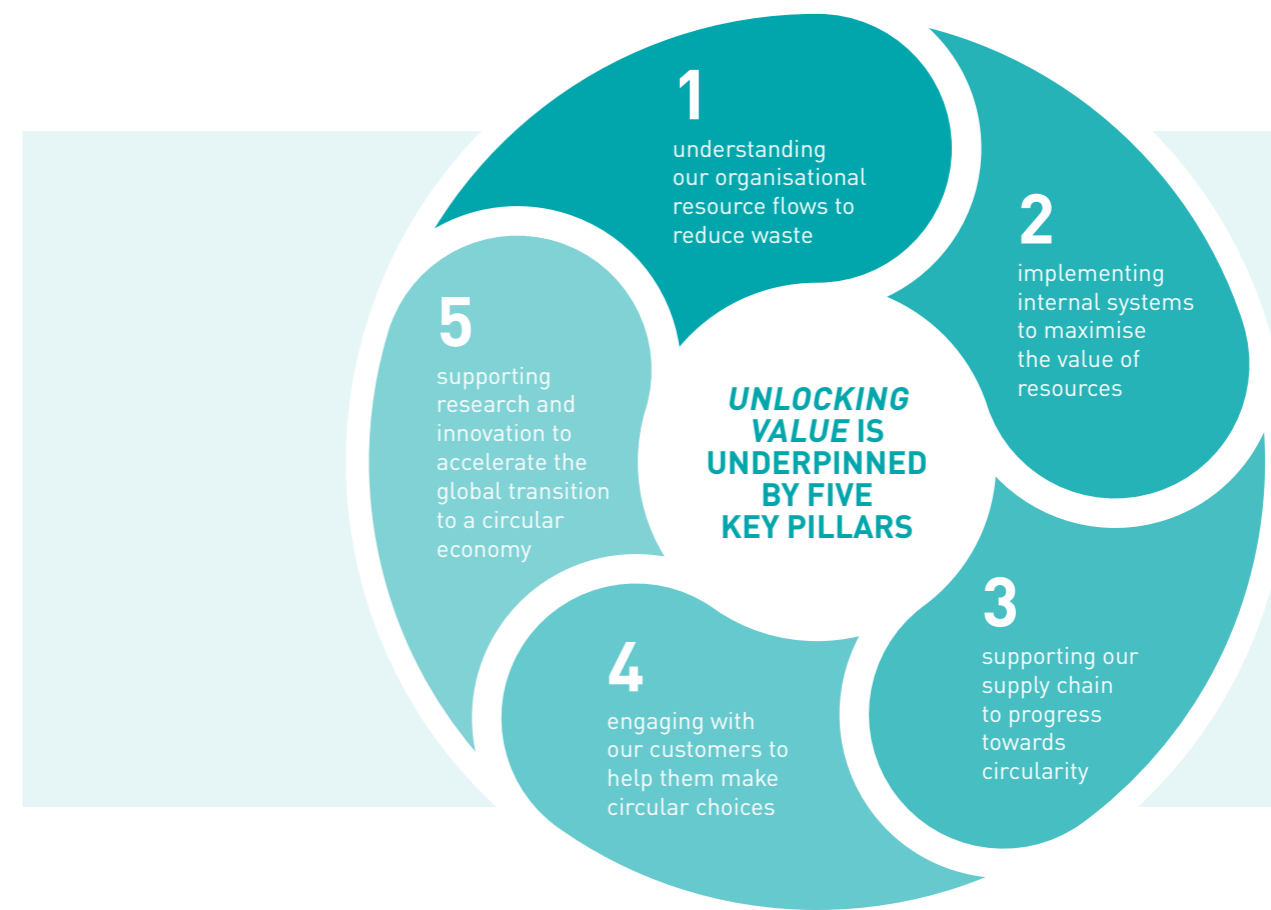
10 beehive farms piloted
across Tital Al Ghaf and our headquarters

Circular economy

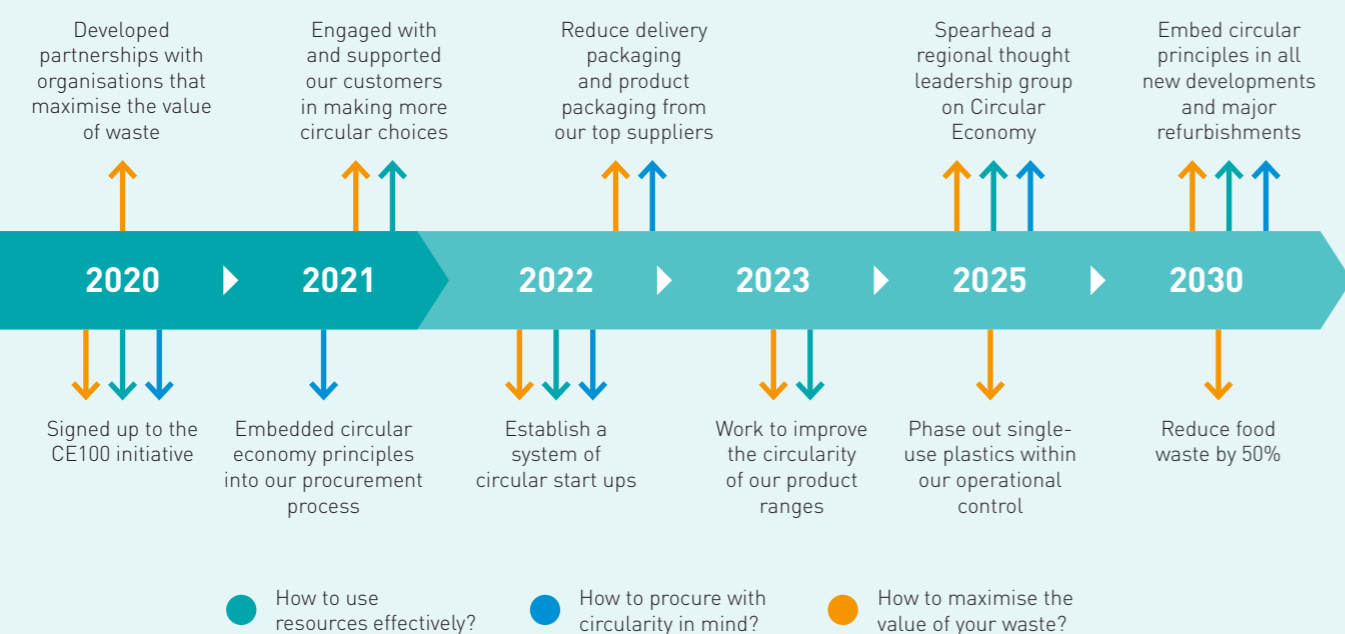
The building and operation of our shopping malls, communities, and hotels requires a substantial amount of natural resources and our business activities, from fashion to food and beverages, can result in a significant amount of waste. In the UAE, we produce amongst the world's highest levels of waste per person⁷, which can have dangerous consequences for people and the planet when it's not managed correctly, contributing to climate change and air pollution and damaging ecosystems and biodiversity.

Our circular economy strategy, *Unlocking Value*, formalises our commitment and approach to embed circularity firmly into our business model by 2030 and defines a roadmap to integrate lifecycle thinking into all business planning and decision making. To ensure circular economy principles are integrated into our developments, we recently updated the Majid Al Futtaim – Sustainable Building Policy so that our activities harness opportunities to reduce, reuse, recycle and recover materials, which will ultimately reduce future embodied carbon emissions associated with our developments.

Our Facility Management and Sustainability teams have been working with an external waste contractor to explore opportunities to change the way materials flow through our offices and divert more than 90% of our waste in Majid Al Futtaim Tower 2 from landfill. As part of our efforts, we conduct waste audits twice a year and implemented simple, yet effective, measures to influence our employees' behaviour and increase the use of reusable items over single-use including food service ware, office supplies and drinking bottles. To validate our performance and discover additional ways we can progress to zero waste, we have registered Majid Al Futtaim Tower 2 in the Total Resource Use and Efficiency (TRUE) Program by the Green Business Certification Inc. (GBCI), becoming the first company in the MENA region to submit a TRUE precertification to become a zero waste office. Once this pilot project is complete, we will roll-out our efforts across our remaining offices.



ROADMAP TO 2030: OUR TARGETS



In line with the 2021 milestones set by our strategy, we have been engaging with and supporting our customers in making more circular choices, following both a top-down and bottom-up approach to influencing behaviour change. For example, Carrefour Armenia has been actively involved in discussions organised by the Ministry of the Environment for various stakeholders such as environmentally responsible companies on plans to ban plastic production and sales from 2022, expressing its readiness to cooperate with organisations offering alternatives. In line with the roll-out of our Single Use Plastics Phase-out Policy across the business by 2025, Carrefour Armenia phased out all single-use plastic bags in 2021, offering customers a variety of reusable alternatives.

We also run comprehensive communications campaigns at country and asset level comprising of awareness videos

and posts on social media about the negative impacts of waste and single-use plastics, in-store marketing, and customer events. For example, Carrefour Oman offered customers 40% cashback as MyCLUB points on all reusable bags to mark International Plastic Bag Free Day, with 17,233 reusable bags sold over three days. Carrefour Jordan collaborated with TEENAH, a local NGO start-up, to offer customers the opportunity to customise their reusable bags, with more than 2,000 visitors participating in the event. Carrefour Kenya, in collaboration with the WEEE Centre, commemorated International E-waste Day by strategically placing e-waste collection bins at all stores, encouraging customers to dispose of this waste free of charge. In addition, we host various fashion bazaars to sell defected items at up to 90% under their selling price instead of sending them to landfill and customers can receive SHARE points by using their own reusable bag in our Carrefour stores.

7

Majid Al Futtaim - Retail has completely phased out single-use plastic bags in seven countries of operation

2

Majid Al Futtaim - Retail has completely phased out single-use plastic cutlery in two countries, Oman and Qatar

0

Majid Al Futtaim - Lifestyle has been single-use plastic free since 2020



⁷ <https://u.ae/en/information-and-services/environment-and-energy/environmental-challenges-in-the-uae>

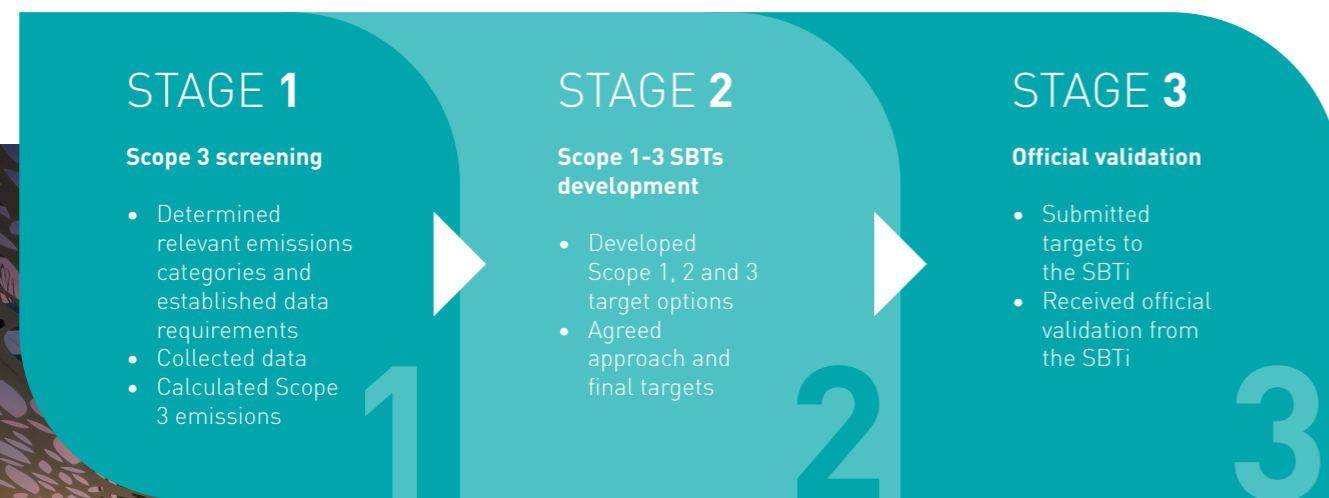
SPOTLIGHT ON:

Science-based targets (SBTs)

Based on nations' most recent conditional and unconditional commitments, as well as their net zero carbon pledges, the world is on track for a minimum 2.2°C of warming, in excess of the 1.5°C required to avert the worst impacts of climate change⁸. With pressure from stakeholders and clear evidence linking the benefits of embedding resilience and successful business operations, the private sector is uniquely placed to close the gap between what is needed.

To support our transition to Net Positive, Majid Al Futtaim signed up to the Business Ambition for 1.5°C Commitment, led by the SBTi, requiring emissions reductions of 50% by 2030, and to reach net zero by 2050 at the very

latest. To put this commitment into practice, we have developed Scope 1 and 2 SBTs for Majid Al Futtaim – Properties, aligned to a well-below 2°C pathway, using the scientifically-informed method called the Sectoral Decarbonisation Approach. This method is based on the 2°C scenario, one of the International Energy Agency's detailed CO₂ sector scenarios, which is consistent with the representative concentration pathway 2.6 (RCP2.6) scenario from the IPCC's Fifth Assessment Report, that offers the highest likelihood of staying within the global target temperature of less than 2°C in the year 2100.



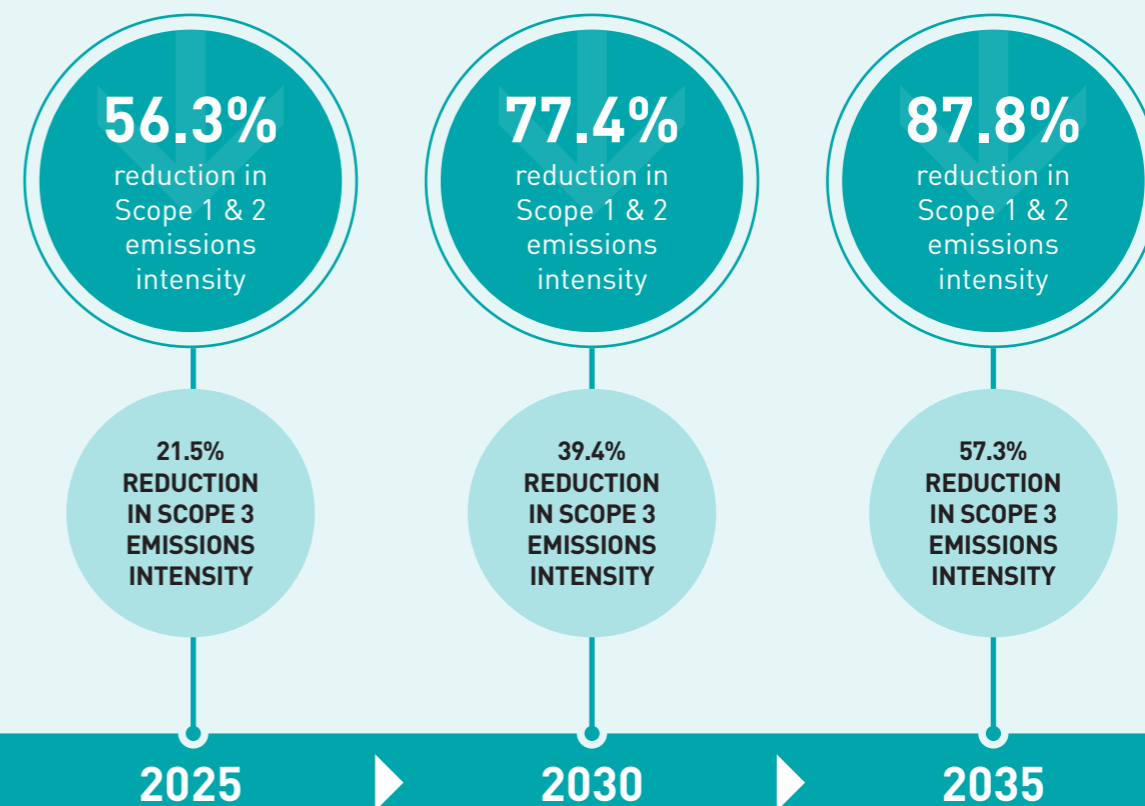
The SBTi require that companies whose Scope 3 emissions account for more than 40% of total Scope 1-3 emissions, set targets on at least two thirds of their total Scope 3 emissions. As part of this requirement, Majid Al Futtaim – Properties established a full Scope 3 inventory (see page 27). Following this exercise, it was concluded that we needed to set a Scope 3 target. After careful consideration, it was decided that the most appropriate target setting method is Physical intensity, which allowed us to take into account our growth plans.

Our targets have been validated by the SBTi in 2022. We are also working towards developing science-based targets for the remaining three Operating Companies and submitting them for validation to the SBTi in 2022.

Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas emissions to prevent the worst effects of climate change. The independent assessment and approval of the SBTs provided by the SBTi ensures they align with strict criteria and provide reassurance to our stakeholders that we are committed to an ambitious and credible decarbonisation pathway based on the latest climate science. In addition, companies report that adopting SBTs can boost profitability, improve investor confidence, drive innovation, reduce regulatory uncertainty and strengthen brand reputation.

SBTS FOR MAJID AL FUTTAIM - PROPERTIES

For all the targets below, Scope 1, 2 and 3, we have used 2019 environmental data as the baseline.



⁸ United Nations Environment Programme (UNEP) Emissions Gap Report (October, 2021)

WE DARE TO...

transform the lives of the communities we serve, to provide a healthy, fulfilling and sustainable way of life

Transforming Lives

25,000

meals donated through Ramadan SHARE initiative

QAR 9.6M

donated to support children with barriers to school

20%

fruit and vegetables supplied by local farmers for Majid Al Futtaim - Retail UAE

AED 422K

sales for local designers and homegrown SMEs at Mirdif Kashtaa

OUR TRANSFORMING LIVES SUSTAINABLE BUSINESS COMMITMENTS:



LOCAL ECONOMIC DEVELOPMENT

Support our communities by increasing our contribution to local economies, with the objective of helping to reach prosperity and promote economic development.



LOCAL ECONOMIC DEVELOPMENT

Support the development of skills and entrepreneurship in line with local needs through enterprise hubs.



DISRUPTIVE TECHNOLOGY

Invest in our employees' innovative ideas by having an Innovation Centre of Excellence to drive improvements in sustainability performance across Majid Al Futtaim and our supply chain.



CUSTOMER EXPERIENCE

Work to enrich our customers' experiences through sustainability across our business.

OUR ALIGNMENT TO THE SDGS:



Click the goal for more information

Our progress

We recognise the importance of supporting our communities and the value they bring to our business. In 2021, Majid Al Futtaim continued to make a significant contribution to our local communities despite the effects of the ongoing pandemic. We are going beyond by creating a meaningful social impact through our key focus areas: building additional infrastructure based on communities' needs; supporting local people with access to valuable skills and meaningful employment and promoting good health and wellbeing in the areas we serve.

With a highly diversified customer base of over 178 million customers each year across 17 countries, including cinema visitors, hotel guests, shoppers, and residents, we want to ensure that everyone can live happily, healthily, safely, and sustainably. We want to create a sustainable and positive impact in everything we do, from our local communities and the organisations we partner with to the products we procure and sell, so that we can guarantee our developments create great moments for everyone, everyday.



Responsible procurement

Embedding sustainability and responsible practices into procurement processes gives Majid Al Futtaim the opportunity to build long-term relationships with the communities where we operate and ensures we are playing our part in building back a better world that is resilient to environmental and economic impacts. Due to the nature of our business, we carry out significant expenditure on goods, services, works and capital projects and as a result, we must ensure our sustainable approach and values extend to our supply chain to mitigate our business risk as our supply chain grows, minimise disruptions and support local economic development.

Our
Responsible
Procurement
Policy is aligned
with ISO 20400

Our Responsible Procurement Policy sets out the key principles of our sustainable procurement practices, in line with the ISO 20400 certification - a best practice framework for integrating sustainability into procurement - amongst our business partners and supply chain. The policy ensures value for money, effective supply chain management and working in partnership to maintain all relevant legal, environmental, ethical, and health and safety standards. For our tier 1, 2 and 3 suppliers⁹, the minimum sustainability standards set out within the policy are essential and we work with them to ensure the standards are met. This includes ongoing surveys to understand their performance and identify priority areas for improvement along with training to educate suppliers on our policy and resources to enhance their procedures. Building on the training we delivered to all tier 1 suppliers for Majid Al Futtaim - Properties in 2020, 'train the trainer' training was completed so that countries were empowered to deliver sustainable procurement training, which was rolled out to tier 1 suppliers across all Operating Companies in 2021. This training will take place again in 2022 to capture any new suppliers and ensure they are meeting our same high standards.

⁹ Suppliers are organised into tiers based on their contract value, with tier 1 suppliers having the highest contract value

Sourcing sustainably and locally sourced products benefits our business by minimising transport-related emissions and supply chain disruptions as well as supporting local economic development in our communities. In 2021, Majid Al Futtaim - Retail in the UAE signed a memorandum of understanding with the Ministry of Climate Change and Environment (MOCCA), that focuses on joining efforts to support local farmers in the UAE. The collaboration looks to further promote local and more sustainable produce and support farmers with insights on supply and demand to manage and grow the right crops to reduce unnecessary impacts on the land and environment. In 2021, produce from farmers in Dubai and Abu Dhabi provided 20% of our total fruit and vegetables for Majid Al Futtaim - Retail in the UAE. We are currently exploring alternative purchasing methods to expand our procurement from local farmers. Majid Al Futtaim - Retail also works closely with local farmers to help grow their business and ensure they adapt to trends in the market.

In another example, we collaborated with Kenya Export Promotion and Branding Agency (KEPROBA) to amplify our support for local suppliers via the Made in Kenya brand mark. Products from local suppliers were promoted to the customers through discounted prices, in-store communication, social media platforms and the Carrefour app. We were able to support 17 local suppliers through this partnership and offer over 40 products.



GREENING OUR LOGISTICS

In 2021, we also launched our Green Logistics Programme to engage our logistics and supply chain and define metrics to contribute to our Net Positive commitments. The programme aims to reduce air, soil, and water pollution by examining the effect of each logistic area, especially those related to transportation, and engage with suppliers to spread sustainability metrics throughout the supply chain and procurement processes, including product and packaging re-design. We will implement the programme across our portfolio of Carrefour stores, in all operating countries, to improve the environmental performance of internal and outsourced logistics. The programme will also be adhered to by all external organisations involved in the logistics and transportation of finished products from their distribution centres to our stores and facilities. We will review and update these commitments every two years at a minimum to ensure we are constantly aligned with best practice.

Start-ups and SMEs

Start-ups and small and medium-sized enterprises (SMEs) create significant value for our business through collaborations and partnerships that support the growth and innovation of our services and solutions and as a result, enhance the customer experience. Our partnerships with small and local businesses are an important part of our commitments to promote local economic development in the regions we operate in.

This year, Majid Al Futtaim - Communities joined the Scale Up programme as a strategic partner to offer two start-up businesses the opportunity to secure commercial pilot contracts. Scale Up is an equity-free accelerator programme that provides a gateway for tech start-ups from around the world to access the UAE market with opportunities to grow their businesses through real estate pilot projects.

The programme will run virtually over a four-month period and all accepted start-ups will have the opportunity to pitch their solutions to a selection committee in October 2022, with up to two businesses being selected for pilots. The programme will tap into the growing PropTech (property technology) sector globally and support the wider UAE National Innovation Strategy in the region.

SMEs can also play a vital role in strengthening our connection to local economies and promoting a feeling of belonging within the community. City Centre Mirdif hosted a large indoor and outdoor market, held on National Day called Mirdif Kashta (meaning "Going out together to an outdoor place" in Emirati dialect). Mirdif Kashta brought together a sense of heritage with the future, providing entertainment and children's activities, while promoting and showcasing 50 local designers, homegrown SMEs and unique brands, and achieved AED 422,000 in sales.

Joined the
Scale Up
programme to
support PropTech
start-ups

Social impact

As one of the region's biggest developers and investors in large scale infrastructure projects, we can positively impact the social, environmental, and economic context of our local communities through the infrastructure projects we deliver. Infrastructure can take many forms; therefore, it is important that it is tailored to meet the needs of the local area and communities that the project serves, from clean water infrastructure, mosques, schools and medical facilities to roads and skills' centres.

To achieve our 2022 Sustainable Business Commitment of increasing our contribution to local economies, we apply an Additional Infrastructure Investment Framework that defines our approach to investing in additional infrastructure, beyond what is legally required by local and government authorities, to support local economic development. The framework formalises the investment decision process and ensures that investments meet the desired outcomes and align with Majid Al Futtaim's strategic sustainability priorities such as our 2040 Net Positive carbon and water targets (you can read more in our Prosperous Communities white paper [here](#)).

In 2021, we completed the construction of the Al Zahia Clubhouse, a community centre comprising of a fully serviced gym, a cafe, playgrounds, and sports facilities, which our community can enjoy and use as a place to connect, experience and increase their wellness. Importantly, it is built with high sustainability credentials, achieving a BREEAM interim Very Good rating and featuring a green wall.

We have also completed the development of the North Hub, which features a mix of high-end retailers along with a 522 m² Carrefour store that offers easy access to day-to-day essentials and other useful amenities such as a coffee shop and pharmacy. In addition, at Tital Al Ghaf, we will be moving ahead with several approved projects including the creation of parks and recreational areas, a cycle track, road and accessibility infrastructure, and public transport connections.

Through our activities including our additional infrastructure projects, malls, and communities, we have made a substantial socio-economic impact. Key to ensuring the success of our approach is establishing a method for measuring our impact. As such, we created a socio-economic impact assessment framework, guided by international best practice, which defines the principles, scope, and hierarchy of impacts for understanding the true impact of our activities and developments. Most recently, we applied the framework in an assessment of the socio-economic impacts of Mall of the Emirates, where we found that AED 128 million in gross value added was created by the mall's daily operations along with 749 operational jobs. This was a significant step in our journey and provides the foundations for applying this methodology to understand the social value of our activities moving forward.

In 2022, we will build on our work by capturing the incidental impact created by our suppliers and partners. This will support us to capture the wider impact of our business network and identify opportunities where improvements can be made.



"In 2021, we continued to push the boundaries of innovation within Majid Al Futtaim – Lifestyle and disrupt the traditional shopping experience to exceed our customers' expectations. Going beyond traditional brick and mortar, our new concept stores bring our vision to life: innovation, creativity, technology, culture, wellness, and sustainable lifestyles, all in one platform, physically and digitally. Our customers' needs are constantly evolving with an increased focus on how they can play a role within sustainability, with that comes a plethora of opportunities that I look forward to exploring."



FAHED GHANIM
CHIEF EXECUTIVE OFFICER
MAJID AL FUTTAIM – LIFESTYLE

Wellness in the community

Since the outbreak of the pandemic in early 2020, we have had to adapt to meet the evolving needs of our communities from basic support to wellness and beyond.

Many people within our communities have been struggling financially and so, many Majid Al Futtaim teams have been working to give back to those who need it most. During the month of Ramadan, various Majid Al Futtaim brands - brought together by SHARE, which operates across our cinemas, malls, and Majid Al Futtaim - Retail stores by rewarding our customers with points for visiting our locations that they can then use on purchases - raised funds to donate meals. The teams' goal to feed 25,000 people was well surpassed and two million SHARE points, equivalent to AED 200,000, were donated to support UAE-based organisations including the Emirates Red Crescent, Al Jalila Foundation, Senses Centre and Al Noor Centre for Special Needs. In another example, SHARE members continue to be able to transfer their SHARE points to family and friends. This was first made possible due to COVID-19 to provide a way for the community to support their loved ones. Given its success and importance to our members, we have made this a permanent offering. So far, over 10,000 members have transferred more than 1.5 million SHARE points.

COVID-19 has also emphasised a focus on wellness within our communities and amongst our visitors, supported by a significant growth in wellness products and services. This is demonstrated within our own offerings: 481 tenants within our shopping malls offer health and wellness related goods and services including gym and sports equipment, supplements and spa and salon facilities. In addition, 82% of our hotels are equipped with gym facilities and Majid Al Futtaim - Communities provide parks, cycling trails and sports facilities.

AED 200,000
donated to Emirates
Red Crescent, Al
Jalila Foundation,
Senses Centre and
Al Noor Centre for
Special Needs



Across our malls, we host numerous events and initiatives throughout the year to promote mental and physical wellbeing. In the UAE, we hosted the Dubai Fitness Challenge in collaboration with our brands including Lululemon, providing a month-long fitness challenge consisting of various activities including yoga, boxing, Zumba, an indoor run, and specific classes for children such as football, dancing and bootcamps. In 2021, given the diversity and volume of fitness initiatives, we used our SHARE programme to bring all the initiatives under one umbrella. Customers were encouraged to engage in the various activities happening across our brands and locations with the chance to win SHARE points for participating in three or more activities. Over 1,000 customers attended at least one event, 300 attended two events and 100 customers attended three events. The six winners received various SHARE prizes to reward their proactivity during the Fitness Challenge.

For example, at City Centre Mirdif, we partnered with Fitness First and Dubai's Department of Tourism and Commerce Marketing to host a fitness challenge in the mall. Visitors competed against each other in two challenges to get to the top of the leader board and AED 6,000 worth of prizes were given to the top three winners of each challenge as SHARE points. Other fitness events included yoga classes at Ski Dubai, Little Explorers Zumba class at City Centre Mirdif and a HIIT workout at Mall of the Emirates.

We have also continued spreading awareness of health issues and concerns and ensuring our communities are well equipped and prepared should they need to be. In collaboration with the Egyptian Red Crescent (ERC), Carrefour Egypt conducted a health and wellness awareness campaign across stores, allowing customers to check their blood pressure, sugar level, and oxygen levels in their blood. We also launched a fundraising campaign through the ERC booths in stores to support them in their various activities. To mark World Health Day, Carrefour City Mall in Jordan collaborated with Al Istishari Hospital, Royal Health Awareness Society (RHAS) and Nutri Center to offer Carrefour customers awareness sessions on obesity, first aid training, and general public health services. The event took place over four days and was attended by more than 4,000 customers.

Customer experience

An inclusive customer experience that embeds and promotes sustainability is vital to the success of our business. With awareness amongst society on issues such as the climate crisis and plastic at its highest point, customers are increasingly wanting to take a stance on sustainability issues that are important to them through the brands that they choose to interact with. As we continuously move towards a post-pandemic world, there is a global focus on reinventing the customer experience based on their evolving needs and expectations, with digital platforms continuing to play a major role in creating convenient and flexible interactions.

In 2021, we launched the region's first checkout-free store, Carrefour City+, in Mall of the Emirates. The new convenience store facilitates an innovative approach to shopping by providing a fast and contactless experience using cutting-edge artificial intelligence technology. Customers can use their phones to access the store, pick their desired items and leave the store without having to queue and pay at the cash register. Carrefour City+ was designed to enhance the retail experience by creating a simpler and more peaceful approach to shopping for customers. In a post-pandemic world, it also facilitates a touchless experience, which limits the spread of viruses and keeps our customers safe. In addition, we rolled-out Simbe Robotics' autonomous inventory robot called Tally to 11 additional UAE Carrefour stores. The robot roams the aisles to check on inventory three times a day including checking for out-of-stock items, low stock items, misplaced items, and pricing errors. Amid pandemic shortages, we have more efficiently been able to track our product inventory and ensure customers can find what they are looking for.

Another way we are harnessing technology to improve the experience of our customers is through Majid Al Futtaim - Communities' partnership with Aldar Properties to create and implement digital real estate sales platforms. The aim is to become the first in the region to develop a process for convenient digital real estate sales transactions through online systems, with platforms set to be launched in early 2022. The move to electronic real estate transactions not only reduces the time required to complete these significantly but is also a more environmentally friendly process due to the reduction in paper usage. Customers can complete the transactions digitally from the comfort of their own home or office, regardless of where they are in the world.

Inclusivity is vital to how we ensure all our visitors, customers, and communities feel valued and celebrated for who they are. As a member of the MENA region's first People of Determination Advisory Panel, we continually ensure our services are accessible for all, from parking services to sensory friendly screenings at VOX Cinemas. For example, in the UAE, we screened "Dramatic and Determined", a short film that featured people with various physical and cognitive disabilities speaking about their struggles during lockdown. To the screening, we invited the actors who took part in the film and people of determination and their families, allowing an opportunity for the community to connect and share their experiences. We also issued 75 complimentary passes to our VOX Cinemas and 75 Magic Planet cards in Wafi Mall and Al Zahia for people of determination through Dubai Cares, a global philanthropic organisation that aims to ensure inclusive and quality education for all and promote lifelong learning by 2030.



THE INNOVATION CENTRE OF EXCELLENCE

Corporate innovation is essential to create and disrupt processes, services and products and utilise the opportunities presented by new technologies that can optimise our current business model and generate long-term business value. To explore these possibilities, we set a 2022 Sustainable Business Commitment for all Operating Companies to invest in an Innovation Centre of Excellence. The Centres seek to foster a workplace that incentivises, empowers and rewards employees for applying their skills, knowledge, and ideas to discover innovative business solutions to address today's megatrends including technological disruption, low carbon economy, health and wellness, transparency and social value and land resource and scarcity.

For example, through the launch of a new platform called the Innovation and Centre of Excellence Lab (ICEL), all employees within Majid Al Futtaim - Leisure, Entertainment and Cinemas (LEC) were given the opportunity to put forward their innovation ideas and suggestions. Employees were guided on how to use the platform by a video and town hall sessions. In total, 41 ideas were generated across four main themes - customer experience, revenue growth, process improvements and cost optimisation - and 13 were shortlisted by a steering committee against a set criterion to assess their business benefit and actionability. The winning idea eliminates the need for paper-based checklists to conduct inspections across Majid Al Futtaim - LEC business units and utilises an existing tool to create mandatory online checklists instead, supporting numerous benefits including real-time data collection and access. With the checklists now in place, it is estimated that the business unit will save over 900,000 A4 sheets of paper in 2022, whilst improving operational performance, reliability and the governance of the checklists.

"2021 was shaped by our hunger to innovate and push the boundaries of technology to enrich our customers' experience and accelerate grocery digital transformation. This is evidenced in the opening of our first check-out free store, Carrefour City+, the roll-out of automated fulfilment centres, and a blockchain powered food traceability app. Our efforts in 2021 saw us recognised by Retail Technology Innovation Hub as one of the most innovative retailers in the world."

HANI WEISS
CHIEF EXECUTIVE OFFICER
MAJID AL FUTTAIM - RETAIL



SPOTLIGHT ON:

Driving economic inclusion through education and career opportunities

In our efforts to drive economic inclusion across the MENA region, we focus on creating education and job opportunities tailored towards under-served groups and the populations surrounding our assets. Access to quality education through training and internships is critical for providing people with the skills and resources required to excel in today's dynamic job market and as a result, fosters local economic development and a fair and inclusive economy.

In 2021, we opened the Almaza Recruitment and Training Centre (ARTC) in City Centre Almaza, which is LEED Gold certified and one of our four shopping malls in Egypt, in partnership with the European Bank for Reconstruction and Development (EBRD) who aims to drive economic inclusion for the transition to sustainable market economies and provided funding for the project.



Through the centre, which is run by Employment-Egypt (EFE-Egypt), the local population has access to inclusive recruitment and training. The centre aims to address some of MENA's socio-economic challenges such as local development, job security and competition, and create the next generation of employees and leaders. Using an international standard, vocational training programmes are delivered by certified trainers to empower people with the technical and employability skills required to build and secure their careers in retail and hospitality. With a range of programmes available, the content focuses on both soft and technical skills, from delivering customer service excellence to developing motivated employees.

Importantly, the ARTC provides targeted training for demographics who have historically faced additional barriers to employment such as women, youth, and people of determination.

To support this, management, staff, and trainers are educated on identifying and eliminating the barriers that these groups are likely to face including disability awareness, ethics, inclusion, and equal opportunities, ensuring all participants feel welcomed and empowered to excel and be included in the job market. Since inception, 17 people have completed programmes with an employment rate of 100% and we expect to train approximately 100 trainees and 100 undergraduates within the centre's first year.

As one of the UAE's largest employers, we can play a significant role in creating direct job opportunities for local people. In 2021, we pledged to support the UAE Government's NAFIS programme, which aims to accelerate the nation's development journey by increasing the competitiveness of Emirati human resources. We have committed to hire 3,000 Emiratis across our UAE workforce over the next five years. With roles available across our Retail, Leisure, Entertainment, and Cinemas Operating Companies, we are working closely with our NAFIS partners including the Emirati Talent Competitiveness Council to offer new hires training modules and bespoke learning curricula to build their expertise in several areas including customer experience and data and analytics as well as job shadowing, coaching and mentorship. With Emiratis currently accounting for 3% of our 13,700 UAE-based MAFers, we have already surpassed the government's first-year target of 2% and are on track to achieve the second-year goals. By investing in local talent and upskilling the national workforce, we are supporting the inclusion of Emirati nationals within their local job market whilst promoting the economic growth and prosperity of the UAE.

Similarly, we are collaborating with The Retail Agency on the Tamheen initiative – who elevates Oman's retail sector through education and training – to provide specialised training sessions that will support the Omani workforce with the tools and skills needed to excel in the growing retail space. Tamheen will bridge the gap between market supply and demand and help trainees establish a career path, with specific job opportunities within our malls. In 2021, over 148 Omani job seekers completed a three-month training programme through the initiative and were subsequently hired by our tenants. In addition, over 126 trainees completed two days training and were hired for work experience.



We also support education in our local communities by providing donations to groups in need of our support. Teams in Majid Al Futtaim - Retail within our countries of operation are encouraged to develop partnerships with local, national, and international NGOs who support the education of children and under-served groups to enhance our impact and reduce the barriers to education.

200
CHILDREN
SUPPORTED

Carrefour Armenia with World Vision Armenia and the Children of Armenia Fund held a charity campaign to provide 200 children with necessary school supplies

60
CHILDREN
EDUCATED

Carrefour Egypt raised EGP 650,000 for the Abnaa El Ghad Foundation to establish and equip three classrooms to serve 60 homeless children and youths

JOD
200,000
DONATED

Carrefour Jordan joined Al-Aman Fund to support orphans' right to education by involving customers in an in-store fundraising campaign

QAR
9.6 MILLION
DONATED

Carrefour Qatar partnered with the Education Above All Foundation's 'Together' programme to donate QAR 1 for every MyClub transaction to support children who face barriers attending school. The project has impacted the lives of 2,500 students through scholarships and educational enrolment

109
CHILDREN WITH
LEARNING TOOLS

Carrefour Georgia and MasterCard donated 1% of all transactions completed in Carrefour Georgia stores to SOS Children's Village, providing 109 children with access to technology, devices and learning tools

AED
50,000
RAISED

Majid Al Futtaim - Shopping Malls with the SHARE rewards programme provided SHARE points for every purchase made by customers on back-to-school necessities. 500,000 SHARE points, equivalent to AED 50,000, was collected for Dubai Cares to give children access to education



WE DARE TO...

empower our people to unlock their full potential

Empowering Our People

227

people of determination in positions across our business

300,000

hours on health and safety training

5,000

women to be reached through our Women Coder's Programme

18,450

learning hours through self-directed and curated LinkedIn learning paths

OUR EMPOWERING OUR PEOPLE SUSTAINABLE BUSINESS COMMITMENTS:



HEALTHY WORKPLACES

To promote a healthy workplace, wellbeing programmes must be in place across the business and measurable improvements in employee health, wellbeing and productivity demonstrated.



ATTRACTING & RETAINING TALENT

Attracting and retaining talent is vital for our success and integrating sustainability into these programmes is key to our approach for meeting the evolving values of our workforce.



TRAINING & DEVELOPMENT

To foster our employees' growth and adapt to today's dynamic work environment, we provide sustainability training to employees and suppliers throughout the value chain.



HUMAN RIGHTS & EMPLOYMENT CONDITIONS

We will continue to lead by example by requiring all employees and direct (tier 1) contractors to comply with the International Labour Organisation's eight core conventions.

OUR ALIGNMENT TO THE SDGS:



[Click the goal](#) for more information

Our progress

Our priority continues to be supporting and empowering our employees who have shown resilience and adaptability while working amid the challenges of a global pandemic. As our most valuable resource for business success, we continuously work to enhance the employee experience. From world-class training, to creating healthy workplaces and a diverse and inclusive culture, we are adapting our workplace to attract and retain talent in an increasingly competitive space. We are enabling flexible and remote working, customising our training to grow our MAfers' careers, and setting ambitious targets to achieve a gender balanced workforce.

Fostering a workplace for all

With over 43,000 employees representing more than 110 nationalities across 17 countries, we value the diversity of our workforce. Our individual differences are an advantage that can bring new perspectives on how we can attain our goals, and inspire growth, innovation, and creativity. Diversity and inclusion foster an environment where employees feel valued and empowered, enhance employee engagement, and ensure MAfers feel comfortable to be themselves without having to conform, regardless of their background, identity, or circumstances.

We launched our company-wide Diversity and Inclusion Policy in 2021, which aims to embed a values-led, diverse, and inclusive culture where all MAfers, regardless of their differences, are treated fairly and with respect. Our Diversity and Inclusion Steering Committee and Working Group, made up of representatives from each Operating Company and the Leadership team, is responsible for governing the policy and supporting its implementation across our workplaces. To support our approach, for the first time in 2021, we launched a diversity and inclusion survey to understand our employees' experiences and use their responses to shape our plans for embedding a more diverse and inclusive culture at Majid Al Futtaim. Overall, we received a positive response that highlighted key focus areas such as ensuring employees are informed of opportunities to advance their careers. The survey will take place annually to ensure we are continuously evolving action plans in line with our employees' expectations, as well as measuring and sharing progress.

Harassment and discrimination of any kind is not tolerated at Majid Al Futtaim. Our Code of Conduct, which all employees are required to sign annually, sets out the behaviour and expectations of all our people. To support our culture of zero tolerance to harassment and discrimination, we encourage employees to report anything they see or hear that seems unethical or out of line with our policies and code of conduct (see Speak with confidence on page 62).

In 2021, we put in place tangible commitments and activities to support women in the workplace. Majid Al Futtaim was among 18 UAE-based multinationals from diverse sectors that signed a pledge to increase gender balance in the workplace, a first for UAE private-sector companies. The pledge, which was overseen by the UAE Gender Balance Council, the UAE's National Committee on the UN SDGs, and the UAE's Private Sector Advisory Council, commits us to increase the representation of women in leadership positions to 30% by 2025, up from our June 2021 baseline of 14%. To achieve this we will implement policies, programmes and initiatives that seek to promote gender-equitable recruitment and promotion and be transparent about progress with fellow signatories and government.



Our pledge to increase gender balance in the workplace aligns with the gender diversity target set in our \$1.5 billion SLL - to increase gender diversity among senior management in the top three seniority levels (board, senior executive and senior management) to reach 30% and align to the 30% Club.

We will employ over **35% of women** in advanced technologies and digital roles by 2023

An example of how we are putting our commitment into action, while recognising that there are numerous invisible barriers that discourage women from pursuing a career in the digital space, we have set a goal to employ over 35% of women in advanced technologies and digital roles by 2023. We will roll-out several initiatives to encourage women to take up tech subjects, provide opportunities for upskilling, and support them to secure senior positions within our business. We have already launched the Women Coder's Programme, which aims to reach 5,000 female university students, recent graduates starting their careers and young professionals already in digital roles as well as upskilling Majid Al Futtaim employees. The Majid Al Futtaim School of Analytics & Technology will run bespoke coding modules and programmes as well as internship opportunities, career guidance and mentorship. In addition, we will offer freelancing and continue to enhance flexible work options. This project supports the UAE government's 'Projects of the 50', aiming to attain the highest percentage of female coders per capita in the world over the next five years.

EQUAL OPPORTUNITIES FOR PEOPLE OF DETERMINATION



227

people of determination in positions across our business in 2021



14

new hires within Majid Al Futtaim - Retail



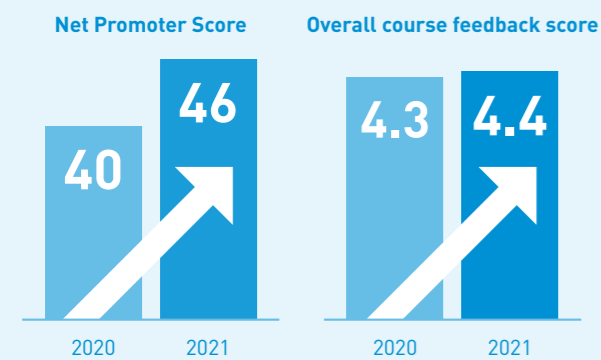
8

candidates hired into roles including a security officer and customer service, who were actively sought by Carrefour UAE

Learning and development

We invest in our people, their career development, skills, and knowledge to support their personal growth, ensuring they have the tools to adapt to today's challenges and opportunities. This helps us to attract and retain the very best talent, driving our business performance.

LEADERSHIP INSTITUTE COURSES - MEASURES OF SUCCESS



Our dedicated Leadership Institute provides employees with world-class leadership training and development programmes through partnerships with leading experts and global faculty. The Leadership Institute provides state-of-the-art facilities, houses learning spaces, conference rooms, breakout areas and an outdoor terrace to inspire self-reflection, collaboration, and discovery. The Institute offers a comprehensive set of programmes, from inductions to corporate culture, and is home to several schools including the School of Leadership, the School of Analytics & Technology, and the School of Great Moments, which each offer unique programmes of learning to grow our people's capabilities based on their own career aspirations. Since its inception in 2015, the Institute has trained 126,651 participants across 21 countries, with the aid of 134 experienced faculty members.

The pandemic accelerated Majid Al Futtaim's digital learning journey and, as a result, the Leadership Institute has adopted a 'Digital First' approach, supported by LinkedIn Learning, to enable employees to drive their own continuous development at a time and pace that suits them. Six virtual coaches were made available for individual and team coaching sessions and in 2021, the Leadership Institute delivered 93,891 hours of learning through virtual and face-to-face interventions on a variety of topics ranging from leadership, customer experience and digital technology and tools.

Further learning opportunities were also made available to MAFers through self-directed and curated LinkedIn learning paths. A total of 533,350 videos were viewed by MAFers, equating to 18,540 learning hours.

Aligned with our 2022 Sustainable Business Commitment, we are integrating sustainability into all our training programmes. This has already been completed for our Top Talent training along with an e-learning sustainability module for all office-based MAFers. In late 2021, we launched our bite-sized sustainability sessions for 34,000 frontliners across our business operations, sharing ways in which they can embed sustainability thinking and actions into their daily activities both at work and at home. We also host a Sustainability Knowledge Sharing Series throughout the year that covers numerous topics ranging from green buildings to health and safety, educating employees through webinars and empowering them to share their own experiences. We have begun developing role-specific sustainability training for our top frontliner roles and will develop diversity and inclusion training in 2022.

Supporting the talent of tomorrow is also key to our approach and in 2021, we continued the support of UAE graduate recruitment through various programmes such as NAFIS and our internal talent rotation programme, Tomouhi. In Majid Al Futtaim - Lifestyle, we run the NEXT Generation Store Managers Programme that seeks to build both the technical and the behavioural knowhow of our next generation of Store Managers. Throughout the programme, colleagues get the chance to develop and elevate their skills to better perform in their current roles and confidently take on future ones, enabling us to support employees with their career aspirations while retaining our talent.



POSTERITY20

During the UN Climate Change Conference COP26 in Glasgow and in partnership with The Ministry of Climate Change and Environment, Arab Youth Center and the Posterity Institute, we launched the 'Posterity20' regional initiative. Posterity20 aims to identify, highlight and celebrate the top 20 young role models and thought leaders helping to shape and build upon sustainability in the MENA region. The initiative will create a community of effective thinkers who motivate society and raise public awareness to adopt sustainability practices and create a better tomorrow. Those nominated will be Arabs aged under 35, working in sustainable development fields with a motivation to provide viable solutions to combating climate change, and have a wide outreach and ability to influence others.

Engaging employees through kind moments



APPRECIATING OUR FRONTLINERS

Marriott Hotels held a treasure hunt, where teams were given clues and had to look out for rewards around the hotel. The 'treasures' consisted of 45 hygiene hampers, which were distributed to local labour camps as a token of appreciation.



ASSOCIATE APPRECIATION WEEK

At the Westin and Le Meridien City Centre in Bahrain, Associates took part in several fun activities during Associate Appreciation Week with several Associates recognised for exceeding expectations in bringing excellent services to hotel guests.

Health, safety, and human rights

At Majid Al Futtaim, we uphold the highest commitment to health, safety and human rights and support the principles set out in the Universal Declaration of Human Rights. Our approach is underpinned by a suite of policies and processes, which ensure we protect our employees from harm and operate ethically and with integrity.

Our Occupational Health and Safety Policy defines our commitment to eliminating hazards, mitigating health and safety risks, and raising awareness among employees, contractors and all stakeholders who may be affected by our activities. As well as conducting in-house human rights and accommodation audit training for priority employees on an annual basis, in 2021 we created and launched a health and safety training for all employees.

Our Employment Conditions Policy, which is aligned to international best practice standards, ensures the protection and enhancement of labour standards including wages and benefits, working hours, annual leave, basic employee rights, women's rights, child labour, health and safety, employee accommodation and education. Whilst these standards are in place to protect our own people, we hold our direct suppliers (tier 1) and contractors to the same standards.

We conduct regular health and safety checks, overseen by our Employment Conditions Committee, to monitor compliance. Any suppliers or contractors found to be non-compliant could face contract termination and exclusion from future tendering processes.

Health and safety is of utmost importance to our business and occurrence of incidents and injuries is a significant concerning aspect of our business. To embed a health and safety culture, we conduct regular audits and inspections and deliver numerous health and safety training sessions to ensure workers are equipped with the skills, knowledge, and resources to adhere to our high standards. We encourage openness and accountability by cultivating a 'speak up' culture that empowers employees to report when they hear or see something that contradicts our policies or ethics (see Speak with confidence on page 62). We have also introduced MAF Gateway®, a digital HSSE system that provides a single solution to the many operational and HSSE issues, including inspection and accident reporting. All incidents are thoroughly investigated and the appropriate remediation processes are put in place.

We are deeply saddened to report one fatality in 2021 during the construction of Mall of Oman. Majid Al Futtaim is a learning organisation with an ethos of continuous improvement and have applied the learnings from this incident to all of our projects. Furthermore, we continue to work alongside and co-operate with all relevant parties, including the authorities, in respect to the incident investigation which remains ongoing.

In 2021, 17 construction projects took place under the property management team in the UAE, Oman, Lebanon and KSA.

+30

Health and safety audits on construction projects

(22: 2020)

95%

Of projects achieved an audit score of > 90%

(95%: 2020)

27

Audits on workers' accommodations, with several scoring 100%

(12: 2020)

0.01

Lost Time injury Frequency Rate (target: 0.03)

(0.0: 2020)

300,000

Hours on health and safety training

+500

Project health and safety inspections

+22M

Man hours worked

1

Fatality

To manage our performance, we conducted a gap analysis in 2021 to understand the performance at a country-level and identify areas where they can improve their processes including remediation to ensure a consistent high-level standard across the company.



HEALTH AND SAFETY AT MALL OF AL ZAHIA

In 2021, we completed the development of Al Lilac, a residential community consisting of 169 high specification villas within Al Zahia community. Al Zahia, Sharjah's first gated mixed-use community, is a joint venture with the government of Sharjah. It spans a total area of over 1,000,000 m² and is designed to meet the needs of the entire family with areas for recreation, worship and childcare, in addition to communal areas and retail facilities.

With construction starting in August 2019, the building of Al Lilac achieved 3,588,861 lost time injury free working hours in 2021. The project also achieved a health and safety audit score of 98% and an accommodation audit score of 97%, a testament to our strong health and safety standards.



**ISO 45001
CERTIFIED**

Majid Al Futtaim - Properties in Oman and the UAE, along with all our hypermarkets in Jordan and six in Egypt, are ISO 45001 certified

SPOTLIGHT ON:

Healthy workplaces

Creating a healthy workplace culture that positively reinforces employee wellness – physically, mentally, and financially – is the foundation of how we aim to positively impact the lives of our MAFers. With a heightened focus on wellness, driven by the trend towards sustainable lifestyles and a huge growth in health and wellness products and services, which has been accelerated by the COVID-19 pandemic, our approach to wellness is key to our employee engagement offering.

As well as our Occupational Health and Safety Policy (see 'Health, safety and human rights' on page 54), our Healthy Workplaces Policy defines our commitment to implementing a physical workplace wellbeing enhancement programme, creating a holistic corporate wellbeing programme, setting specific employee health and wellbeing targets, and monitoring and managing our performance. We officially launched a Remote Working Policy in 2021 in response to the benefits employees reported during the pandemic that home working has had, including supporting an increased focus on wellbeing. The 'Work from Home' and 'Work from Anywhere' Policy offers MAFers' the flexibility they need to manage their professional and personal responsibilities efficiently. In our workplaces, we are building a network of Wellness Champions, with a passion for improving our work life, who will support health and wellness initiatives and experiences across the Majid Al Futtaim community.

Regarding our physical workplace wellbeing enhancement programme, we are in the process of certifying all Majid Al Futtaim offices and malls under the International WELL Building Institute's (IWBI) WELL Health-Safety certification. In 2021, we achieved the WELL Health-Safety Rating seal for Majid Al Futtaim Tower 1 and Tower 2, recognising the company's efforts and commitment to the health and safety of its workforce, visitors, and other stakeholders, particularly in a post-COVID-19 environment. The WELL Health-Safety Rating for Facility Operations and Management is an evidence-based, third-party verified rating that ensures integrity and consistency across various topics including air and water quality, innovation, sanitation procedures and stakeholder engagement and communication.

We have a comprehensive wellness programme in place, in line with our Healthy Workplaces 2022 Sustainable Business Commitment, with initiatives and events that are run throughout the year. For example, Carrefour Oman partnered with Kempinski Hotel Muscat to provide complimentary leisure activities to all Majid Al Futtaim employees in Oman including yoga on the beach, sunset kayaking and a 2.5 km run club and several activities for employees' children.

MyWellness app was launched in 2020 after partnering with Workfam, a start-up who we accepted into our start-up incubator programme to support our employees' wellness and productivity and maintain engagement during the pandemic. Whilst originally starting as a way for employees to sign up to sponsored events, in 2021 we expanded this to include hundreds of discounted experiences for family and colleagues. Over the last year, MAFers actively engaged in 107 experiences and the app has become an efficient way to organise our in-house vaccination service and partnership with Dubai Health Authorities and several private hospitals. Employees can also earn points for attending experiences and use them to compete with other MAFers and receive rewards.

MAFers actively engaged with **107 experiences** on the MyWellness feature on MyHub app



Wellness Week, our annual flagship wellness offering since 2017, drives awareness on key wellness topics and engages employees to lead healthier lifestyles through workshops, classes, health screenings, fitness events and competitions, and opportunities to engage with specialists. In 2021, we delivered a 'hybrid' Wellness Week, which built on the success of our first ever virtual week in 2020 whilst also making the most of the opportunity to engage employees through in-person experiences. Throughout the week, we supported our MAFers fitness journeys by sponsoring 50 employees to run in the Meydan Road Run Marathon, hosting a 'Who's the Fittest of them All?' competition where 20 MAFers completed three days of fitness challenges, and ran our annual 1 million calories burn challenge where MAFers collectively burn 1 million calories in one month. Virtually, we held private consultations with nutritionists, ophthalmologists, doctors, and psychiatrists. We offered first-aid training, workout classes, cooking classes and food safety workshops, and mental wellness training. We also focused on other key aspects of wellbeing including financial advice through our financial wellness series with a renowned specialist and hosted a holistic 'development' journey workshop. In addition, for the first time this year, we hosted an in-person experience where employees could engage with ten of our brands such as Lululemon and THAT, who showcased their wellness strategies.

We conduct a Healthy Workplaces survey annually to support our sustainability strategy and wellness offerings with employee insight, ensuring that we can achieve measurable improvements based on what MAFers value the most. For example, 71% of MAFers who took the survey reported that they plan on making positive lifestyle changes as a result of Wellness Week and 91% are likely or very likely to attend similar offerings if Majid Al Futtaim was to host them. In addition, responses to this year's survey revealed that our employees see financial wellness as being as important as physical and mental wellness, which will require an equal focus in this area throughout our programme moving forward.



OUR COVID-19 VACCINATION PROGRAMME

To prevent the spread of COVID-19 and protect our employees and their families, Majid Al Futtaim rolled out a vaccine programme with the aim to reach 14,000 MAFers and their families across our UAE operations. In addition, each individual country was encouraged to organise its own vaccine roll-out, for example, in Jordan, Majid Al Futtaim – Retail partnered with the Ministry of Health to run a campaign that vaccinated 1,300 employees and their family members. Likewise, in Qatar, Majid Al Futtaim – Retail collaborated with their Ministry of Health on a campaign which resulted in the vaccination of over 95% of its workforce.

Governance

Governing with accountability

At Majid Al Futtaim, our business success is built on our commitment to ethical business conduct, accountability, and transparency. To leverage emerging opportunities and reduce our risk exposure, we operate a risk mitigation approach to effectively monitor and manage our internal and external risk landscape. Our suite of policies and processes, from our Code of Conduct to our Responsible Procurement Policy, fosters a culture of ethical conduct and integrity and ensures everyone working for and with our business operates to the same high standards.

Dare Today, Change Tomorrow is underpinned by a governance structure, which embeds accountability for its implementation at all levels of the business. Progress is reinforced by a set of action plans and targets that seek to focus business activities in the areas where they can improve their performance and have the most positive impact on our stakeholders.

The governance framework is supported by a clear culture shift across the business to embed *Dare Today, Change Tomorrow* into daily actions and performance. For senior management, sustainability is included on the agenda in business meetings and board reports to allow for discussion of key topics as well as performance progress at all levels. To ensure the strategy is being driven from the highest level, the Chief Sustainability Officer and Chief Executive Officers of each Operating Company have sustainability targets that are in turn cascaded down to senior management, and for the first time, all executive management have been appointed ESG KPIs within their annual objectives, which are linked to their performance and bonus. Every day, our strategy is supported by a rich network of 40 company-wide Sustainability Champions who lead positive change in their own roles and inspire their colleagues to do the same.

To demonstrate the credibility of our performance, and how we are addressing ESG risks, progress against our sustainability targets is tracked quarterly and audited on an annual basis by a third-party auditor. In addition, our sustainability targets, along with the environmental data for our portfolio of assets in 2021, is fully assured by an independent third-party. Please refer to the Assurance statement on page 76 and our 2021 target progress on page 77 of this report.

To support the implementation of our strategy, we also have a comprehensive set of policies and procedures in place, aligned to global best practice, which are reviewed and updated on an annual basis.

Majid Al Futtaim Capital LLC Board of Directors

Responsible for reviewing progress against our sustainability strategy

Chief Executive Officer

Responsible for overseeing the implementation of *Dare Today, Change Tomorrow*

Corporate Sustainability team

Reports into the Chief Sustainability Officer and responsible for supporting the implementation of *Dare Today, Change Tomorrow*. The team develops and supports the delivery of sustainability action plans in consultation with the Operating Companies, which outline actions required to achieve our sustainability strategy

Majid Al Futtaim –
Properties
Sustainability Lead

Majid Al Futtaim –
Retail
Sustainability Lead

Majid Al Futtaim –
**Leisure, Entertainment,
and Cinemas**
Sustainability Lead

Majid Al Futtaim –
Lifestyle
Sustainability Lead

Works with the corporate sustainability team to develop action plans to drive the delivery of *Dare Today, Change Tomorrow*. Tracks sustainability targets and actions on a quarterly basis to ensure progress is measured and managed, enabling issues to be highlighted as soon as possible



Business ethics

Our commitment to operating with the highest ethical standards is the foundation of all business activities and how we engage with each other, our customers, business partners, government, and society. We promote an organisational culture committed to integrity, ethical conduct, and compliance with the law. Nevertheless, we operate in countries that may be susceptible to challenges related to bribery and corruption due to political conditions or a lack of good corporate governance, which can present a risk to our business.

As well as our Code of Conduct which sets out our commitment to complying with the highest standards and laws governing anti-bribery and corruption, we have implemented a robust risk management framework. Each Majid Al Futtaim business utilises a risk register to assess the quality of governance in each country and the risk that employees may be exposed to corrupt behaviour. Where risk is identified, we assess our strategy for managing the risk and, where necessary, take action to improve procedures and protocols.

We are a founding partner of the Pearl Initiative, a leading independent and non-profit organisation working to improve corporate accountability and transparency in the Gulf Region. The Initiative has a strategic partnership with the United Nations Global Compact to collaborate on programmes and we actively contribute through roundtable discussions and thought leadership to help improve the policies and actions of other organisations to mitigate the risk of corrupt practice in GCC markets.

Speak with confidence

As well as conducting regular audits, all Majid Al Futtaim employees are equally responsible for upholding the Code of Conduct and encouraged to raise their concerns if they see or hear something that doesn't seem right.

Employees can speak to their manager or a member of their Operating Company's Ethics Panel or Chief Compliance Officer. We have also established a fully independent [Ethics hotline](#), which can be accessed via a 24/7 tollfree number or email and an Ethics Panel who are responsible for ensuring that all reports of alleged misconduct are promptly and thoroughly substantiated, handled in line with the criticality level, and initiating independent investigations. When applicable, the panel is responsible for proposing corrective measures and/or disciplinary action to the CEO of their respective company. Any reports are treated with the utmost confidentiality and we operate a zero-tolerance policy in respect to breaching that confidentiality.

Supplier Code of Conduct

Majid Al Futtaim works within a complex network of suppliers, customers, and partners. To monitor those involved in our day-to-day operations, we enforce a Supplier Code of Conduct, which sets out our standards and behaviours and general principles, which must be adhered to by all suppliers and service providers.

The Code covers topics including compliance with local laws and regulations, harassment and non-discrimination, workers' rights, health and safety, conflict of interest, business integrity, gift, hospitality and entertainment, legal compliance and governance, business continuity, data protection and confidentiality, intellectual property, sustainability, and reporting misconduct. All suppliers are expected to sign a Supplier Declaration stating that they agree to adhere to expectations set out in the Code. Failure to do so may result in the termination of the supplier's assignment and/or contract with Majid Al Futtaim.

Information security

Majid Al Futtaim is committed to preserving the confidentiality, integrity and availability of information used and maintained by the organisation on behalf of its shareholders, customers, employees and business partners. Our company-wide Information Security risk management framework and governance structure sets out the minimum requirements and operating principles for protecting information assets, along with the roles and responsibilities for implementing our Information Security strategy.

The Information Security Policy applies to Majid Al Futtaim - Holding and all its subsidiaries, including all employees, contractors, part-time and temporary workers granted access to the organisation's information or systems covered by the policy. The policy is complemented by domain-specific standards, which ensure clarity, consistency and rigour for cascading the policy across the business. In addition, the Information Security Governance Committee (ISGC), comprised of representation across Operating Companies, is the supreme governance body for leading and directing the company's information security programme and providing governance for executing the strategy.

Risk management

We have a robust Enterprise Risk Management (ERM) Framework in place, which governs all risks that could adversely affect our business, including sustainability and climate risks. Overseen by Majid Al Futtaim's Board of Directors, the ERM Framework defines lines of reporting for escalating key risks and the responsibility of our numerous risk committees and risk owners. For more information on how we are managing our risks, please see the chart on page 65.



Task Force on Climate-related Financial Disclosures (TCFD)

As part of our commitment to leading in sustainable business, we are dedicated to proactively managing our climate-related risks and we were one of the first businesses in our region to sign up as a supporter of the Task Force on Climate-related

Financial Disclosures (TCFD), the leading global framework for climate risk reporting. This is our second year responding to TCFD and our response shows the progress we have made in addressing our climate-related risks and opportunities.

Governance

A) Describe the board's oversight of climate-related risks and opportunities:

Our Board has oversight of progress of our sustainability strategy, *Dare Today, Change Tomorrow*, including our Sustainable Business Commitments and environmental targets, through sustainability updates that are included in all quarterly Board meetings. Our Chief Sustainability Officer has ultimate climate-related responsibility, and raises decisions on investment, capital expenditure and other climate-related commitments to the Board for approval.

Climate-related risks, specifically, are overseen by the Board as an integrated part of risk management within our established Enterprise Risk Management Framework (ERM) (see page 65). Our Corporate Compliance team is responsible for developing a Combined Risk Report, which brings together top risks from across our business, and considers various risk registers, including our sustainability risk register, where we have recorded all our most material climate-related risks. The report is presented to and reviewed by the Holding Management Risk Committee. If the Committee deems a particular climate-related risk as needing Board oversight, it will be escalated via the Combined Risk Report and, ultimately, used by the Board to guide strategic and risk management decision-making.

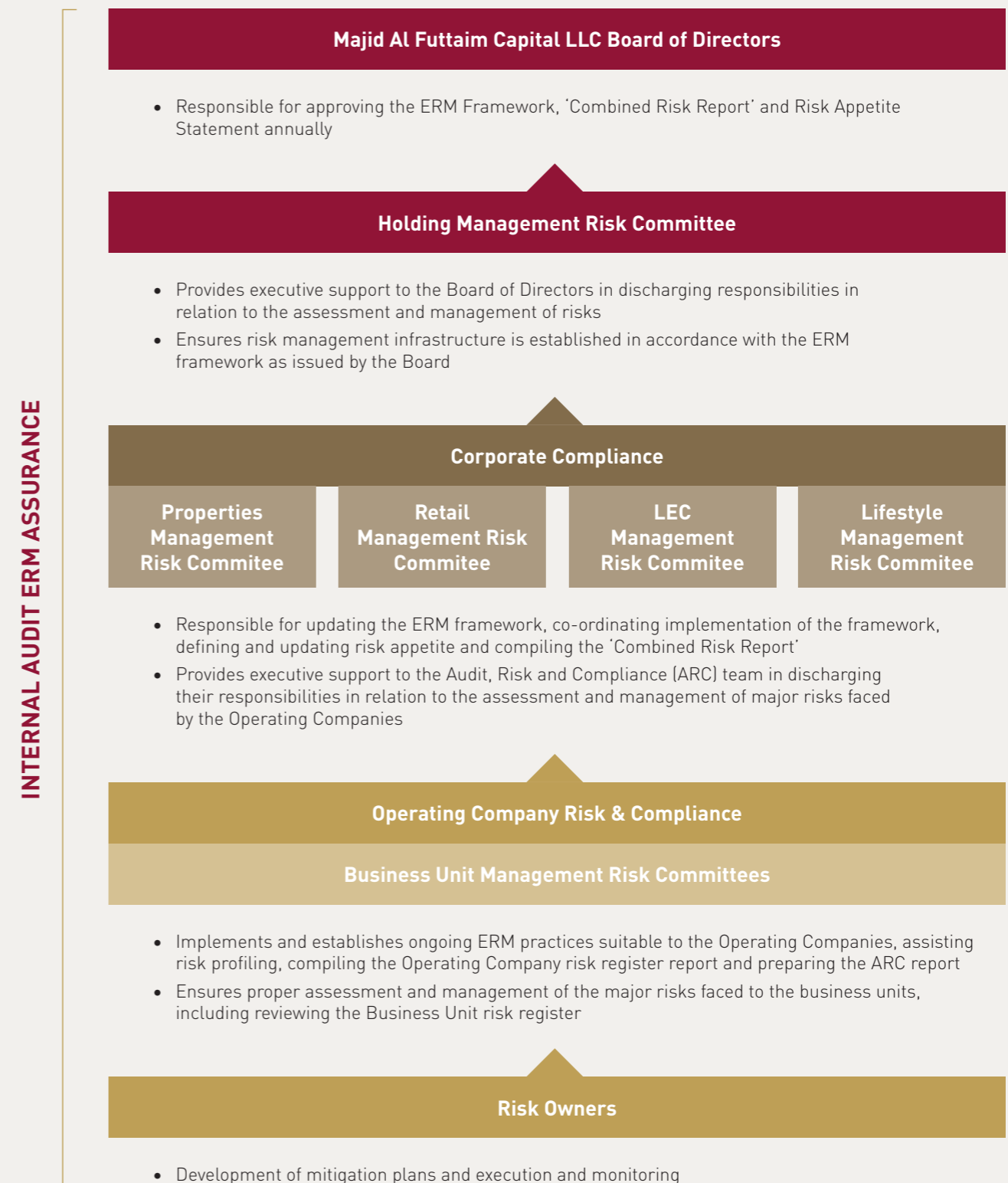
We are in the process of updating our Board Terms of Reference to formally include overseeing climate-related risks and opportunities as one of the Board's responsibilities.

B) Describe management's role in assessing and managing risks and opportunities:

Sustainability and climate-related issues and considerations are fully integrated into our day-to-day business operations. We have a number of climate-related committees whose roles are to oversee the effective implementation of our climate-related programmes and climate risk management actions, including the Sustainability Steering Group, Green Sukuk Committee, Sustainability and Finance Committee, War on Waste Committee and Net Positive Committee.

These management committees and our Operating Company Sustainability Managers are responsible for including any identified sustainability and climate-related risks in our risk registers. These risks will then be escalated through our ERM Framework as described above. The Business Unit Risk Management Committees and Operating Company Management Risk Committees are responsible for the assessment and management of risks faced by the Business Units and Operating Companies, respectively.

The chart below outlines sustainability and risk governance within our business and lines of reporting for escalating key risks to the appropriate management levels.



Strategy

We recognise that climate-related issues materialise over the medium to longer-term and that the assets we develop and occupy now will still be here far into the future. Without appropriate risk management, climate-related risks could impact: asset values, revenue streams, our ability to raise financial capital, our ability to secure appropriate insurance cover, capital expenditure requirements to comply with regulation, capital expenditure required to install resilience measures or repair damage from physical climate events, or impact our brand reputation.

We believe it is our responsibility to consider the risks posed to our business with a long-term lens. We have identified the following top climate-related risks to our business, the implications of these risks and actions we have taken to manage the impacts.

A) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term:

	Climate-related risk	Risk description	Risk implications	Actions
SHORT TERM: <2030	Increased energy and carbon cost	Seasonal pattern shifts, temperature extremes, water scarcity and regulatory pressure could all increase the cost of energy and carbon emissions, while presenting an opportunity if we are energy efficient and powered by renewables.	<ul style="list-style-type: none"> Heightened operational costs, particularly for energy inefficient assets Impact to assets values and rental value of inefficient assets 	To achieve our Net Positive carbon commitment by 2040 and to support our pledge to the global Business Ambition for 1.5°C Commitment and Race to Zero campaigns, we are reducing our energy consumption and the associated emissions by investing in on-site and off-site renewable energy sources.
	Building and planning requirements	Policy mandates existing building stock and developments to improve efficiencies and operational practices.	<ul style="list-style-type: none"> Capex cost to meet new standards Stranded asset risk and increased void periods for non-compliance 	As one of the first three signatories to the WorldGBC Net Zero Carbon Buildings commitment, we continually strive to achieve market leading standards. Additionally, we are currently reviewing and updating our sustainable refurbishment guidelines to reflect our sustainability commitments and best practice.
	Increase in renewables as fossil fuels phase out	Early action to invest in renewable energy is a key component of achieving our Net Positive carbon commitment and meeting the increasing demand for renewably-supplied energy.	<ul style="list-style-type: none"> Costs of carbon taxation Potential to miss opportunities to harness subsidy mechanisms 	Achieving Net Positive carbon by 2040 relies on us investing to expand our renewable energy capacity via on-site generation and high-quality off-site procurement. In 2021, we partnered with Yellow Door Energy to open a 17MW solar park in Jordan, which will power 35 Majid Al Futtaim - Retail stores.
MEDIUM TERM: 2030-2050	Insurance challenges	Climate-related risks may impact our ability to secure appropriate, affordable insurance for our assets.	<ul style="list-style-type: none"> Insurance premiums could rise significantly or become difficult to secure for assets vulnerable to climate change impacts Stranded asset risk and reduced asset values 	We will engage closely with our insurance providers on an ongoing basis to understand their perspective on climate-related risks and their expectations for changes to insurance premiums over time, with a key focus placed on our most valuable assets and most at-risk assets.
	Water stress and drought	Climate change may place stress on water resources, which are already under pressure in our region. Water efficiency is vital to meeting our Net Positive water commitment.	<ul style="list-style-type: none"> Heightened operational costs Downward pressure on asset values for water inefficient assets Heat stress in the region will exacerbate these impacts 	To limit our exposure to these risks, we intend to implement water recycling in our future developments, audit building engineering and materials for resilience, optimise company-wide water consumption and investigate our supplier resilience to water stress and drought, for example. Additionally, our Net Positive water pledge will guide our continued efforts to reduce water usage across our assets year-on-year.
LONG TERM: >2050	Supply chain disruption	Physical impacts could cause widespread disruption to production within our supply chains, directly impacting the business of our tenants, while the cost of construction materials rise as climate change impacts scarcity and new policies implement carbon pricing.	<ul style="list-style-type: none"> Higher construction and procurement costs Business disruption; loss of income Tenant default risk 	As part of our Sustainable Procurement Policy, we have circularity principles embedded within our supply chains and prioritise local procurement where possible. We are currently undertaking a rigorous supply chain review to determine the most at-risk areas vulnerable to climate change, enabling us to strengthen our supply chain's resilience to climate change impacts.
	Climate-related litigation	Climate-related litigation cases may be raised against businesses that do not demonstrate proactive action to manage climate-related risks.	<ul style="list-style-type: none"> Litigation cases could cause severe reputational damage and incur significant legal costs Risk to business continuity Stranded asset risk and reduced asset values 	Our legal team is currently conducting a complete review of existing and upcoming legislation relevant to countries we operate in to protect against non-compliance and associated impacts.
	Coastal flooding	Coastal flooding risk is a long-term risk for many coastal areas worldwide and our region. The private sector and governments must collaborate to invest in regional flood defence measures to ensure the region remains resilient over the long-term.	<ul style="list-style-type: none"> Reductions in regional investment and footfall where risk is significant High Capex costs to install flood defence measures, while flooding could incur significant repair costs and cause loss of asset access, all impacting revenues 	Carrefour UAE has partnered with P&G to launch Forests for Good, which strives to plant mangrove trees in the UAE, helping to create protection against flooding, storm surges and sea level rise. Building regional resilience is crucial to be able to manage physical risks as best as possible. We aim to continue to stimulate conversation with local authorities, the government, Green Building Councils, communities and businesses to build regional awareness and adaption plans.

Strategy continued

B) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning:

We have identified several opportunities that we can leverage to deliver outstanding sustainability performance to our stakeholders and customers. These include proactive and early investment into climate risk resilience measures to secure long-term cost savings and the achievement of our Net Positive commitments through long-term renewable energy PPAs, and to provide electric vehicle charging infrastructure for our customers and maintain our position as a provider of leading destinations as the electric vehicle market matures. By considering these in our strategic and financial planning, we will secure more stable revenue streams and build resilience.

In 2020 and 2021, we used climate scenario analysis as part of a rigorous climate assessment process (more detail provided in Risk Management). This process has informed detailed risk management recommendations that we are integrating into our business planning over 2022.

Our climate scenarios

We conducted a detailed scenario modelling exercise, aligning with the TCFD recommendation to use distinct, plausible scenarios. We chose to utilise the IPCC Representative Concentration Pathways, the most credible and widely used climate scenarios that model alternative pathways of greenhouse gas emissions over time. To encompass the most probable range of average global temperature rise, we elected to use the RCP4.5 and RCP8.5 scenarios.

	Average Temperature Rise	Transition	Impact
RCP4.5	1.7 - 3.2°C by 2100	Transition policies progressively intensify starting immediately	<ul style="list-style-type: none"> Economic: GDP losses, not as substantial as RCP8.5. Substantial regulatory pressure and associated costs Environmental: Less physical impact, although c.2°C of warming still presents substantial physical climate risks
RCP8.5	3.2 - 5.4°C by 2100	Policy action is negligible, business-as-usual	<ul style="list-style-type: none"> Economic: Permanently stunted GDP growth; severe economic shifts Environmental: Chronic changes to ecosystems; severe associated impacts on a global scale

C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario:

We have enhanced our understanding of our climate-related risks and opportunities via business-level and portfolio-level climate risk assessments, to then improve and elevate our risk management procedures and processes to inform detailed risk management plans.

We are dedicated to proactively building our business resilience by acting on climate-related risks, and by integrating climate-related issues into our core business strategy, business and financial planning and strategic decision-making processes. Some of the principal ways in which we are building resilience into our strategy and ensuring that every function of our business plays a role in achieving our sustainability ambitions are detailed below:

Sustainability targets:

- In 2021, we signed up to the Business Ambition for 1.5°C, led by the SBTi, meaning that we have publicly committed to set SBTs. SBTs for Majid Al Futtaim – Properties have been approved and for our remaining Operating Companies, targets will be developed in 2022
- We joined the global Race to Zero campaign in 2021, a coalition of leading net zero initiatives to gather leadership and support from investors, businesses, cities and regions for a healthy, resilient and zero carbon recovery
- The achievement of our Net Positive carbon and water commitments will ensure resilience to several climate-related risks, including increased energy and carbon cost, increased uptake of renewables, water stress and drought, temperature extremes and heat stress. Achievement of our Net Positive carbon commitment will support our resilience to the transition to a lower-carbon economy, in line with the RCP4.5 scenario

Strategy and Risk Management processes:

- In 2020, we refreshed our Responsible Procurement Policy and now we are working with our key suppliers to ensure they are operating in a sustainable way, helping to support our resilience to climate-related supply chain risks. In 2022, we are undertaking a supply chain review to identify our most at-risk suppliers to then define alternative goods, products and services for at-risk areas in the supply chain

- Our comprehensive set of policies including the Sustainable Fit-Out Policy and Sustainable Building Policy set out minimum standards throughout the property lifecycle, from design through to operation, to contribute to our Net Positive and circular economy commitments. We are currently reviewing and updating our pre-acquisition and sustainability refurbishment guidelines to reflect these sustainability commitments and industry best practice
- We are diversifying our strategy and placing a greater focus on providing leading customer experience through digital strategies. Moving away from focusing on real estate assets will support our resilience to climate-related risks and secure broader, more resilient revenue streams

Engagement:

- To support regional resilience, we must work closely with governments, NGOs, financial institutions and local communities. We are actively engaging with these parties to stimulate discourse that will increase awareness and climate action in the region to ensure these important conversations are happening
- Active engagement with our tenants will be critical to harnessing the climate-related opportunities we have identified, enabling us to achieve our sustainability ambitions and enhance our climate resilience, particularly in terms of data availability and quality. Therefore, and with the aim to better understand our Scope 3 impact, we will be engaging with our tenants around environmental performance data disclosure in 2022
- To raise climate risk awareness within Majid Al Futtaim, we will conduct climate risk training sessions and distribute climate risk communications across our organisation in 2022

Risk Management

A) Describe the organisation's processes for identifying and assessing climate-related risks:

We have identified and assessed the climate-related risks and opportunities to our business and portfolio through a rigorous business and portfolio climate risk assessment process.

The portfolio level modelling enabled us to quantify potential financial losses or savings, providing a keen comparison across our potential climate-related impacts, informing priority areas for mitigation planning. The modelling encompassed each of our time horizons and extended up to 2100, providing a detailed long-term view of potential climate futures.

The business level assessment assessed the impact and likelihood of each climate-related risk, taking into consideration the quantitative portfolio potential financial losses to operating costs, revenue, capital expenditures, capital allocation, acquisitions or divestments, and access to capital.

B) Describe the organisation's processes for managing climate-related risks:

To manage these risks, we have put in place numerous policies and processes that ensure the optimal sustainability performance of our new and operational buildings. Our Sustainable Building Policy and Design Standards include minimum sustainability standards and climate-related requirements to ensure achievement of our targets. We have also developed a climate change adaptation tool to consider climate risks prior to development and design.

To further enhance our resilience, this climate risk assessment process has provided key insights that will guide our investment and enhance our governance, risk management processes and policies. We have identified several risk management actions for our governance of climate-related risks, as well as detailed, risk-specific mitigation and adaptation actions. We will prioritise these into an action plan that we will implement in the coming years as our 'roadmap to resilience'.

In 2022, we will be developing a 5-10-year risk management plan that will act as an extension to our risk register and will set out our most material risks for the coming years. It will include actions for managing these risks, as well as an assignment of responsibilities to teams and individuals for climate risk oversight. We will report on our progress in our future TCFD responses.

C) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management:

Risk Owners raise sustainability and climate-related risks for inclusion in our sustainability risk register. Using our Enterprise Risk Management (ERM) assessment criteria, we assess and prioritise climate-related risks in relation to enterprise risks and in the context of overall risk management. This allows for top sustainability and climate-related risks to be escalated via our ERM Framework, with our top enterprise risks compiled by our Corporate Compliance teams in our Consolidated Risk Report on a quarterly basis. These are reviewed by the Operating Company Management Risk Committees and Holding Management Risk Committee and, ultimately, communicated to the Board. We also conduct ongoing regulatory and legislative reviews, including reviews of climate-related regulation, with material legislation risks incorporated within our risk registers as required.

Continually, we monitor and manage identified climate-related risks through our sustainability risk register. Quarterly, we assess how these risks are evolving over time and track associated risk management actions. We assign responsibilities to 'Action Owners' who are responsible for ongoing risk monitoring and overseeing the successful implementation of these measures.

Where a risk materialises that requires a rapid response from the business, risk management actions can be immediately approved by an Operating Company's CEO and implemented without an extensive approval process. This allows us to be agile and reactive where required.

Our energy, water and waste reporting and Net Positive carbon and water commitments include the consumption our tenants are responsible for. To achieve our targets, in 2022 it is our priority to engage with tenants for enhanced disclosure of their environmental data and to distribute tenant engagement programmes to encourage sustainable use of resources, including energy and water. While we are already working closely with our tier 1 suppliers to ensure effective climate risk management across our value chain, we also intend to engage with our tenants on developing risk identification and escalation processes, sustainable resource use and sustainable fit-out.

These engagement activities intend to boost our tenant's Green Star Rating, a system we developed to assess tenants' sustainability policies and specific environmental and social aspects relevant to their fit-outs and operations, including energy, emissions and resources. It encourages tenants to adopt good environmental practices.

Metrics and targets

A) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes:

We have publicly reported on our environmental performance since 2016, including Scopes 1 and 2 GHG emissions calculated in line with the GHG Protocol methodology. We reported our energy, water and waste data against our 2016 baseline to allow for historical trend analysis, and our data is third-party, independently assured to meet best-practice transparency. We also report on the amount of renewable energy we generate on-site at our assets. Please see our environmental data annex.

Our carbon and water metrics are of particular importance to our business strategy as we have made public Net Positive commitments to demonstrate leadership in climate action, but also because achievement of these will help to mitigate several climate-related risks, including increased energy and carbon cost, temperature extremes and heat stress, and water stress and drought.

We track our green building certifications across our portfolio. By the end of 2021, 45 buildings in our portfolio had green building certifications or equivalent, which is supported by our target for all new developments to hold a LEED Gold, Estidama 3 Pearl or BREEAM Very Good rating at a minimum, with aspirational targets that aim higher. In addition, our SLL commits us to certifying the rest of our shopping malls portfolio by 2026, and a minimum LEED Gold rating or equivalent for malls that are uncertified. Please see page 23 for further information.

We plan to develop additional climate-related metrics that we will use to monitor and track climate-related risks and opportunities over time. We plan to include these metrics in future TCFD reporting.

B) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks:

In 2021, our Scope 1 and 2 greenhouse gas emissions totalled 813,806 tCO₂e and our Scope 3 greenhouse gas emissions totalled 58,774 tCO₂e. For more information on our energy and emissions performance and a breakdown by Operating Company, please see page 26.

C) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets:

For our comprehensive set of sustainability targets for each Operating Company, please see page 77. We set long term targets to support our overall strategy goals as well as yearly targets that we report on annually in our ESG report.

To support our Net Positive transition, we have SBTs for Majid Al Futtaim – Properties, aligned to the well-below 2°C pathway, and are working towards developing science-based targets for the remaining three Operating Companies in 2022.

All sustainability and senior management employees including executives have sustainability KPIs integrated into performance reviews. Our Operating Companies have sustainability performance targets, principally focused on the achievement of our Net Positive commitments. Target owners responsible for the delivery of the targets have these KPIs integrated into their performance reviews, with achievement of KPIs impacting remuneration.

We are working to ensure that sustainability KPIs are cascaded to relevant employees within our head office and site offices, where remuneration and career development is dependent upon performance against these KPIs. This allows us to embed sustainability into our strategy by securing buy-in from all employees at every level of the company.

Looking forward within a new landscape

As we begin creating our new strategy to guide us in 2023 and beyond, the events of the past five years, since we launched our first company-wide strategy, have led to a significant shift in our operating context. A global pandemic that has disrupted industries and services, employee working patterns and expectations, coupled with a worsening climate crisis, means we have had to reassess the ESG issues which are most important to our stakeholders and our business so we can build resilience and continue to create long-term value. Our new strategy will bring a fresh and enhanced approach to how we manage our most material risks, yet at the same time support us to mobilise new opportunities including digitalisation, clean technologies, and disruptive innovation.

With the development of science-based targets across our Operating Companies to support our decarbonisation pathway, we will report against our SBT targets for the first time in 2022. This will require comprehensive roadmaps specific to each Operating Company and business unit, to ensure we deliver the investment required to scale-up energy efficiency measures and high-quality renewable energy capacity. Importantly, SBTs will set ambitious targets on our Scope 3 emissions for the first time. With tenant energy consumption responsible for a significant proportion of our Scope 3 emissions, engagement with this stakeholder group will become even more critical to find collaborative solutions to manage and monitor their performance.

Recognising the criticality of communicating quantitative progress to our stakeholders on our ESG performance, we are continuing to work on improving our data management systems and the timeliness of our data collection processes. This will continue to support us with our full portfolio assurance for our 2021 environmental performance.



As our first sustainability strategy reaches completion in 2022, we look forward to reporting on the achievement of our 11 Sustainable Business Commitments. Below, we have listed several focus areas for 2022.

ECONOMIC INCLUSION



We will continue to advance our programmes and scope opportunities to upskill and create career opportunities for our local populations, with a particular emphasis on promoting and strengthening the availability of local talent.

SCIENCE-BASED TARGETS



In 2022, our focus will be on developing science-based targets for our remaining Operating Companies, submitting them for validation to the SBTi, and closely following the development of science-based targets for nature to ensure optimum water management.

NET POSITIVE PATHWAY



To communicate our Net Positive roadmap to our stakeholders, we will develop a report outlining our approach, demonstrating its alignment with global initiatives, and the key steps on our journey.

DIVERSITY AND INCLUSION



Following our ambitious gender balance pledges in 2021, realising action against our targets will be vital moving forwards, as well as extending these same principles to other diversity characteristics supported by insights from our annual diversity and inclusion survey.

CIRCULAR ECONOMY



We will continue implementing our circular economy strategy, with a particular focus on improving the quality of waste data and progressing our single-use plastic and food waste milestones.



Performance and reporting

Independent Assurance Statement

TO: THE STAKEHOLDERS OF MAJID AL FUTTAIM

Independent assurance statement by Upstream Sustainability Services, JLL ("Upstream") to the stakeholders of Majid Al Futtaim concerning its environmental performance data as stated in its 2021 Annual ESG Report and 2022 Green Sukuk Report, and three KPIs concerning its Sustainability Linked Loan as stated in the 2021 Annual ESG Report.

SCOPE OF WORK

Majid Al Futtaim engaged Upstream to provide independent assurance of Refrigerants, Energy, Water, and Greenhouse Gas emissions performance information relevant to its 2021 Annual ESG Report and 2022 Green Sukuk Report, as well as three KPI relating to the first test date (25th June 2022) of its Sustainability Linked Loan. Due to the reporting deadlines, the assurance engagement for Majid Al Futtaim's Environmental Performance Data and Sustainability Linked Loan KPIs were reported on separately. However, the results have been combined in this short version. The engagement was Type 2 moderate assurance in accordance with the AA1000AS v3 standard which consisted of:

- A. Evaluation of Majid Al Futtaim's adherence to the AA1000 AccountAbility Principles (AA1000AP 2018) of inclusivity, materiality and responsiveness;
- B. Evaluation of the reliability of the specified sustainability performance information and associated data collection and management processes and systems relating to;
- 2021 January to December Energy, Water and GHG data from the 2021 Annual ESG Report and 2022 Green Sukuk Report

B(2). Evaluation of the progress made by Majid Al Futtaim in meeting the first test date (25th June 2022) requirements of three KPIs related to its Sustainability Linked Loan.

LEVEL OF ASSURANCE AND LIMITATIONS

Upstream provided a moderate level of assurance which included desktop review, management and property level data verification and evidence gathering from internal sources and third parties. The verification did not include financial data, technical descriptions of or information relating to buildings, floor areas, or other information not related to sustainability.

The scope of our data testing was limited to operational assets throughout the 2021 calendar year. We tested a sample of 1,572 data points from a total of 131 data sources (e.g., assets, meters, or waste disposal routes) from:

- 651 operational assets within Majid Al Futtaim that are reporting environmental data in 2021 Annual ESG Report and 2022 Green Sukuk Report.

A sample from Majid Al Futtaim's Properties, Retail, Lifestyle, and LEC Operating Companies was selected, to ensure that assurance was representative of each of these individually, as well as at a company level. The sample of data from the Properties Operating Company was also checked to ensure that this was representative of the Green Sukuk portfolio.

The scope of AA1000 Assurance is limited based on the amount of interaction and information provided. Material from Majid Al Futtaim's data management platform, utilities providers, site teams, human capital systems and strategy and policy documents were provided as part of the evidence. Other key evidence reviewed included invoices, meter readings, metering reports, maintenance reports, purchase orders, delivery notes, email correspondence, green building certifications, the draft Annual ESG Report, and other publicly available information on Majid Al Futtaim's website [here](#).

A: EVALUATION OF MAJID AL FUTTAIM'S ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES (AA1000AP 2018) OF INCLUSIVITY, MATERIALITY, RESPONSIVENESS AND IMPACT

Based on the scope of work described above, nothing has come to our attention to suggest that Majid Al Futtaim did not adhere to the majority of the criteria under the principles of inclusivity, materiality, responsiveness and impact for 2021.

Further observation and recommendations can be found in the Environmental Performance Data and Sustainability Linked Loan full assurance statements [here](#).

B(1): EVALUATION OF THE RELIABILITY OF THE SPECIFIED SUSTAINABILITY PERFORMANCE INFORMATION AND ASSOCIATED DATA COLLECTION AND MANAGEMENT PROCESSES AND SYSTEMS

Based on our sampled data points and the scope of the work described above, nothing has come to Upstream's attention that causes it to believe that the specified Refrigerants, Energy (PV, electricity, district chilled water, received cooling, natural gas, diesel, petrol, and LPG), Water, and Greenhouse Gas Emissions performance information is not fairly stated for Majid Al Futtaim.

Further information on the scope of data, responsibilities and methodology applied to this process can be found in the Environmental Performance Data full assurance statement [here](#).

B(2): EVALUATION OF THE PROGRESS MADE BY MAJID AL FUTTAIM IN MEETING THE FIRST TEST DATE (25TH JUNE 2022) REQUIREMENTS OF ITS SUSTAINABILITY LINKED LOAN.

Based on the scope of work described above, nothing has come to Upstream's attention that causes it to believe that the specified First Test Date (25th June 2022) KPI performance information in relation to Majid Al Futtaim's Sustainability Linked Loan is not fairly stated.

Further observation and recommendations can be found in the Sustainability Linked Loan full assurance statement [here](#).

INDEPENDENCE OF ASSURANCE

Due to our expertise and experience with non-financial information, sustainability management and social and environmental issues, we have the competencies required to conduct this independent assurance engagement. We are bound by the JLL Code of Business Ethics and are independent as defined by AA1000AS v3.

Upstream is a consultant to Majid Al Futtaim and provides support on their environmental, social and governance programme. The assurance team has not been involved in the delivery of these other services for Majid Al Futtaim and we do not consider that there is any conflict of interest between these other services and this assurance engagement.

Debbie Aston
Director
+44 (0)207 399 5975
Debbie.Aston@eu.jll.com
30 Warwick Street, London, W1B 5NH

Robert Moore
Senior Consultant
+44 (0)207 087 5073
Robert.Moore2@eu.jll.com
30 Warwick Street, London, W1B 5NH

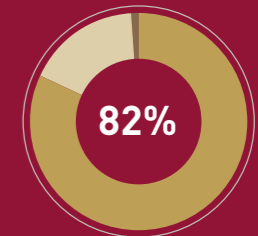
Robbie Platais
Senior Consultant
+44 (0)207 087 5095
Robbie.Platais@eu.jll.com
30 Warwick Street, London, W1B 5NH



2021 targets assessment

Company-wide target performance

82% Achieved
17% Partially Achieved
1% Not Achieved



Majid Al Futtaim has committed to an ambitious set of sustainability targets across three focus areas. Here we provide a detailed update on progress against our 2021 sustainability targets, which have been independently audited by a third-party auditor. Our 2021 complete assurance statement can be found on our website.

Majid Al Futtaim - Corporate

2021
100% Achieved

2020 94% Achieved
2019 100% Achieved



Majid Al Futtaim - Holding

2021
100% Achieved

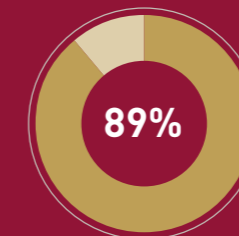
2020 100% Achieved
2019 83% Achieved



Majid Al Futtaim - Properties

2021
89% Achieved
11% Partially Achieved

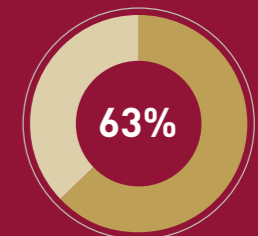
2020 100% Achieved
2019 86% Achieved



Majid Al Futtaim - Retail

2021
63% Achieved
37% Partially Achieved

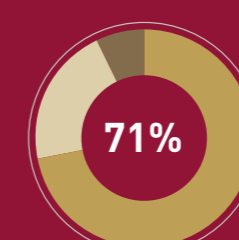
2020 95% Achieved
2019 73% Achieved



Majid Al Futtaim - LEC

2021
71% Achieved
21% Partially Achieved
7% Not Achieved

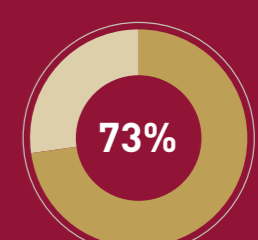
2020 100% Achieved
2019 73% Achieved



Majid Al Futtaim - Lifestyle

2021
73% Achieved
27% Partially Achieved

2020 100% Achieved
2019 73% Achieved



We are approaching the end of our current sustainability strategy and as a result have made significant progress towards our targets. In 2021, we have reported our progress into "Achieved", "Partially Achieved" (when more than 50% of the actions have been achieved) and "Not Achieved", whereas in previous years, targets marked as "Partially Achieved" that passed the audit have been marked as "Achieved". In 2022, we will report our progress aligned with this report.

MAJID AL FUTTAIM – CORPORATE

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Increase waste data collection	Achieved
		Embed circular economy principles into procurement process, integrating the principles into request for proposals, tenders, and contracts	Achieved
		Embed circular economy principles in all procurement guidelines and minimum standards	Achieved
		Develop and deliver online training for suppliers	Achieved
		Develop one collaboration with an organisation that helps maximise the value of waste	Achieved
Climate change adaptation	Not Applicable	Publicly report in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects (1 for an existing development and/or 1 for a new development)	Achieved
		Create a Community Engagement Action Plan to help alleviate the impacts of COVID-19 on the communities in which Majid Al Futtaim operates and establish at least 1 strategic collaboration	Achieved
		Collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative ideas through Majid Al Futtaim's Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
Healthy products & services	Not Applicable	Assess opportunities to improve the health and wellbeing of employees and customers through building design and fit-out	Achieved
Responsible procurement	Not Applicable	Implement the Sustainable Procurement Policy across all OpCos and engage with tier 1 suppliers	Achieved

MAJID AL FUTTAIM – CORPORATE (continued)

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/processes for the implementation of a minimum of 3 recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Expand roll-out of the Healthy Workplace survey and ensure survey reaches all representatives of each employee group in all countries of operation	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Develop role-specific training content for the top 3 Frontliner employee categories	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Ensure successful roll-out and training for employees on human rights and employment conditions and Majid Al Futtaim's newly launched audit checklist	Achieved
Health & safety	Not Applicable	Develop and roll-out training to support implementation of Company-wide Health and Safety Policy	Achieved
Changing role of women in the workplace	Not Applicable	Develop an action plan to support successful implementation of the Company-wide Diversity and Inclusion Policy	Achieved

MAJID AL FUTTAIM – HOLDING

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Net Positive carbon	All OpCos must become Net Positive in carbon for all operational activities by 2030 and for all tenant and development activities by 2040	Ensure access to high-level Net Positive carbon information via BIDS	Achieved
Net Positive water	All OpCos must become Net Positive in water for all operational activities by 2030 and for all tenant and development activities by 2040	Ensure access to high-level Net Positive water information via BIDS	Achieved
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Implement a minimum of 3 company selected recommendations from the 2020 talent retention gap analysis within the OpCo	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Develop an action plan and implement the top 3 OpCo priority actions from the 2020 Healthy Workplace survey	Achieved
Health & safety	Not Applicable	Complete ISO 45001 Health & Safety certification for Majid Al Futtaim - Holding offices	Achieved
Changing role of women in the workplace	Not Applicable	Support the development of an action plan for effective implementation of the Company-wide Diversity and Inclusion Policy	Achieved

MAJID AL FUTTAIM – PROPERTIES

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Explore options to improve waste segregation, weighing and reduction in volume sent to landfill at shopping malls	Achieved
		Work with waste contractors in the UAE to establish the extent to which operational waste data can be provided with a greater level of granular detail (type, disposal, route, weight) across shopping malls and hotels	Achieved
		Launch a Proof of Concept (POC) for reverse vending machines or a recycling hub as a pilot project with the aim to roll-out across shopping malls	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
Biodiversity & ecosystem services	Not Applicable	Implement the True Zero assessment accreditations for Tower 2	Partially Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects (1 for an existing development and/or 1 for a new development)	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Support the company to collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Properties Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
Community wellbeing & public realm	Not Applicable	Provide space for short-term local SMEs, artisan retailers and/or food and beverage pop-ups and for social purpose activations in our assets in the UAE	Achieved
Promoting sustainable lifestyles	Not Applicable	Provide at least 1 activity promoting healthier lifestyles for customers and employees	Achieved
Responsible procurement	Not Applicable	Integrate the Responsible Procurement Policy into procurement actions and continue upskilling tier 1 suppliers to improve sustainability performance	Achieved

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Implement a minimum of 3 company selected recommendations from the 2020 talent retention gap analysis within the OpCo	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Develop an action plan and implement the top 3 OpCo priority actions from the 2020 Healthy Workplace survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure successful roll-out of 2020 Frontliner sustainability training sessions within the OpCo and all countries of operation	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Conduct 2 accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved within 1 calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Achieved
Health & safety	Not Applicable	Improve Majid Al Futtaim's health and safety record and achieve an accident frequency rate lower than recorded in 2020	Partially Achieved
Changing role of women in the workplace	Not Applicable	Support the development of an action plan for effective implementation of the company-wide Diversity and Inclusion Policy	Achieved

MAJID AL FUTTAIM – RETAIL

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Provide consumer recycling facilities and take-back schemes in stores, focusing on the top sales electronics categories Increase customer engagement with circular solutions	Partially Achieved Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Support the company to collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Retail's Innovation Centres of Excellence (OIC)	Partially Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
Community wellbeing & public realm	Not Applicable	In line with our circular economy strategy, increase collaboration with local food banks to donate food waste in at least 3 countries	Achieved
Healthy products & services	Not Applicable	Measure the success of the 10 activation programmes focused on health and wellbeing across all countries	Partially Achieved
Responsible procurement	Not Applicable	Integrate the Responsible Procurement Policy into procurement actions and upskill at least 50 tier 1 suppliers (based on spend) to improve sustainability performance	Partially Achieved

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Implement a minimum of 3 company selected recommendations from the 2020 talent retention gap analysis within the OpCo	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Develop an action plan and implement the top 3 OpCo priority actions from the 2020 Healthy Workplace survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure successful roll-out of 2020 Frontliner sustainability training sessions within the OpCo and all countries of operation	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Conduct a minimum of 2 staff accommodation audits for tier 1 service providers (fit-out contractor, security, cleaning, or trolley boy companies) across GCC countries. Any actions from audits should be evidenced to be resolved within 1 calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Partially Achieved
Health & safety	Not Applicable	Achieve ISO 45001 certification for 2 additional countries of operation (Egypt & Jordan)	Partially Achieved
Changing role of women in the workplace	Not Applicable	Support the development of an action plan for effective implementation of the company-wide Diversity and Inclusion Policy	Achieved

MAJID AL FUTTAIM – LEC

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Launch a Proof of Concept (POC) for reverse vending machines or a recycling hub as a pilot project and aim to roll it out across VOX Cinemas, Magic Planet, and Ski	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Support the company to increase the number of additional infrastructure projects (1 for an existing development and/or 1 for a new development)	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Support the company to collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through LEC & Lifestyle's Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Partially Achieved
Community wellbeing & public realm	Not Applicable	Expand accessible screening programme to provide specialised programs to people with additional care needs across LEC & Lifestyle entertainment businesses in the UAE	Achieved
Promoting sustainable lifestyles	Not Applicable	Deliver a carbon neutral programme of events throughout the year that cover wellbeing, sustainable behaviours, COVID-19 resilience films and presentations to help communities adapt to more sustainable ways of living and being COVID-19 resilient	Not Achieved

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Implement a minimum of 3 company selected recommendations from the 2020 talent retention gap analysis within the OpCo	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Develop an action plan and implement the top 3 OpCo priority actions from the 2020 Healthy Workplace survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure successful roll-out of 2020 Frontliner sustainability training sessions within the OpCo and all countries of operation	Partially Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Conduct 2 accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved within 1 calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Partially Achieved
Health & safety	Not Applicable	Support the achievement of ISO 45001 certification for Majid Al Futtaim - Lifestyle in the UAE	Achieved
Changing role of women in the workplace	Not Applicable	Support the development of an action plan for effective implementation of the company-wide Diversity and Inclusion Policy	Achieved




MAJID AL FUTTAIM – LIFESTYLE

Material Issue	2022 Sustainable Business Commitment	2021 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Conduct feasibility studies with the top 5 brands (by value of products sold) to reduce delivery and product packaging	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Support the company to collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through LEC & Lifestyle's Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Partially Achieved
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Implement a minimum of 3 company selected recommendations from the 2020 talent retention gap analysis within the OpCo	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Develop an action plan and implement the top 3 OpCo priority actions from the 2020 Healthy Workplace survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure successful roll-out of 2020 Frontliner sustainability training sessions within the OpCo and all countries of operation	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Conduct 2 accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved within 1 calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Partially Achieved
Health & safety	Not Applicable	Achieve ISO 45001 certification for Majid Al Futtaim - Lifestyle in the UAE	Partially Achieved
Changing role of women in the workplace	Not Applicable	Support the development of an action plan for effective implementation of the company-wide Diversity and Inclusion Policy	Achieved

Our Sustainability-Linked Loan target progress

In August 2021, we signed our first \$1.5 billion Sustainability-Linked Loan (SLL), the largest in the MENA real estate sector, that aims to facilitate and support environmentally and socially sustainable economic activity and growth.

Key to driving this activity are three predetermined sustainability performance targets, outlined below, that seek to reduce our emissions, increase the green building certifications within our portfolio and enhance gender balance within our senior management. Annual target performance is externally and independently verified to ensure clarity and compliance against the specific sustainability performance targets.

SLL SUSTAINABILITY PERFORMANCE TARGETS	2021 TARGET	PERFORMANCE IN 2021	2021 PROGRESS
 Reducing the Scope 1 and 2 emissions intensity of Majid Al Futtaim's property portfolio, calculated as tCO ₂ e/managed sqm, in line with Majid Al Futtaim's science-based targets towards net negative by 2040	≤201.4	202.7	Not Achieved
 Reducing the number of malls in Majid Al Futtaim's portfolio that do not have a green building certification of a minimum level of LEED Gold, or equivalent, towards a goal of zero uncertified malls by 2026	≤10	11	Not Achieved
 Increasing gender diversity among Majid Al Futtaim's senior management, defined as the percentage of women in the top three seniority levels (board, senior executive and senior management) to reach 30% and therefore align to the 30% Club	≥17%	17.45%	Achieved

Our 2022 Sustainable Business Commitments progress

We launched *Dare Today, Change Tomorrow* in 2018 to address our most material sustainability issues. We set 11 Sustainable Business Commitments, which run to 2022, across issues that matter the most to our business and stakeholders. We have made significant progress over the past three years through our annual targets and the series of initiatives that we have implemented across the business.

In 2021, we are pleased to report that we are on track to achieve nine of our 11 Sustainable Business Commitments. 2022 will mark the end of our first company-wide sustainability strategy, and we are more determined than ever to continue to progress across the areas where we are already performing well, and most importantly, scale-up our focus on the areas that need improvements.

KEY:

ADVANCING = ON TRACK = ACHIEVED =

RETHINKING RESOURCES		
Sustainable Business Commitment (SBC)		Progress to date
Net Positive carbon	All Operating Companies must become Net Positive in carbon for all operational, tenant and development activities by 2040	
Net Positive water	All Operating Companies must become Net Positive in water for all operational, tenant and development activities by 2040	
Circular economy	All Operating Companies must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	

TRANSFORMING LIVES




Sustainable Business Commitment (SBC)		Progress to date
Local economic development	All Operating Companies must annually increase the proportion of expenditure which contributes to the local economy	
Local economic development	All Operating Companies must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	
Disruptive technology	All Operating Companies must invest in an innovation centre of excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	
Customer experience	All Operating Companies must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	

EMPOWERING OUR PEOPLE


Sustainable Business Commitment (SBC)		Progress to date
Attracting and retaining future talent	All Operating Companies must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	
Healthy workplaces	All Operating Companies must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	
Training and development	To foster our employees' growth and adapt to today's dynamic work environment, we provide sustainability training to employees and suppliers throughout the value chain	
Human rights and employment conditions	We will continue to lead by example by requiring all employees and direct (tier 1) contractors to comply with the International Labour Organisation's eight core conventions	

United Nations sustainable development goals disclosures

SDG	Target	Focus Area	Supporting Evidence
	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Rethinking Resources, Empowering our People	Nature-based solutions, p31
	3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	Transforming Lives, Rethinking Resources, Empowering our People	Spotlight on: Healthy workplaces, p56
3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all			
	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Transforming Lives, Empowering our People	Smoke-Free Policy
	3.a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate		
	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	Transforming Lives, Empowering our People	Spotlight on: Driving economic inclusion through education and career opportunities, p46
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship		
	4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development		
	4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries		
	5.1 End all forms of discrimination against all women and girls everywhere	Transforming Lives, Empowering our People	Fostering a workplace for all, p50
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life		
	5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels		

SDG	Target	Focus Area	Supporting Evidence
	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all	Rethinking Resources	It is within Majid Al Futtaim's responsibility to ensure that all water resources provided at our assets are safe and affordable for all
	6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations		Sanitation and hygiene is a high priority for Majid Al Futtaim. From the start of the COVID-19 pandemic, it moved from a priority to 'saving lives'. In all our assets, we promoted the importance of washing hands and maximum hygiene levels to keep our customers safe
	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	Transforming Lives, Rethinking Resources	In 2021, Majid Al Futtaim researched the potential for on-site water treatment. Opportunities, limitations and potential technologies for greywater, blackwater and process water have been reviewed. Based on this, potential technology applications will be explored
	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity		Water, p28-30
	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services		Renewable energy, p24
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix		Renewable energy, p24
	7.3 By 2030, double the global rate of improvement in energy efficiency	Rethinking Resources	The Green Star Rating System encourages tenants to improve their energy efficiency, p23
	7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology		Majid Al Futtaim listed the world's first benchmark corporate Green Sukuk to finance existing and future green projects
	7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support		Renewable energy, p24

SDG	Target	Focus Area	Supporting Evidence
	8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries	Transforming Lives	Majid Al Futtaim pays fair wages and adheres to countries' minimum wage across its business and supply chain
	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors		Majid Al Futtaim contributes to higher levels of economic development and innovation through running initiatives that support Local Economic Development, better Customer Experience, Promoting Sustainable Lifestyles and Developing Healthy Products & Services
	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services		Start-ups and SME's, p40
	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead	Rethinking Resources	Circular economy, p32
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Empowering our People	Fostering a workplace for all, p50
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms		Health, safety and human rights, p54
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		
	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	Transforming Lives	Social impact, p41
9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	Contributing to inclusive and sustainable industrialisation and raising industry's share of employment is the impact Majid Al Futtaim has on the 17 countries we operate in. Our presence through our assets (p6) contributes to society and industry, innovation and infrastructure		
9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	Start-ups and SME's, p40		
9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Rethinking Resources		The Green Star Rating System encourages tenants to improve their energy efficiency, p23

SDG	Target	Focus Area	Supporting Evidence
	9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Transforming Lives	Majid Al Futtaim with Takeoff Technologies launched an automated fulfilment centre, adopting several innovations such as an autonomous shelf auditing and analytics solution
	9.a Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States		Social impact, p41
	9.b Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities		The Innovation Centre of Excellence, p45
	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Transforming Lives, Empowering our People	Fostering a workplace for all, p50
	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries	Transforming Lives	Social impact, p41
	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Rethinking Resources	Circular economy, p32
	11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	Transforming Lives, Rethinking Resources, Empowering our People	Social impact, p41
	11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning		
	11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials	Rethinking Resources	Sustainable buildings, p23
	12.2 By 2030, achieve the sustainable management and efficient use of natural resources		Circular economy, p32
	12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses		Circular economy, p32
	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Rethinking Resources	Sustainable buildings, p23
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse		Circular economy, p32

SDG	Target	Focus Area	Supporting Evidence
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Transforming Lives	Responsible procurement, p39
	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities		
	12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Empowering our People	Learning and development, p52
	12.a Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production	Rethinking Resources	Renewable energy, p24
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries		Climate risk, p25
	13.2 Integrate climate change measures into national policies, strategies and planning		
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning		
	13.a Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible		
15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Rethinking Resources	For every new development, an ecologist assesses the status of animals and plants. Majid Al Futtaim's Pre-Acquisition Sustainability Policy addresses risks relating to biodiversity impact	
	17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	Transforming Lives, Rethinking Resources, Empowering our People	Majid Al Futtaim works with the Red Crescent across the majority of its operating companies and is part of public-private partnerships, for example, as a member of the People of Determination Advisory Panel and the Business for Wellbeing Council
	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	Transforming Lives	Start-ups and SME's, p40
	17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries		

GRI Content Index

- Majid Al Futtaim has reported in accordance with the GRI Standards for the period 1 Jan 2021 to 31 Dec 2021
- We have reported against GRI 1: Foundation 2021
- Our applicable Sector Standard is GRI G4 Construction and Real Estate Sector (CRES). We will be validating our list of material ESG issues with the latest GRI Sector Standard for our industry when it is published by GRI

ACCURACY

- We have taken steps to ensure information within our ESG Report is correct and sufficiently detailed to allow an assessment of our impacts. Validation of the majority of the information in this report is performed by our sustainability consultants, JLL
- Guidance was provided by JLL on preparing this report in line with the GRI's principles for report quality and content, and the following disclosures set out in this index
- Data assumptions and calculations are disclosed in data qualifying notes in the Environmental Data Annex on our website: www.majidalfuttaim.com

BALANCE & CLARITY

- We have a clear strategy which supports our goal to be recognised internationally as a sustainability leader. Our approach is structured around three focus areas. See page 12 for full details
- Our ESG Report is available both in hard copy upon request and online. We also have a sustainability section on our website: <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-esg>
- Content is designed to be easily navigable to the reader and avoids complex technical jargon and excessive detail
- In order to be transparent, we disclose both negative and positive aspects and results of our performance

COMPARABILITY

- The historical performance data used in this report spans five years and covers the environmental, economic and social aspects of our sustainability strategy
- We participate in GRESB through which we, and our stakeholders, are able to better understand our performance in comparison with that of our peers. We provide a separate Environmental Data Annex on environmental data in line with the EPRA Sustainability Best Practice Recommendations (sBPR). This can be downloaded from our website. https://www.majidalfuttaim.com/-/media/feature/mafcorporate/about/sustainability-reports/2022/majid-al-futtaim-environmental-data-annex_final.pdf
- International metrics, standard conversion factors and protocols, where applicable, were used for compiling and reporting information
- Due to improvements in data collection and verification processes, some re-statements of previous years' environmental data have been included in this report to take in to account these improvements. Full explanations of these adjustments are provided in data qualification notes in the EPRA sBPR tables provided on our website. www.majidalfuttaim.com/about-us/overview/sustainability

COMPLETENESS

- The scope of our reporting covers all existing assets under our operational control. The environmental performance of some of our construction sites is included in the scope of this ESG report. Any areas where we do not have complete data to report against are indicated within the report
- Our reporting focuses on the issues that are most material to the running of our business. Additional information on our business and its financial performance is provided in our Consolidated Financial Statements 2021 which are available on our website. <https://www.majidalfuttaim.com/-/media/feature/mafcorporate/investor/downloads/summary/annual/majid-al-futtaim-holding-consolidated-fs-2021-en.pdf>

SUSTAINABILITY CONTEXT

- It's important to ensure we align our approach with local needs and international trends
- Detail on our sustainability approach, vision and material impacts is provided in the 'Dare Today, Change Tomorrow' Strategy section (page 8), A message from our Chief Executive Officer (page 1) and Chief Sustainability Officer (page 6) sections of this report
- Our business activities, impacts and sustainability risks and opportunities can be found on page 8 of our 2021 ESG Report (available online). <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-esg>
- Our environmental performance and impacts are detailed in our Rethinking Resources section on pages 20-27. An environmental data pack reporting our performance in line with the EPRA sBPR can be downloaded from our website. https://www.majidalfuttaim.com/-/media/feature/mafcorporate/about/sustainability-reports/2022/majid-al-futtaim-environmental-data-annex_final.pdf

TIMELINESS

- The information presented in this ESG Report was developed to reflect our performance from 1 January to 31 December 2021. Our Consolidated Financial Statements cover the same period. The sustainability reporting schedule is aligned with the annual financial reporting schedule

VERIFIABILITY

- Validation of the majority of the information within our ESG Report is performed by our sustainability consultants, JLL
- Assurance statement, page 76

GRI Standard
WEF Stakeholder
Capitalism Metrics Disclosure Answer

GRI 2: General Disclosures 2021

2-1 Organisational details
 Majid Al Futtaim
 Majid Al Futtaim owned by Mr Majid Al Futtaim, who founded the company in 1992. For more information about the ownership and nature of Majid Al Futtaim - Holding assets, please see our website: www.majidalfuttaim.com
 Majid Al Futtaim, Tower 1, 10th Floor, City Centre Deira Complex, PO Box 91100, Dubai, United Arab Emirates
 About us, page 3. See also our website: www.majidalfuttaim.com

2-2 Entities included in the organisation's sustainability reporting
 Majid Al Futtaim - Holding
 Majid Al Futtaim - Properties
 Majid Al Futtaim - Retail
 Majid Al Futtaim - Leisure, Entertainment and Cinemas (LEC)
 Majid Al Futtaim - Lifestyle
 Majid Al Futtaim - Global Solutions
 Majid Al Futtaim's ESG report covers the same entities as the consolidated statements. Majid Al Futtaim Consolidated Financial Statements can be found on our website: www.majidalfuttaim.com
 In 2021, Ventures Operating Company was replaced by two new Operating Companies: Leisure, Entertainment and Cinemas (LEC) and Lifestyle. Majid Al Futtaim follows a consistent reporting approach across all Operating Companies. Their performance is consolidated in this ESG Report.

2-3 Reporting period, frequency and contact point
 Majid Al Futtaim reports on its sustainability performance annually. The information presented in this ESG Report was developed to reflect our performance from 1 January to 31 December 2021.
 Our Consolidated Financial Statements cover our performance from 1 January to 31 December 2021. The sustainability reporting schedule is aligned with the annual financial reporting schedule.
 Majid Al Futtaim's 2021 Sustainability Report, published in June 2022. This was the third year of the company-wide strategy reporting.
 Contact sustainability@maf.ae for any questions regarding the report.

2-4 Restatements of information
 About this report, page 3.
 Due to improvements in data collection and verification processes, several data points have been updated since 2020, mostly impacting environmental data. Therefore some restatements of previous year's environmental data have been included in this report to take into account these improvements. Full explanations of these adjustments are provided in data qualification notes in EPRA tables included within the Environmental Data Annex. The Environmental Data Annex is available online.

2-5 External assurance
 2021 environmental data for our portfolio has been externally assured. Scope details are available in the Assurance Statement on page 76 of this report. We do not currently have full external assurance for our sustainability reporting.

2-6 Activities, value chain and other business relationships
 There are no changes in reporting for 2021.
 Majid Al Futtaim has four different operating companies: Retail, Leisure, Entertainment and Cinemas, Lifestyle and Properties, each with their own supply chains. Majid Al Futtaim - Retail's downstream supply chain consists of their private label products and deliveries and Majid Al Futtaim - Properties' downstream supply chain is the houses we sell to our customers.

2-7 Employees
 The staff numbers included in this report are calculated only for direct employees and thus do not include contractors. This data is extracted from Majid Al Futtaim's HR portal, therefore no assumptions were made. As only direct employees were included within the data tables, there is no seasonal / project variation of staff. There have been no significant fluctuations in the reporting period.

EMPLOYEE INFORMATION BY GENDER

	Female	Male	Other	Undisc.	Total
Number of employees	11,550	32,709	0	0	44,259
Number of permanent employees	3,158	5,857	0	0	9,015
Number of temporary employees	41	29	0	0	70
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	8,324	26,823	0	0	35,147
Number of part-time employees	27	0	0	0	27

EMPLOYEE INFORMATION BY REGION

	MENA	Africa	Cent. Asia	S&SE Asia	E Asia	Total
Number of employees	37,350	2,406	2,742	1,736	25	44,259
Number of permanent employees	9,015	0	0	0	0	9,015
Number of temporary employees	70	0	0	0	0	70
Number of non-guaranteed hours employees	0	0	0	0	0	0
Number of full-time employees	28,250	2,406	2,730	1,736	25	35,147
Number of part-time employees	15	0	12	0	0	27

GRI Standard
WEF Stakeholder
Capitalism Metrics Disclosure Answer

2-8 Workers who are not employees
 A significant proportion of our work at our construction sites and assets is delivered by contractors. We also use contractors for:
 • Security
 • Landscape maintenance
 • Window cleaning (malls, offices)
 • Mall construction (and all sub contractors)
 • Design teams
 • Operators of our hotels
 • Cleaning in our offices
 • Recycling operational waste (all our assets)
 • Third party verifiers who are appointed directly by Majid Al Futtaim i.e. CXA agent, sustainability consultants, etc.
 • Creative agency (branding/printing/photography)
 • Training
 • Data management system
 • Travel agency
 • Promotions and media

2-9 Governance structure and composition
 Governing with accountability, page 60
 Our sustainability governance structure can be found on page 60, and further information on our Business structure can be found on our website: www.majidalfuttaim.com

2-10 Nomination and selection of the highest governance body
 Highest governance body is selected based on competencies, background and experience with global peers.

2-11 Chair of the highest governance body
 Omission
 Reason: Not applicable
 Explanation: Majid Al Futtaim chair of highest governance body is not also a senior executive

2-12 Role of the highest governance body in overseeing the management of impacts
 Ibrahim Al-Zu'bi, Chief Sustainability Officer feeds into the board and formally reviews and approves the ESG report for the business.

2-13 Delegation of responsibility for managing impact
 Majid Al Futtaim's Chief Sustainability Officer, Ibrahim Al-Zu'bi, has the highest responsibility for managing impact, he reports to the Chief Executive Officer, Alain Bejjani. Ibrahim is an engineer by education with more than 20 years of experience in international environmental governance
 Our Company-wide culture of transparency and accountability has led the Chief Executive Officers of each of our Operating Companies to set sustainability targets for themselves that are linked to their performance and bonus, to ensure the strategy is being driven from the highest level of our business. In addition, the sustainability targets are cascaded to employees throughout their different roles. This will help us achieve our Sustainable Business Commitments and realise our longer-term sustainability vision to create a way of life for a positive future. The targets span the three focus areas of our *Dare Today, Change Tomorrow* sustainability strategy: Rethinking Resources, Transforming Lives and Empowering our People.
 Progress against our sustainability strategy is reviewed by the Board and our Chief Executive Officer, overseen by our Chief Sustainability Officer and the corporate sustainability team. The frequency of reporting back to the highest governance body on the sustainability strategy is quarterly. The corporate sustainability team has facilitated the creation of sustainability action plans in consultation with the Operating Companies which outline the actions each area of the business is required to undertake for us to achieve our *Dare Today, Change Tomorrow* ambitions.

2-14 Role of the highest governance body in sustainability reporting
 We issue quarterly sustainability board reports for each Operating Company to the Board. Each sustainability manager in each of the Operating Companies presents a paper which is followed by a discussion with the Board.
 In addition, our Sustainability policies are reviewed and signed by the relevant CEOs.
 You can find our polices on our website: www.majidalfuttaim.com

2-15 Conflicts of interest
 The Boards of Majid Al Futtaim maintain a register of director's interests that is updated regularly and noted at each Board meeting, including any conflict arising. There are currently no conflicts from these interests. If there is a conflict the Director in question would abstain from any discussion or vote on the matter. Employees complete mandatory conflicts of interest declaration forms.
 The Chairmen of Majid Al Futtaim - Properties, Majid Al Futtaim - Retail and Majid Al Futtaim - Leisure, Entertainment and Cinemas sit on the Boards of Majid Al Futtaim - Holding and Majid Al Futtaim Company. The intention of this is to drive alignment.
 Majid Al Futtaim Company has nine shareholders, other Majid Al Futtaim subsidiaries are majority owned or Joint Ventures.
 Principles of governing conflict of interest can be found in our Code of Conduct and our Supplier Code of Conduct available on our website: www.majidalfuttaim.com

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-16	Communication of critical concerns	All critical concerns are communicated to the highest governance body through timely Steerco meetings, Ethics Panel meetings, quarterly risk committee meetings and ARC/Board meetings for their action. In 2021, one critical case was reported to ARC through the Business Ethics Report with regard to a Fraud incident in the Project Management Business Unit under Majid Al Futtaim - Properties.
2-17	Collective knowledge of the highest governance body	We have invited Cambridge Institute of Sustainability Leadership to provide a sustainability training to our leadership and employees. Every new joiner/MAFer goes through induction, one of the key points in the induction is sustainability. Moreover, biannually we present to our leadership [CEO's & CFO's] the latest trends of sustainability around the world and our <i>Dare today change tomorrow</i> strategy update that includes Rethinking Resources, Transforming Lives and Empowering our People. In addition, each Board considers the relevant company ESG report quarterly and we have started the initial steps with our Company Secretary on how to train our board members on sustainability and ESG.
2-18	Evaluation of the performance of the highest governance body	Our Chief Sustainability Officer updates the board and presentations as needed on a minimum of a quarterly basis.
2-19	Remuneration policies	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-20	Process to determine remuneration	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-21	Annual total compensation ratio	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-22	Statement on sustainable development strategy	A message from our Chief Executive Office, page 5 A message from our Chief Sustainability Officer, page 10
2-23	Policy commitments	The company's commitment to responsible business conduct is covered in our Code of Conduct which lists (among others): <ul style="list-style-type: none"> • Our commitments to employees • Our commitments to our customers • Our commitments to our partners • Our commitments to society • Our commitments to sustainability <p>A copy of our Code of Conduct along with other components related to our commitment to the highest ethical standards can be found on our website: www.majidalfuttaim.com</p> <p>The Code of Conduct has been approved by the Chief Executive Officer and represents the overarching standards under which all other policies and standards are developed. All employees are provided training on our Code of Conduct and the code is published and made readily available to everyone.</p>
2-24	Embedding policy commitments	The Chief Executive Officer of Majid Al Futtaim approves policy commitments to ensure the policy is embedded. Annual trainings are provided throughout the company in line with the policies and every employee is required to pass training year on year. Policies are also included in contracts with contractors, suppliers, consultants and other third parties.
2-25	Processes to remediate negative impacts	Speak with confidence, page 62 Grievances are captured directly from employees or through the Ethics Hotline, cases are then reviewed and investigated on a case by case basis and resolved appropriately via coaching, written warnings, transfers or termination of employees. Results are shared with the Compliance team and on to the Board in cases where this is necessary. Further information can be found in our Code of Conduct on our website.
2-26	Mechanisms for seeking advice and raising concerns	Speak with confidence, page 62 Employees have access to the Ethics Hotline or can raise concerns directly with managers. Further information can be found in our Code of Conduct on our website.
2-27	Compliance with laws and regulations	Following internal enquiry, to the best of our knowledge there have been no instances of non-compliance with laws and regulations and regulations which should be reported as per 2-27.

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-28	Membership associations	World Business Council for Sustainable Development Emirates Green Building Council Congress and Awards Gala Ellen McArthur Foundation Network Membership Dubai Chamber Sustainability Network Premium Partnership ESG Agreement with Sustainability Emirates Diving Foundation Dubai Chamber CSR Label - Sustainability Network Member Advanced Version United Nations Global Compact Participant Tier Fees Cambridge Institute of Sustainability Learning (Centre for Business Transformation) MyWellness Subscription United Kingdom Green Building Council Kenya Green Building Council Emirates Green Building Council German Society for Sustainable Building (DGNB) World Green Building Council Regional Network Partnership Consumer Goods Forum Clean Energy Building Council GRESB Real Estate Project Circle Kuwait Green Building Council Jordan Green Building Council Lebanon Green Building Council Industry Partner Membership Renewal (EGBC) United Nation Global Compact Membership Egypt Green Building Council Additional information on some of our memberships can be found in this report, page 17.
2-29	Approach to stakeholder engagement	Stakeholder engagement and frequency differs depending on which stakeholders Majid Al Futtaim is engaging with. For any new development, stakeholder identification is undertaken with residents, charities, government and communities, often being the main stakeholders identified in the process. Our community engagement charter then lays out how the business should engage with the groups identified including conducting a socio-economic survey on a yearly basis. Tier 1 suppliers are engaged with on a regular basis, with training on responsible procurement questionnaire engagement conducted in the past year. Our Sustainable Procurement Policy, also lays out the future engagement and expectations of our suppliers. Majid Al Futtaim hopes to work with suppliers to ensure standards are met.
2-30	Collective bargaining agreements	GCC countries do not permit unions but in countries where unions are permitted, such as Lebanon or Egypt, Majid Al Futtaim does not prohibit employees from joining these unions in accordance with the country's laws and regulations.

GRI 3: Material Topics 2021

Economic Topics		
3-1	Process to determine material topics	Majid Al Futtaim selects material issues by studying the market and benchmarking global best practice in the sectors in which we operate such as real estate, retail and ventures. We then select our stakeholders externally (governments, NGO, academia, banks, etc) and internally across business units and teams to consult them to identify issues that are most material based on our needs, geographies and operations.
3-2	List of material topics	Our sustainability strategy, page 12. There have been no changes to our material issues for 2021.
3-3	Management of material topics - Economic impacts	Infrastructure investments and their social impact on the communities we serve are highly material to us and fall under the Transforming Lives pillar. You can read more about this topic on page 41.
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Social impact, page 41 During 2021, we continued to develop our infrastructure projects at our Al Zahia development and the Almaza Recruitment and Training Centre, we also partnered with the Maaref Foundation to renovate Al Maaref school in Almaza. We have a Sustainable Business Commitment to annually increase the proportion of expenditure that contributes to the local economy by increasing the number of additional infrastructure projects. For every new project we run a socio-economic study to identify the community's needs. We then apply our Additional Infrastructure Framework which helps the development teams to identify the project feasibility prior to the investment approval. The framework formalises the investment decision process and ensures that investments meet the desired outcomes and align with Majid Al Futtaim's strategic sustainability priorities such as our 2040 Net Positive carbon and water targets. All infrastructure was developed to help enhance the local communities' life and the communities were engaged from project inception.

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
203-2	Significant indirect economic impacts	Social impact, page 41 In order to boost employability in Almaza, The Almaza Recruitment and Training Centre (ARTC) is a leading hub for inclusive recruitment and training, empowering people with skills needed to build careers in retail and hospitality. Through ARTC, Majid Al Futtaim encourages entrepreneurship and skills development in our local communities to drive economic growth and employment. More information is available on the centre's website: http://www.citycentrealmaza.com/artc Majid Al Futtaim also partnered with The Retail Agency to launch the Tamheen initiative. Through this programme we trained and hired over 148 employees for our tenants in 2021, supporting our tenants to hire more trainees and boost our economic impact.

Procurement Practices

204-1	Proportion of spending on local suppliers	85% of spending was on suppliers local to Majid Al Futtaim operations.
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Environmental Topics

Energy

3-3	Management of material topics - Environmental <ul style="list-style-type: none"> Energy Water GHG Emissions Effluents and Waste Biodiversity 	The management approach we take for different elements of our environmental strategy: <ul style="list-style-type: none"> Our Net Positive Approach can be found on page 22 Our circular economy strategy can be found on pages 32 – 33 Sustainable buildings resilience across our business and the policies which govern our environment performance can be found on page 23 Our approach to Nature-based solutions can be found on pages 30 – 31 Our energy and emissions information can be found on pages 26 – 27 All of our material issues mapping to SDGs and our related targets can be found on pages 14 – 15
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302-1 Fresh Water Availability	Energy consumption within the organisation	Environmental Data Annex available on our website.
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302-2	Energy consumption outside of the organisation	Environmental Data Annex available on our website.
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303-3	Energy intensity	Environmental Data Annex available on our website.
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302-4	Reduction of energy consumption	Environmental Data Annex available on our website.
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302-5	Reductions in energy requirements of products and services	Environmental Data Annex available on our website.
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Water

303-1	Interactions with water as shared resource	<p>We work extensively to maintain the highest international standards of reliability, efficiency, and safety in our water resources. We continually provide water conservation strategies and services to our employees, customers, mall visitors, and tenants to encourage them to reduce their water consumption. All Majid Al Futtaim group-wide potable water is sourced through the municipal water supply. The irrigation water for landscaping at MAG Communities, Shopping malls and Hotels is sourced through TSE and on-site sewage treatment plants. In line with the Majid Al Futtaim Sustainable Building Policy, no potable water is used for irrigation purposes. Majid Al Futtaim has pledged to become Net Positive in water by 2040.</p> <p>Tilal Al Ghaf's (Majid Al Futtaim's mixed-use community) annual consumption was 32,336 m³ and TSE is used for irrigation purposes. The amount of TSE supplied by the municipality in 2021 was 236,360 m³.</p> <p>In Al Zahia Community in Sharjah, there is an on-site sewage treatment plant with a capacity to treat 2,200 m³ of water per day. The water is collected from the residential units, and after being treated, it is used to irrigate the community landscape.</p> <p>As our business continues to grow, it is imperative to increase water consumption proportionately. We have worked to ensure that water efficiency improvements are given the highest priority. Our Sustainable Building Policy details the water strategies we implement in the design, construction and operations of the various Majid Al Futtaim assets.</p> <p>We recognise that achieving water neutrality just through efficiency and alternate sources will be difficult. As a result, we have concentrated on exploring the water offsetting practices available in the countries where Majid Al Futtaim operates. Majid Al Futtaim abides by high-quality Oxford Principles for water offsetting, such as afforestation or reforestations. As a result, we have advised a water offsetting method to address leftover water use as we work toward our Net Positive water goals.</p>
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GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
303-2	Management of water discharge-related impacts	Majid Al Futtaim complies with the local authorities requirements in each country.
303-3	Water withdrawal	Majid Al Futtaim only records data for produced water and third party water. There is no information on any water source listed due to this being against local regulations.
303-4	Water discharge	Omission Reason: Not applicable Explanation: Does not apply to the company's operations.
303-5	Water consumption	Environmental Data Annex available on our website.

Biodiversity

304-1 Nature Loss	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pre-Acquisition Policy available on our website: www.majidalfuttaim.com
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304-2 Nature Loss	Significant impacts of activities, products, and services on biodiversity	<p>For each development, an environmental impact assessment (EIA) is carried out for all our projects by a suitably qualified professional. The EIA is conducted to identify any potentially significant impacts project development may have on the social, physical and biological environment, and whether mitigation measures are required in the master plan design.</p> <p>All our residential communities, developments also carry out a Land Use and Ecology Assessment by a suitably qualified ecologist. These studies address land use and ecological assessment and enhancement measures are suggested to enable the project to enhance its biodiversity.</p>
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The sites being developed are of low ecological value and attracts birds and the provision of native vegetation to the site area. This will enhance the ecological richness of the site commensurate with a dedicated, landscape development programme to improve the land value and quality.

During construction general mitigation such as dust suppression, emissions reductions, minimised light, spill prevention, noise control and adequate waste management can help to curb additional impacts beyond direct habitat loss. A log of all biodiversity / ecology-related observations and actions is kept by the site manager.

During the survey, all species found are listed and classified accordingly. The ones with ecological value are defined if it needs to be relocated or protected and proper instructions are given.

- Examples of enhancement measures implemented include:
- The inclusion of native tall trees in the development
 - The inclusion of assorted heights and varieties of native landscape plants will be incorporated into the landscaping theme
 - Leaving a quantity of leaf litter in parks and amenity areas and allowing secondary growth on the ground adjacent to footpaths and landscaping to attract birds
 - In order to maintain connectivity to areas beyond the site, the Site 1 boundary fencing has been adjusted to incorporate wildlife friendly passage which would allow smaller animals to slip under the railing and travel between the site and the wider environment
 - Any planned fresh water features should be fenced in order to attract birds
 - Nesting boxes are incorporated to attract birds
 - The inclusion of native, desert adapted plants is considered within the landscaped areas for water savings as well as attracting native bird species to the area
 - Where possible and appropriate, roof planters may be included as part of the building design. The roof planters should be developed using native/ecologically appropriate species with a view to encourage avifaunal and invertebrate biodiversity
 - A commitment that is reflected within the operational and management plan should indicate minimisation of use of pesticide and herbicides on site to maintain the ecological health at the site
 - Any mesquite trees will be removed as these are considered as an invasive species
 - Mammal populations, namely Arabian red fox (*Vulpes arabicus*), should be allowed to flee from this site and be subsequently excluded
 - Due to the presence of trees potentially suitable to support nesting birds, it is recommended that a targeted survey to identify any nesting birds should be undertaken prior to any demolition and clearing of vegetation on site. An appropriate protection or relocation plan will need to be put in place should there be any evidence of current nesting
 - Residents will be actively encouraged to plant native, water efficient and non-invasive species of plants such as Ghaf trees. A preferred plant species list is developed for distribution to residents and a list of nurseries carrying these plants is available as part of the Home User guides

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer																
304-3 Nature Loss	Habitats protected or restored	<p>None of the recorded species found on our sites occur on the list of UAE threatened species. A number of healthy mature Ghaf trees (<i>Prosopis cineraria</i>) have been recorded at site. These trees are native and provide shelter, protection, shade, and nesting, burrowing, and feeding opportunities, e.g. for sand martins. Naturally occurring Ghaf trees are considered to be important culturally as well and are protected from removal or disturbance by law. Permits must be acquired prior to the removal of Ghaf, and typically trees must be relocated to reduce the impact arising from the loss of these trees.</p> <p>In Tital Al Ghaf, the existing Ghaf trees were properly protected or relocated. Relocation or removal of Ghaf was carried out after communication and coordination with Dubai Municipality Environment and Horticulture Department. Proper preparation was required in which a new lateral root zone was promoted in a surrounding trench with frequent watering for at least six months and then a relocation measure following the ecologist recommendations.</p> <p>As part of the site enhancement of Tital Al Ghaf, more than 5,000 Ghaf trees are planned to be planted, from with 1,000 already planted.</p> <p>During operations, residents of the communities are encouraged to plant native, water efficient and non-invasive species of plants such as Ghaf trees. Options are provided to them in the Home User Guide that is distributed to all residents at handover.</p>																
304-4 Nature Loss	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<p>The species found in our developments are the following as per IUCN Red lists:</p> <table border="1"> <thead> <tr> <th colspan="4">IUCN RED LIST SPECIES</th> </tr> <tr> <th>Common name</th> <th>Latin name</th> <th>IUCN Red List Status</th> <th>Conservation value</th> </tr> </thead> <tbody> <tr> <td>Spiny-tailed Lizard</td> <td><i>Uromastyx aegyptia</i></td> <td>Vulnerable</td> <td>High/Protected</td> </tr> <tr> <td>Arabian Red Fox</td> <td><i>Vulpes vulpes arabicus</i></td> <td>Least concern</td> <td>Low</td> </tr> </tbody> </table> <p>Although the project site is of low to medium value, ecological mitigation should be applied to prevent and reduce the significance of the project's activities on ecology receptors. Of particular concern are the high-value receptors, including limestone gravel hillocks habitat, Ghaf trees, Mountain Gazelle, Sand Martin, and Egyptian Spiny-tailed Lizard.</p> <p><i>Prosopis</i> trees are not in the IUCN (International Union for Conservation of Nature) list of "endangered species" for the UAE therefore they do not have international protection status. The Ghaf tree was protected under Emiri decree initially in the Emirate of Abu Dhabi by the late Sheikh Zayed bin Sultan Al Nahyan who recognises the native Ghaf (<i>Prosopis cineraria</i>) as the National tree of the UAE.</p>	IUCN RED LIST SPECIES				Common name	Latin name	IUCN Red List Status	Conservation value	Spiny-tailed Lizard	<i>Uromastyx aegyptia</i>	Vulnerable	High/Protected	Arabian Red Fox	<i>Vulpes vulpes arabicus</i>	Least concern	Low
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Arabian Red Fox	<i>Vulpes vulpes arabicus</i>	Least concern	Low															
Emissions																		
305-1	Direct (Scope 1) GHG emissions	Environmental Data Annex available on our website.																
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Data Annex available on our website.																
305-3	Other indirect (Scope 3) GHG emissions	Environmental Data Annex available on our website.																
305-4	GHG emissions intensity	Environmental Data Annex available on our website.																
305-5	Reduction of GHG emissions	Environmental Data Annex available on our website.																
305-6	Emissions of ozone-depleting substances (ODS)	Omission Reason: Information unavailable Explanation: This information is not currently collected																
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Omission Reason: Information unavailable Explanation: This information is not currently collected																

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
Effluents and waste		
306-1 Climate Change	Waste generation and significant waste-related impacts	<p>As part of the Rethinking Resources focus area, Majid Al Futtaim committed to embed circular economy principles into its business operations. To make sure this commitment tackles the most impactful areas, Majid Al Futtaim set out to develop an ambitious circular economy strategy and to set a new vision for the future of circularity for the business. By 2030, all of our Operating Companies will have circularity at the core of their operations and will actively engage with their respective suppliers, customers and the wider business to bring about systemic change and impact.</p> <p>Majid Al Futtaim is taking the lead in the region and is committing to phase out the distribution of single-use plastics from all its operations, across all business units and all countries in which it operates, by 2025.</p> <p>Plastic waste is a global challenge that has significantly increased over time and is polluting land and water bodies, adversely impacting the planet and our food chain. It is estimated that, globally, over 1 million sea birds and 100,000 mammals die every year as a result of their interaction with plastic waste.</p> <p>In 2018, we started to procure BPA-free reusable water bottles with messaging that encourages MAfers to stay hydrated and a fruit infuser option. The water bottles were distributed around Majid Al Futtaim's offices across different countries such as Egypt, Oman and Georgia.</p> <p>Majid Al Futtaim - Retail has eliminated single-use plastic bags from seven countries (Georgia, Armenia, Kenya, Uganda, Pakistan, Oman and Uzbekistan). Moreover, single-use plastic cutlery was phased out in two countries, Oman and Qatar, and all other countries are planned in 2022.</p> <p>The food waste generated from our mall's food and beverages is sent to recycling using ORCA machine that turns food waste into an environmentally safe liquid that goes down the drain and is disposed of using the existing sanitary sewer infrastructure.</p> <p>In addition to our Single-Use Plastic Phase-out Policy, we have committed to diverting 75% of our construction waste and committed to diverting 90% of our waste from landfill.</p> <p>As a baseline, we have conducted a waste audit to understand our waste stream and ways to eliminate, reduce, reuse and recycle them.</p> <p>We are purchasing items in bulk (water bottles, tissue boxes, printing paper) to reduce the amount of packaging put into the project boundary's material stream. We are reusing our rain barrels. All of our cutlery is reusable. Our office paper has been reduced by applying duplex printing as well as recycled. Our printer cartridge is a reusable cartridge we are sending them for a refill</p> <p>E-waste is reused and recycled. Our E-waste is collected bi-annually by the service provider and sent for recycling.</p> <p>Reduce and recycling champion awareness campaign is conducted annually. Our waste diversion rate from landfill for 2021 is 87% and we are working towards increasing the diversion to 90%.</p>
306-2	Management of significant waste-related impacts	Environmental Data Annex available on our website.
306-3	Waste generated	Environmental Data Annex available on our website. Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties
306-4	Waste diverted from disposal	Environmental Data Annex available on our website. Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties
306-5	Waste directed to disposal	Environmental Data Annex available on our website. Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	At Majid Al Futtaim there has not been any forms of non compliance as the business always goes above and beyond the local requirements and regulations. Therefore we do not have any significant fines or sanctions to disclose.

GRI Standard WEF Stakeholder Capitalism Metrics		
Disclosure	Answer	
Supplier Environmental Assessments		
308-1	New suppliers that were screened using environmental criteria	All contractors, consultants and suppliers will have undergone a requirement to answer questions surrounding environmental and sustainability policy documentation and accreditation.
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Procurement Policy is available on our website: www.majidalfuttaim.com
Social Topics		
3-3	Management of material topics - Social <ul style="list-style-type: none"> Occupational Health and Safety Supplier Assessment for Labour Practices Employment Training and education Diversity and equal opportunity Non discrimination Child Labour Human rights Local communities 	<p>The Empowering Our People pillar of our sustainability strategy includes material topics: Labour practices, Health and safety, Employment, Training and development, Diversity and Human Rights.</p> <p>Empowering Our People progress can be found on pages 43 – 57.</p> <p>Updates on our social impact can be found on page 41.</p> <p>Majid Al Futtaim has in place policies, targets and KPIs to ensure that we follow a best practice approach.</p> <p>Our Labour Standards Policy can be downloaded from our website: www.majidalfuttaim.com</p>

GRI Standard WEF Stakeholder Capitalism Metrics		
Disclosure	Answer	
Employment		

JOINERS	Holding, Trust, Charity & President's Office				Properties				Retail			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	101	57	158	4	238	135	373	29	327	76	403	1
Africa	0	0	0	0	0	0	0	0	84	42	126	5
Central Asia	0	0	0	0	0	0	0	0	176	129	305	11
S&SE Asia	0	0	0	0	0	0	0	0	85	5	90	5
Eastern Asia	0	0	0	0	0	0	0	0	0	0	0	0
Europe	0	0	0	0	0	0	0	0	0	0	0	0
Total	101	57	158	4	238	135	373	29	672	252	924	3

JOINERS	LEC				Lifestyle			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	386	212	598	17	250	194	444	63
Africa	0	0	0	0	0	0	0	0
Central Asia	0	0	0	0	0	0	0	0
S&SE Asia	0	0	0	0	0	0	0	0
Eastern Asia	0	0	0	0	0	0	0	0
Europe	0	0	0	0	0	0	0	0
Total	386	212	598	17	250	194	444	63

LEAVERS	Holding, Trust, Charity & President's Office				Properties				Retail			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	41	17	58	1	286	230	516	41	5,263	1,610	6,873	25
Africa	0	0	0	0	0	0	0	0	140	85	225	9
Central Asia	0	0	0	0	0	0	0	0	1,106	1,182	2,288	83
S&SE Asia	0	0	0	0	0	0	0	0	869	98	967	56
Eastern Asia	0	0	0	0	0	0	0	0	2	2	4	0
Europe	0	0	0	0	0	0	0	0	3	1	4	2
Total	41	17	58	1	286	230	516	41	7,383	2,978	10,361	30

LEAVERS	LEC				Lifestyle			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	567	198	765	22	110	87	197	28
Africa	0	0	0	0	0	0	0	0
Central Asia	0	0	0	0	0	0	0	0
S&SE Asia	0	0	0	0	0	0	0	0
Eastern Asia	0	0	0	0	0	0	0	0
Europe	0	0	0	0	0	0	0	0
Total	567	198	765	22	110	87	197	28

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Majid Al Futtaim provides full time employees of the organisation with:</p> <ul style="list-style-type: none"> Medical and Life Insurance for full time employees and their eligible dependants which entitles employees to medical treatment/prescription from selected private hospitals, clinics and government hospitals from employees start date Group Life and Personal Accident Insurance from employees start date (disability benefits are also covered within this) All employees are entitled to annual leave, sick leave and maternity leave Pensions and bonuses are also provided for employees Additional benefits include schooling assistance and relation/repatriation assistance when applicable <p>More information is available upon request from the HR department.</p>
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401-3	Parental leave	<table border="1"> <thead> <tr> <th>PARENTAL LEAVE 2021</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Entitled to take parental leave</td> <td>99</td> <td>56</td> <td>155</td> </tr> <tr> <td>Took parental leave</td> <td>6</td> <td>4</td> <td>10</td> </tr> <tr> <td>Returned to work after parental leave</td> <td>6</td> <td>3</td> <td>9</td> </tr> <tr> <td>Still employed 12 months after their return to work</td> <td>6</td> <td>3</td> <td>9</td> </tr> <tr> <td>Return to work and retention rates</td> <td>100%</td> <td>75%</td> <td>90%</td> </tr> </tbody> </table>	PARENTAL LEAVE 2021	Male	Female	Total	Entitled to take parental leave	99	56	155	Took parental leave	6	4	10	Returned to work after parental leave	6	3	9	Still employed 12 months after their return to work	6	3	9	Return to work and retention rates	100%	75%	90%
PARENTAL LEAVE 2021	Male	Female	Total																							
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Returned to work after parental leave	6	3	9																							
Still employed 12 months after their return to work	6	3	9																							
Return to work and retention rates	100%	75%	90%																							

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer
Occupational Health and Safety		
403-1	Occupational health and safety management system	<p>Majid Al Futtaim - Holding and its subsidiaries (the Majid Al Futtaim Company) recognises the importance of managing occupational health and safety (OH&S) as an integral component of a successful business.</p> <p>We aim to provide and maintain a safe and healthy working environment by eliminating hazards, mitigating health and safety risks, and raising awareness among employees, contractors, visitors and others who may be affected by our activities.</p> <p>The Company's Occupational Health and Safety Policy states that Majid Al Futtaim:</p> <ul style="list-style-type: none"> Commits to provide an environment where work-related health and safety risks are appropriately mitigated and managed across the organisation Commits to comply with applicable legal and other applicable OH&S requirements and best practices Commits to develop and continually improve the organisation's health, safety and environmental management system Commits to establish and drive a strategy and culture that promotes the prevention of injury and ill health to all employees, guests, contractors and anyone affected by the business Commits to ensure that adequate resources are provided to meet the requirements of the policy Commits to develop employee OH&S competency through effective training and leadership at all levels of the organisation Subjects OH&S systems, procedures and performance to audits and validation <p>We will continuously set objectives and targets in relation to the management of OH&S in each of our Operating Companies and aim to achieve standards that exceed relevant legal requirements and apply best practices.</p>
403-2 Health and Wellbeing	Hazard identification, risk assessment, and incident investigation	<p>Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com</p> <p>Risk assessment processes are in place to identify, manage and mitigate risks to health and safety. These risk assessments are reviewed periodically to ensure they continue to be suitable and sufficient.</p> <p>Across Majid Al Futtaim's Operating Companies, employees can raise concerns about health and safety through a confidential hotline, online platform or directly. All incidents are recorded and investigated in line with accident, incident and investigation procedure and corrective measure are put in place to avoid reoccurrences.</p>
403-3 Fresh Water Availability	Occupational health services	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
403-5	Worker training on occupational health and safety	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
403-6	Promotion of worker health	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com
		Across Majid Al Futtaim's Operating Companies, various processes and policies are in place to manage worker's healthy and safety. An Occupational Health and Safety management system in line with ISO 45001 covers Majid Al Futtaim - Retail and Lifestyle, Leisure, Entertainment and Cinema employees and workers engaged in the premises, this system is reviewed and audited periodically to ensure it's effective and continually improved.

GRI Standard WEF Stakeholder Capitalism Metrics	Disclosure	Answer																																																																																																																																																	
403-9	Work-related injuries	<p>Health, safety and human rights, page 54</p> <p>ABSENTEE AND INJURY 2021 - Rates based on 1,000,000 hours worked</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="10">Employees</th> </tr> <tr> <th>Absentee rate</th> <th>Number minor injuries</th> <th>Minor Injury Rate</th> <th>Number of major injuries</th> <th>Major injury rate</th> <th>Total number of injuries</th> <th>Overall injury rate</th> <th>Work-related fatalities</th> <th>Fatality injury rate</th> <th>Total hours worked</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>0.6%</td> <td>822</td> <td>11.82</td> <td>113</td> <td>1.63</td> <td>947</td> <td>13.62</td> <td>-</td> <td>-</td> <td>69,521,028</td> </tr> <tr> <td>Properties</td> <td>0.1%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>LEC</td> <td>0.4%</td> <td>44</td> <td>4.73</td> <td>5</td> <td>0.54</td> <td>49</td> <td>5.27</td> <td>-</td> <td>-</td> <td>9,304,170</td> </tr> <tr> <td>Lifestyle</td> <td>0.2%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Holding</td> <td>0.0%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="9">Workers</th> </tr> <tr> <th>Number minor injuries</th> <th>Minor Injury Rate</th> <th>Number of major injuries</th> <th>Major injury rate</th> <th>Total number of injuries</th> <th>Overall injury rate</th> <th>Work-related fatalities</th> <th>Fatality injury rate</th> <th>Total hours worked</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>807</td> <td>8.45</td> <td>-</td> <td>-</td> <td>807</td> <td>8.45</td> <td>-</td> <td>-</td> <td>95,539,986</td> </tr> <tr> <td>Properties</td> <td>374</td> <td>16.01</td> <td>2</td> <td>0.09</td> <td>376</td> <td>16.10</td> <td>-</td> <td>-</td> <td>23,360,407</td> </tr> <tr> <td>LEC</td> <td>11</td> <td>1.81</td> <td>-</td> <td>-</td> <td>11</td> <td>1.81</td> <td>1</td> <td>0.16</td> <td>6,092,258</td> </tr> <tr> <td>Lifestyle</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Holding</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		Employees										Absentee rate	Number minor injuries	Minor Injury Rate	Number of major injuries	Major injury rate	Total number of injuries	Overall injury rate	Work-related fatalities	Fatality injury rate	Total hours worked	Retail	0.6%	822	11.82	113	1.63	947	13.62	-	-	69,521,028	Properties	0.1%	-	-	-	-	-	-	-	-	-	LEC	0.4%	44	4.73	5	0.54	49	5.27	-	-	9,304,170	Lifestyle	0.2%	-	-	-	-	-	-	-	-	-	Holding	0.0%	-	-	-	-	-	-	-	-	-		Workers									Number minor injuries	Minor Injury Rate	Number of major injuries	Major injury rate	Total number of injuries	Overall injury rate	Work-related fatalities	Fatality injury rate	Total hours worked	Retail	807	8.45	-	-	807	8.45	-	-	95,539,986	Properties	374	16.01	2	0.09	376	16.10	-	-	23,360,407	LEC	11	1.81	-	-	11	1.81	1	0.16	6,092,258	Lifestyle	-	-	-	-	-	-	-	-	-	Holding	-	-	-	-	-	-	-	-	-
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403-10	Work-related ill health	<p>Health, safety and human rights, page 54</p> <p>We have recently rolled out the new Health and Safety Policy and several countries including UAE, Jordan, Qatar and KSA are closely monitoring its compliance in order to be ISO 45001 certified. Egypt has recently received the certification for several stores. Other operational action plans include training, replacement of faulty equipment and close monitoring of action plans.</p>																																																																																																																																																	
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404-2	Programs for upgrading employee skills and transition assistance programs	<p>The Leadership Institute was launched in 2015 and provides hands-on development programmes through partnerships and global faculty. It offers our people practical opportunities to develop their capabilities across a variety of programmes and training modules.</p> <p>More information can be found on our website: www.majidalfuttaim.com</p>																																																																																																																																																	
404-3	Percentage of employees receiving regular performance and career reviews	<p>CAREER DEVELOPMENT 2021 - Percentage of individuals who received performance and career development review in 2021</p> <table border="1"> <thead> <tr> <th colspan="4">Retail</th> <th colspan="4">Properties</th> <th colspan="4">LEC</th> </tr> <tr> <th colspan="2">Non-managers</th> <th colspan="2">Managers</th> <th colspan="2">Non-managers</th> <th colspan="2">Managers</th> <th colspan="2">Non-managers</th> <th colspan="2">Managers</th> </tr> <tr> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> </tr> </thead> <tbody> <tr> <td>6.413</td> <td>20.591</td> <td>708</td> <td>3,781</td> <td>45</td> <td>69</td> <td>377</td> <td>659</td> <td>413</td> <td>1,287</td> <td>25</td> <td>80</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="4">Lifestyle</th> <th colspan="4">Holding</th> </tr> <tr> <th colspan="2">Non-managers</th> <th colspan="2">Managers</th> <th colspan="2">Non-managers</th> <th colspan="2">Managers</th> </tr> <tr> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> </tr> </thead> <tbody> <tr> <td>26</td> <td>45</td> <td>9</td> <td>9</td> <td>84</td> <td>89</td> <td>43</td> <td>109</td> </tr> </tbody> </table>	Retail				Properties				LEC				Non-managers		Managers		Non-managers		Managers		Non-managers		Managers		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	6.413	20.591	708	3,781	45	69	377	659	413	1,287	25	80	Lifestyle				Holding				Non-managers		Managers		Non-managers		Managers		Female	Male	Female	Male	Female	Male	Female	Male	26	45	9	9	84	89	43	109																																																																	
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GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

Diversity and Equal Opportunity

405-1
Dignity and equality

Diversity of governance bodies and employees

DIVERSITY OF THE BOARD FOR 2021 - Number of employees who sit on Governance bodies (The board) in each age group

	Retail				Properties				LEC			
	Age			Total	Age			Total	Age			Total
	under 30	30-50	50+		under 30	30-50	50+		under 30	30-50	50+	
Male	-	-	86%	86%	-	-	100%	100%	-	-	66%	66%
Female	-	-	14%	14%	-	-	-	0%	-	-	33%	33%

	Lifestyle				Holding			
	Age			Total	Age			Total
	under 30	30-50	50+		under 30	30-50	50+	
Male	-	-	33%	33%	-	-	100%	100%
Female	-	-	66%	66%	-	-	-	0%

405-2
Dignity and equality

Ratio of basic salary and remuneration of women to men

Omission
Reason: Confidentiality constraints
Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.

Non Discrimination

406-1
Dignity and equality

Incidents of discrimination and corrective actions taken

A total of 30 cases from all Operating Companies pertaining to discrimination were logged in through the Ethics Hotline for the period 1 January 2021 to 31 March 2022.

Our investigation of all of the 30 cases has revealed the following: 12 proven cases, wherein it was actioned with coaching (3), termination (3), written warning (3), written reminder of the policy (1) and 2 cases resolved in accordance with our policies and procedures.

Child Labour

408-1
Dignity and equality

Operations and suppliers at significant risk for incidents of child labour

We understand that our greatest risk of child labour is within our supply chain and it is for that reason that we launched our Employee Conditions Policy and Responsible Procurement Policy which require our tier 1 suppliers and contractors to comply with the requirements laid out within them.

In addition we actively encourage the suppliers and contractors to cascade the policy down to their own suppliers and contractors. Additional checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions and Responsible Procurement Policy are met.

Majid Al Futtaim's Employment Conditions Policy addresses child labour and can be found on our website, this is also reflected within the contracts template where child labour is clearly prohibited.

The policy can be found on our website: www.majidalfuttaim.com

Forced or Compulsory Labour

409-1
Dignity and equality

Operations and suppliers at significant risk for incidents of forced or compulsory labour

During 2021, zero cases of forced or compulsory labour in our operations were identified.

Majid Al Futtaim's Employment Conditions Policy addresses forced labour and can be found on our website, this is also reflected within the contracts template where forced labour is clearly prohibited.

Additionally, checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions Policy are met.

The policy can be found on our website: www.majidalfuttaim.com

Human Rights Assessment

412-1

Operations that have been subject to human rights reviews or impact assessments

100% of operations undergo human rights reviews.

412-2

Employee training on human rights policies or procedures

Training on the auditable requirements of the Employment Conditions Policy has been rolled out to relevant staff across Majid Al Futtaim - Properties, however training only took place through informative emails during 2021 since employees were working from home for the majority of the year.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

412-3

Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

100% of contracts include human rights clauses and Majid Al Futtaim requires all our contractors and suppliers to comply with Majid Al Futtaim's Employee Conditions Policy.

Local Communities

413-1

Operations with significant actual and potential negative impacts on local communities

At Majid Al Futtaim, environmental impact assessments are carried out at all of our development projects along with additional infrastructure frameworks which help identify the local community development programmes required.

The additional infrastructure framework works with local stakeholders and community members to identify what the community truly needs. It is through this process alongside regular community updates that the business communicates important issues and progress.

For our communities, local stakeholders involved include schools for special needs children, local businesses, community groups, NGOs, etc.

For more information on our social impact, see page 41. Majid Al Futtaim has an internal H&S Committee and an external people of determination advisory council that are engaged with supporting on these issues, including any grievances within the community.

Supplier Social Assessment

414-1

New suppliers that were screened using social criteria

All tier 1 suppliers are screened using social criteria.

414-2

Negative social impacts in the supply chain and actions taken

We understand that our greatest risk of child labour is within our supply chain and it is for that reason that we launched our Employee Conditions Policy and Responsible Procurement Policy that require our tier 1 suppliers and contractors to comply with the requirements laid out within them. In addition, we actively encourage the suppliers and contractors to cascade the policy down to their own suppliers and contractors.

Additional checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions and Responsible Procurement Policy are met. Majid Al Futtaim's Employment Conditions Policy addresses child labour and can be found on our website, this is also reflected within the contracts template where child labour is clearly prohibited.

We conduct surveys, training and ongoing monitoring, to improve the supply chain standards in the Middle East and further afield, creating a positive effect on the local communities and the environment that we live in.

After launching our Responsible Procurement Policy, all suppliers are trained and upskilled as of the previous point. Suppliers have to be compliant by 2025 otherwise we end their contract.

Customer Health and Safety

416-1

Assessment of the health and safety impacts of product and service categories

100% of Private Label products are developed based on strict product development processes that include the product's technical review and lab analysis and supplier's audits to ensure compliance with the quality and food safety standards.

416-2

Incidents of non-compliance concerning the health and safety impacts of products and services

All products are subject to product evaluation and registration to ensure compliance with the regulation before launching and after launching through a regular monitoring plan.

Marketing and Labelling

417-1

Requirements for product and service labelling

All products are subject to product evaluation and registration to ensure compliance with the regulation before launching and after the launching throughout the regular monitoring plan.

417-2

Incidents of non-compliance concerning product and service information and labelling

We did not receive any fine or warning.

417-3

Incidents of non-compliance concerning marketing communications

We did not receive any fine or warning concerning any marketing communication.

World Economic Forum Stakeholder Capitalism metrics

Pillar	Theme	Core metrics and disclosures	Response	
Governance	Governing purpose	Setting purpose	Our sustainability strategy, page 12 Scaling up our ESG commitments, page 16	
	Quality of governing body	Governance body composition	Governing with accountability, pages 60 - 61	
	Stakeholder engagement	Material issues impacting stakeholders	Stakeholder engagement, pages 18 - 19	
	Ethical behaviour	Anti-corruption	Governing with accountability, pages 60 - 63 Stakeholder engagement, pages 18 - 19	<ul style="list-style-type: none"> 100% of governance body members, employees and business partners received anti-corruption training 17 incidents of anti-corruption identified in 2021
			Protecting ethics advice and reporting mechanisms	Governing with accountability, pages 60 - 63
Risk and opportunity oversight	Integrating risk and opportunity into business process	Mapping our strategic context, pages 14 - 15 We have mapped our risks to operations against key macro-trends that influence how we generate value for our stakeholders.		
Planet	Climate change	Greenhouse gas (GHG) emissions	Environmental Data Annex available on our website	
		Task Force on Climate-related Financial Disclosure (TCFD) implementation	TCFD response, pages 64 - 71	
	Nature loss	Land use and ecological sensitivity	Mapping our strategic context, pages 14 - 15 GRI 304 - 1	
Freshwater availability	Water consumption and withdrawal in water-stressed areas	GRI 303 - 3 Majid Al Futtaim only records data for produced water and third party water. There is no information on any water source listed due to this being against local regulations. In line with our Sustainable Building policy, no potable water is used for irrigation purposes.		

Pillar	Theme	Core metrics and disclosures	Response
People	Dignity and equality	Diversity and inclusion (%)	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
		Pay equality (%)	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
	Wage level (%)		Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
		Risks for incidents of child, forced or compulsory labour	GRI 408, 409
	Health and wellbeing	Health and safety (%) of injury and fatalities	GRI 403-9
Skills for the future	Training provided	GRI 404 - 1	
Prosperity	Employment and wealth generation	Absolute number and rate of employment	GRI 401 - 1
		Economic contribution	AED 734 million
		Financial investment contribution	AED 32.3 billion
	Innovation of better products and services	Total research and development expenses	AED 145 million
Community and social vitality	Total tax paid	AED 143 million	

MAJID AL FUTTAIM

Majid Al Futtain Tower 1
City Centre Deira Complex
PO BOX 91100
Dubai, United Arab Emirates

T +971 4 294 9999
majidalfuttain.com