

MAJID AL FUTTAIM – SUSTAINABILITY

# SUSTAINABILITY POLICY

Document Reference:

MAFH - SUS - POL02 – Sustainability Policy

### Amendments Table

Version	Date	Amendment Content
1.0	April 2018	<ul style="list-style-type: none"> <li>• Creation and launch of version 1.0 of the Sustainability Policy</li> </ul>
2.0	June 2024	<ul style="list-style-type: none"> <li>• Updated the introduction to reflect the increased significance of sustainability</li> <li>• Added details of the strategy refresh exercise across the three focus areas</li> <li>• Added the updated 2028 Sustainable Business Commitments</li> <li>• Updated the governance structure to include sustainability champions, sustainability objectives connected to chiefs' remuneration and tri-annual target audits</li> <li>• Updated the responsibility section in line with the transition of the sustainability function under the Chief Financial Officer.</li> </ul>

## Introduction

At Majid Al Futtaim, we believe in creating great moments for everyone, every day, now and in the future, to provide long-term benefits to the economy, society, and environment. We are acutely aware of the challenges confronting the markets in which we operate in, and we recognise that addressing these concerns in a way that matches our business strategy with social demands while minimising environmental effects is critical to our continued success. This is why we have developed this sustainability policy to guide our actions and responsibilities in order to achieve our sustainability goals.

## Our strategy

In 2018, we launched our first Company-wide sustainability strategy, *Dare Today, Change Tomorrow*, with the goal of building strong and prosperous communities, empowering our employees, and minimising our environmental footprint. This is guided by Sustainable Business Commitments (SBCs) that span across our three key focus areas:

- Rethinking Resources where we dare to rethink our use of resources to make a Net Positive Impact.
- Transforming Lives where we dare to transform the lives of the communities we serve, to provide a fulfilling and sustainable way of life.
- Empowering Our People where we dare to empower our people to unlock their full potential.

Since then, the global business landscape has undergone significant changes, with sustainability becoming a top priority, stakeholder expectations evolving, and impact management frameworks becoming more advanced. Accordingly, we concluded our first set of SBCs in 2022 and began considering the next phase of our *Dare Today, Change Tomorrow* journey.

With the support of an external third-party expert, we conducted a comprehensive exercise to update our material issues. This led us to identify and prioritise 21 material issues, some of which cut across multiple focus areas. These changes reflect emerging trends in sustainability and real estate, such as the urgency of climate change, technological advancements, and shifts in work practices due to COVID-19. Furthermore, we updated the material issue names to align with these evolving trends.

## **Our Sustainable Business Commitments**

Outlined below are our 2028 SBCs, grouped under our strategic key focus areas:

### **Rethinking Resources**

1. We aim to become net positive in carbon by 2040.
2. We aim to become net positive in water by 2040.
3. We aim to embed circular economy principles across our business operations to minimise our impact on the environment and generate new revenue streams.
4. We aim to increase the resilience of our business in the context of global climate change by promoting the restoration of natural habitats and biodiversity on our own sites and in our value chain.

### **Transforming Lives**

1. We aim to promote prosperity and economic development in our communities through upskilling and entrepreneurship by increasing our expenditure in local economies in line with local needs.
2. We aim to invest in our employees' innovative ideas by having an Innovation Programme to drive improvements in sustainability performance across Majid Al Futtaim and our supply chain.
3. We aim to offer inclusive customer experiences and promote healthy and sustainable consumer choices.

### **Empowering Our People**

1. We aim to integrate sustainability into staff attraction and retention programmes to meet the evolving values of our workforce.
2. We aim to implement wellbeing programmes across the business and demonstrate measurable improvements in employee health, wellbeing and productivity.
3. We aim to provide sustainability training to employees and suppliers throughout the value chain
4. We aim to lead by example by requiring all employees and direct (tier 1) contractors to comply with the International Labour Organisation's eight core conventions.

## **Governance**

Our governance framework ensures accountability for the implementation of *Dare Today, Change Tomorrow*, embedding sustainability across all levels of the business from executive management to operational teams. The framework formalises clear roles and responsibilities, underpinned by enforced policies and procedures that are updated periodically as required, in alignment with global best practice. Sustainability should be addressed in executive meetings and board reports, to facilitate dialogue on key topics and allow for the monitoring of performance progress at all levels. Furthermore, the Chief Executive Officer and Chief Executives of our Operating Companies are provided with sustainability targets, which should be cascaded down to senior management to ensure alignment on sustainability objectives and the utmost responsibility. In addition, all executive management should have ESG KPIs within their annual objectives, which should be linked to their performance rating and bonus.

The SBCs are supported by annual targets aiming to strengthen brand value, meet stakeholder expectations, increase operational efficiencies, attract top talent, and identify growth opportunities. Our strategy is supported by a network of Company-wide Sustainability Champions, driving positive change in their roles and contributing towards achieving the annual sustainability targets. Performance against our annual sustainability targets is tracked and audited tri-annually by a third-party auditor.

## **Responsibility**

This policy will be reviewed and updated at least once every two years, or earlier as deemed necessary.

The Corporate Sustainability Team is tasked with the effective realisation of our commitment to sustainable business practices and the implementation of our corporate sustainability strategy. The Chief Financial Officer, Chief Executive Officer, and Executive Committee will offer guidance and oversight to ensure the achievement of our sustainability objectives.