ماجد الفطيم
MAJID AL FUTTAIM

GREAT MOMENTS
FOR EVERYONE
EVERYDAY

PROPERTIES | SUSTAINABILITY REPORT 2013

TRANSFORMING TOMORROW

OUR 2013 HIGHLIGHTS

1 SUSTAINABILITY SUMMIT
BRINGING TOGETHER OVER 100 STAKEHOLDERS

ACCIDENT FREQUENCY RATE

1.69 IN UAE & OMAN & **2.07** IN ALL OTHER MARKETS

ACCIDENTS/100,000 HRS WORKED

66% OF TARGETS ACHIEVED

AED **11.7** MILLION COMMUNITY INVESTMENT

AED **25** MILLION PR VALUE CREATED FROM COMMUNITY INVESTMENT

346 STAFF PARTICIPATED IN **8** VOLUNTEERING DAYS

140 EMPLOYEES RECEIVED SUSTAINABILITY TRAINING

8 GREEN STAR RATINGS

33%
OF ASSETS HAVE
GREEN BUILDING CERTIFICATION

AED 1.5 MILLION
SAVED IN HOTELS DURING 2013 AS A RESULT OF ENVIRONMENTAL INVESTMENT

68%
RECYCLING RATE AT OUR HEAD OFFICE

LIKE-FOR-LIKE
MALLS
20%
WATER REDUCTION SINCE 2010

INTENSITY
HOTELS
20%
ENERGY REDUCTION SINCE 2009

353
LOCAL EMPLOYEES RECEIVED AN AVERAGE OF **27 HOURS** TRAINING

61 HEALTH SAFETY
&
42 LABOUR ACCOMMODATION
AUDITS

37 INTERNSHIP & **49** JOB SHADOWING
PLACEMENTS

973
INSTANCES OF EMPLOYEES PARTICIPATING IN
TEAM INITIATIVES

GREAT MOMENTS FOR EVERYONE, EVERYDAY

ABOUT
OUR COMPANY

WHO WE ARE AND WHAT WE DO

Majid Al Futtaim Properties is one of the Middle East & North Africa's (MENA) leading diversified property companies with operations across shopping malls, hotels and mixed-use communities.

Founded in 1992, the company has changed the face of shopping, leisure and entertainment across the region with 17 world-class shopping malls in the UAE, Bahrain, Oman, Egypt and Lebanon. It also owns and manages eleven hotels, four office complexes and has four million square metres of residential and commercial properties under construction and development.

The Company's destinations attract a huge number of visitors each year; our malls are visited by more than 175 million shoppers and the hotels portfolio welcomes more than 1.2 million guests annually.

Majid Al Futtaim Properties employs more than 900 people in the Middle East and North Africa. Its revenue for 2013 was AED 3,547 million – representing a 13% increase against 2012.

ABOUT THIS REPORT

This document, which covers the 2013 calendar year, is our third annual sustainability report. It is directed at our key stakeholders: employees, sister companies, corporate peers, suppliers and tenants.

The absolute environmental data in this report covers 95% of the floor area* of the assets over which we have operational control. This excludes community developments.

This report is aligned with the reporting principles and Core general standard disclosure requirements of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines but we have not sought full GRI compliance this year. We have also produced a 2013 Performance Data pack aligned with the EPRA best practice sustainability recommendations which is available on our website.

As part of our sustainability strategy review in 2013, we made the decision to move from using the term 'corporate social responsibility (CSR) to 'sustainability', a change that puts us in line with global peers. We feel the term 'sustainability' reflects a more advanced and holistic approach that fully integrates social and environmental issues into the business.

**Floor area is measured by Net Lettable Area for the majority of assets, but by Gross Internal Area for the Hotels portfolio.*

SHOPPING MALLS

HOTELS

COMMUNITIES

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MESSAGE FROM OUR CEO

2013 was a very exciting year for Majid Al Futtaim Properties – one in which we unveiled not only a new brand but a visionary sustainability strategy that broadens our approach and sets an inspiring example for other companies in our region.

As a leader who is passionate about the value of sustainability, I am incredibly proud of the initiatives and programmes we have set in our strategy. While many of the five-year goals are ambitious, I am absolutely confident that they will be achieved. As our founder Mr Majid Al Futtaim says: 'if you dare to dream, all things are possible.'

We've been working hard to address our sustainability impacts since 2010 and have achieved a huge amount so far. I am particularly pleased that in 2013 66% of sustainability targets were reached, with a further 25% partially achieved. This shows that we have solid foundations upon which we can base the development of our new strategy. But we need to raise our positive social and economic impacts to new levels and tackle environmental improvements with more vigour.

I fundamentally believe that every organization in the Middle East and North Africa should – as we do – hold sustainability as a core philosophy. But what hinders a more rapid take up of sustainable development in our region is the need for a system of ratings and measurement that is tailored to local needs.

That's why we have committed to establishing a multi-stakeholder working group which will help to identify the key challenges and opportunities for the improvement and development of bespoke green building standards for our region.

This will help us shift gears from being a respected regional leader to becoming a regional pioneer, helping others to improve their own sustainability. We will do this by ensuring that the development of the communities and economies in which we operate is at the core of everything we do.

This is not just the right thing to do; it also supports long-term value creation for our business. If we are acknowledged as good corporate citizens, we are given a license to operate, our brand and reputation are enhanced and we achieve long-term profitability.

If the community wins, so does our company.

"As someone who is passionate about the benefits of sustainability, I am incredibly proud of the initiatives and programmes we have set for ourselves in our strategy"

George Kostas
CEO, Majid Al Futtaim Properties

OUR NEW SUSTAINABILITY STRATEGY

1 2010-13 CSR STRATEGY

We are very proud of the progress we have made since we launched the first phase of our sustainability strategy back in 2010. But we know we have much more to do if we are to achieve our bold goal of becoming a sustainability pioneer in the Middle East and North Africa and transforming the economic and social development of the region.

2 STRATEGY REVIEW

With this in mind, in 2013 we conducted an in-depth strategy and materiality review. As part of this process we refined our material issues and developed a bold five-year sustainability strategy and supporting 2018 goals. A summary of our material issues and goals is set out on p4.

3 OUR NEW STRATEGY

The new strategy, which has been approved by our Sustainability Steering Group and our Board, will be delivered by developing and managing **high performance assets** that support **prosperous communities**. To do this, we will set **pioneering standards** across our company.

We have set goals for 2018 to help us deliver in these three areas, including the following:

PIONEERING STANDARDS

- to achieve zero fatalities and to have in place a certified health and safety management system covering all activities
- to build and operate all assets to best practice green building standards

PROSPEROUS COMMUNITIES

- to create prosperous and inclusive communities and pioneer a new approach to community engagement in the Middle East and North Africa
- to be recognised as the real estate employer of choice in the Middle East and North Africa

HIGH PERFORMANCE ASSETS

- to create and manage resource efficient assets, communities and infrastructure
- to fully understand our customers and visitors' sustainability drivers and use this information to create assets that enhance people's lives

Meeting these goals will be challenging and realising our sustainability mission will not be easy. However, by setting annual sustainability targets we will make the journey towards our long-term goals more manageable. Our new 2014 targets (p40) will drive implementation of our strategy over the coming year.

We know from experience that transparent communication will be central to the success of our strategy, which is why we launched the strategy with a Sustainability Summit in October 2013 (p10).

The new strategy is an important step in our rapid evolution and reflects the philosophies of our new CEO and brand. By embedding sustainability into our business, we consider that we will increase the value of our brand, boost long-term profitability, create new business opportunities and maintain our talented workforce.

For full details of our sustainability strategy please visit our website.

www.majidalfuttaim.com/en/section/majid-al-futtaim-properties/csr-1

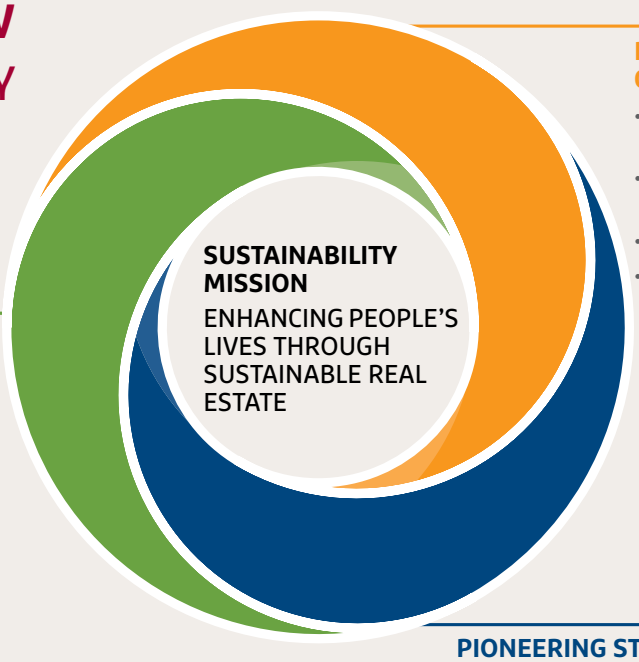
1 2010-13 CSR STRATEGY

- TENANTS & CUSTOMERS
- COMMUNITIES & ECONOMIC DEVELOPMENT
- LABOUR CONDITIONS & THE SUPPLY CHAIN
- RESOURCE EFFICIENCY
- EMPLOYEES

2 STRATEGY REVIEW

- BUSINESS STRATEGY REVIEW
- INTERNAL STAKEHOLDER ENGAGEMENT
- EXTERNAL STAKEHOLDER ENGAGEMENT
- COUNTRY RISK REVIEW
- PEER REVIEW
- LEADERSHIP & INNOVATION

3 OUR NEW STRATEGY



PROSPEROUS COMMUNITIES

- COMMUNITY WELL-BEING & ENGAGEMENT
- LOCAL ECONOMIC DEVELOPMENT
- EMPLOYEES
- ENHANCEMENT OF THE PUBLIC REALM

HIGH PERFORMANCE ASSETS

- WATER
- ENERGY & CARBON
- WASTE
- TENANTS & OPERATORS
- CUSTOMERS & VISITORS

PIONEERING STANDARDS

- LABOUR CONDITIONS IN THE SUPPLY CHAIN
- HEALTH & SAFETY
- GREEN BUILDING STANDARDS
- SUSTAINABLE PROCUREMENT

SUPPORTED BY STRONG FOUNDATIONS FOR EMBEDDING:

Sustainability Policies;

- Green Building Policy
- Energy Management Policy
- Pre-Aquisition Checklist
- Health & Safety Standards
- Labour Conditions Standards

Long-term goals, supported by annual targets

"Big Ideas" to be set and driven through employee engagement

FOCUSING ON WHAT MATTERS TO US

OUR MATERIAL ISSUES

In 2013 we conducted an in-depth strategy and materiality review. This involved an analysis of our progress to date, consideration of individual country risks, a review of what our peers do on sustainability and an examination of areas where opportunities exist to demonstrate leadership through innovation.

We also talked to our key stakeholders and asked them to take another look at the sustainability impacts they consider to be most important for our business.

The issues included in the table below were identified as being a high priority for our business.

Our Material Issues	Why they matter	Our goals by 2018...
Labour conditions in the supply chain	Our assets and development sites are supported by 3177 contractor staff living in labour accommodation camps. With labour conditions in the regions in which we operate lagging behind international best practice and scrutinised by the press and NGOs, there are reputational risks if we do not manage and improve labour conditions in our supply chain.	We have achieved public recognition for transforming labour conditions in the MENA region, both through our work with government authorities and the delivery of a best practice management system.
Community well-being and engagement	In a region that has experienced significant political unrest in recent years, governments and NGOs are starting to focus on community prosperity. The establishment of projects like the UNDP 'Strengthening Civil Peace in Lebanon Project', which supports the development of a national platform on civil peace, indicate that community wellbeing and engagement are increasingly important. Our brand promise is to make great moments for everyone, every day and we have an opportunity to lead the sector in making community engagement work in the Middle East and North Africa.	We have created prosperous and inclusive communities and pioneered new approaches to community engagement for the MENA region.
Health and safety	With over 11 million construction hours worked in 2013 alone and six fatalities on our sites since 2010, health and safety is a constant management challenge and underpins our license to operate. We need to put in place a holistic health and safety management system across all our activities to minimise this risk to our organisation.	We strive to achieve zero fatalities and have in place a certified health and safety management system covering all activities.
Green building standards	As a market leader in the development of world class shopping malls and communities in the MENA region, we want to build high performance assets to international standards. For us this means using best practice green building standards. However, this continues to be challenging in our operating markets where environmental standards are yet to be enshrined consistently in building codes and regulations.	We build and operate all assets to best practice green building standards in the MENA region.
Water	We operate in some of the most water-scarce countries in the world where energy-intensive desalinisation is common place. We need to minimise our water footprint to protect the long-term availability of water and to reduce our associated carbon footprint.	We create and manage resource efficient assets, communities and infrastructure.

Our Material Issues	Why they matter	Our goals by 2018...
Tenants and Operators	Our 2,800 tenants and operators are responsible for approximately 50% of our total operational impact. Working with them is therefore critical to maximising the long-term value generated by our sustainability strategy for ourselves and for our tenants.	We work together with tenants and operators to deliver high performance assets.
Local economic development	We operate in a region often dominated by expatriate workers and which experiences high unemployment rates for youths and locals. Localisation programmes exist in most countries in the region. For example, Egypt requires 90% of its workforce to be locals.	We have demonstrated the socio-economic value we bring to the communities in which we develop and operate.
Employees	Employees are central to the delivery of our strategy but there continue to be skills gaps – particularly outside Dubai. In the UAE the Emiratisation programme has been in place for more than a decade but locals currently only represent around 7% of the private sector workforce.	We are recognised as the real estate employer of choice in the MENA region.
Energy and carbon	Our operational portfolio has an absolute carbon footprint of 585,448 tonnes of CO_2e and in 2013 we spent AED 250 million purchasing energy for our malls alone. This is only set to increase as we continue to rapidly expand our portfolio across the region. The MENA region was found to be among the most exposed to climate change costs by a University of Cambridge study. The study estimated that by 2030 annual residual costs resulting from climate change will reach US$ 45 billion per annum in MENA compared to US$ 1.3 billion per annum in Europe in a 'no action on climate change' scenario.	We create and manage resource efficient assets, communities and infrastructure.
Enhancement of the public realm	As our community portfolio grows and as the global trend towards shopping malls as places of 'experience' within communities continues to gain momentum, our ability to enhance the public realm becomes increasingly important to the long-term viability of our assets.	We create exemplar public spaces both within and around our assets.
Waste	Poor waste infrastructure across the markets in which we operate and a waste footprint of 38,150 tonnes per year means waste management is an ongoing challenge for our business. If managed properly, this could become a net positive income stream for our business.	We create and manage resource efficient assets, communities and infrastructure.
Customers and visitors	With our malls and hotels receiving over 175 million visitors per year, we have a huge opportunity to engage with our customers and visitors to help them live sustainable lives. This represents a significant opportunity for us to operate as a sustainability 'change agent'.	We fully understand our customers and visitors sustainability drivers and use this information to create assets that enhance people's lives.
Sustainable procurement	Supply chain represents 40-60% of any company's sustainability impact. While we recognise that it will not be easy, we have a significant opportunity to improve our environmental and social impacts through sustainable procurement.	We are transforming the MENA real estate market through our procurement of sustainable materials and services.

WORKING TOGETHER

SUSTAINABILITY GOVERNANCE

During 2013, as a result of the new sustainability strategy (p2), we refined our sustainability governance structure. These changes make our governance structure more streamlined, forging closer links between those who have responsibility for oversight and delivery of sustainability.

Sustainability is now considered at each monthly meeting of the Corporate Executive Committee (CEC), which has responsibility for executive oversight and strategy and reports into the Board.

A ten-person Sustainability Steering Group, which meets every three months and includes the CEO, reports into the CEC and is supported by national sustainability groups in Egypt, Oman, Bahrain and Lebanon as well as individual sustainability champions responsible for delivery of targets on the ground. This is also attended twice each year by our external sustainability advisors, JLL.

The Head of Sustainability and sustainability office provides support and strategic oversight to all elements within the structure.

AWARDS & PARTNERSHIPS

"Majid Al Futtaim Properties has demonstrated that it is possible to achieve significant improvements in water and waste performance by setting targets and implementing measures across their properties. We welcome these steps and are happy to see a continued effort"

EWS WWF, UAE

MESSAGE FROM OUR HEAD OF SUSTAINABILITY

While we spent much of 2013 on the transformative work of devising a new sustainability strategy, we also continued to make progress towards the three-year goals we set ourselves back in 2010.

Since 2010 we have given more than AED 31.3 million in cash or in-kind support to local community initiatives and made significant improvements to the living conditions of contractor workers across our supply chain, performing 96 labour accommodation audits over this time. We have also provided sustainability training to 428 employees.

These achievements have been due to the dedication and hard work of our employees, who have embraced our sustainability goals wholeheartedly. They are the key to our continued success in this area and in particular to the delivery of our new strategy in the coming years.

During 2013 itself, our significant achievements included the launch of the Majid Al Futtaim Properties' employee volunteering programme and the expansion of the internship programme to include job shadowing. We reduced energy consumption in our like-for-like portfolio by 3% and water use by 4%. We also revised and improved the Green Star Rating system for our properties.

In all, 91% of our 2013 targets were either fully or partially achieved (66% fully achieved and 25% partially achieved).

However, there are some areas in which we have not made the kind of progress we had hoped for and we will use our new strategy to re-energise our activity in those fields. While we have made steady gains on health and safety for instance, we didn't manage to complete work on drawing up a health and safety policy. To address this we will employ a dedicated health and safety resource during 2014. We also continue to face challenges with reducing energy and waste at our malls and are making this a focus area during the coming year.

We must continue improving our environmental data management systems so that we can better measure and monitor the gains we are making on energy, water and waste. And we need to strengthen our internal processes to ensure the continued embedding of sustainability across the company.

These are all exciting challenges that we are looking forward to tackling over the next few years. If we can find the answers then the benefits will be great – not just for the company and for our stakeholders, but for society and the environment in the region.

"Our achievements are due to the dedication and hard work of our employees, who have embraced our sustainability goals wholeheartedly. They are the key to our continued success in this area and in particular to the delivery of our new strategy in the coming years."

Ibrahim Al-Zu'bi
Head of Sustainability

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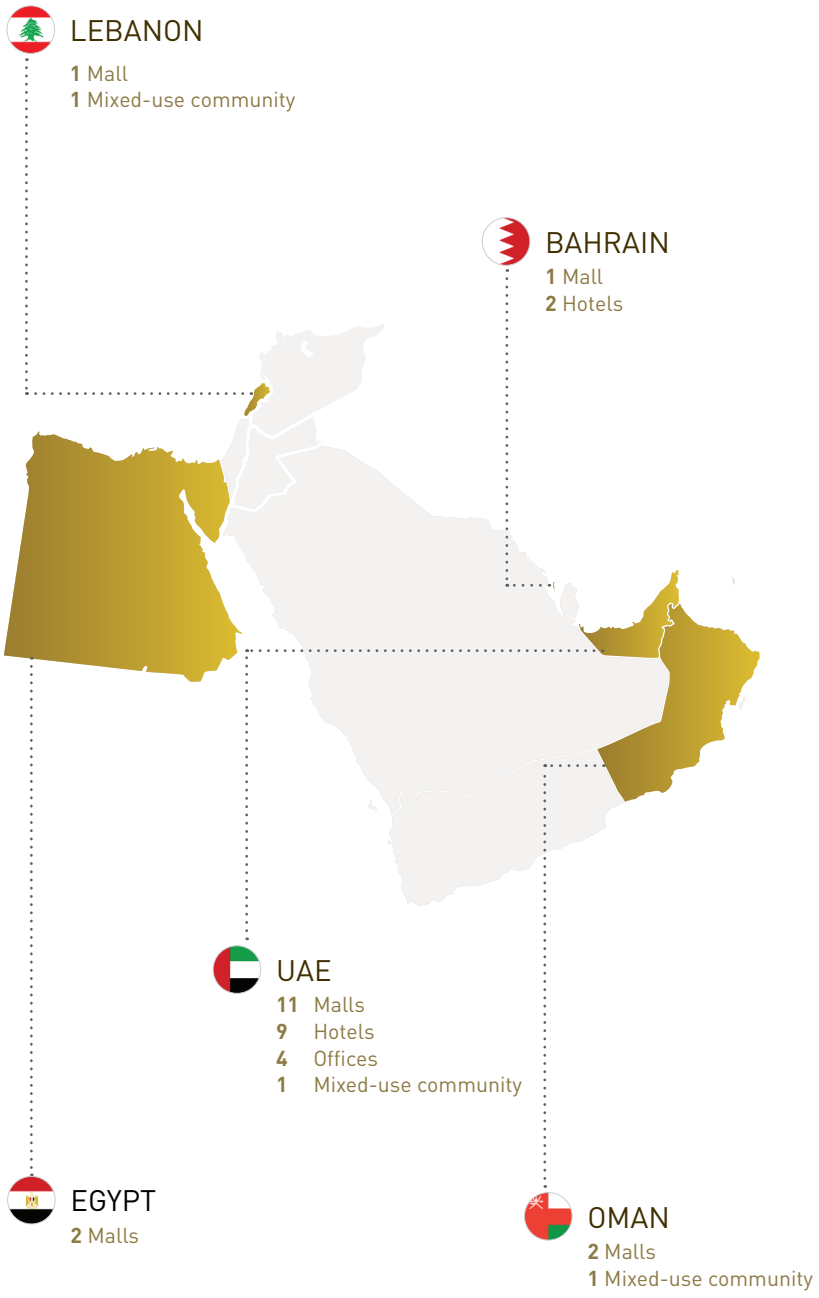
BOMBAY
Mall of the Emirates
AHMED SEDDIQI & SONS
RIVOLI

OUR PORTFOLIO



2013 HIGHLIGHTS

AED 2,195 MILLION EBITDA

911 EMPLOYEES

11,731,744 HOURS WORKED ON CONSTRUCTION SITES

MORE THAN **175 MILLION** VISITORS TO OUR MALLS ALONE

1.2 MILLION GUESTS STAYED AT OUR HOTELS

OUR SUSTAINABILITY SUMMIT

In October 2013, Majid Al Futtaim Properties held its third annual Sustainability Summit at the Sheraton Hotel in the Mall of the Emirates in Dubai.

Unusually for a corporate event, the summit gave a rare opportunity for people in the region to talk freely about the opportunities and challenges they face in the sustainability field, bringing together a broad variety of stakeholders.

Its three main aims were:

- to launch the company's new sustainability strategy to the world
- to help experts discuss important sustainability issues affecting our region
- to encourage other companies to become sustainability pioneers in the Middle East and North Africa

But above all, the summit was about building relationships between all those involved in delivering sustainability at Majid Al Futtaim Properties. It brought together staff from across the business with representatives from peer companies, the media and non-governmental organisations.

The summit attracted more than 100 delegates and was held in association with the Emirates Green Building Council, the British University in Dubai, JLL and the Dubai Chamber of Commerce Sustainability Network.

After an opening address by our CEO, George Kostas, the first session of the day was devoted to our new strategy and was introduced by Majid Al Futtaim Properties' Head of Sustainability, Ibrahim Al-Zu'bi, who talked delegates through the thinking behind the strategy and its goals. He also looked back at what has been achieved since we implemented our first strategy in 2010.

While the summit provided an ideal opportunity to launch the refreshed strategy, it also allowed leading sustainability practitioners to discuss important issues affecting our business and region. Three panel discussions were held during the day (see detail below).

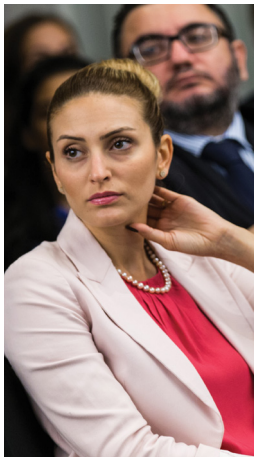
Aside from the three panels, the summit's main individual speaker of the day was the Nepalese mountaineer and adventurer, Tashi Tenzing, who gave inspirational tales of his ascents of Everest, journeys to the Antarctic and work with local communities.

The day ended by recognising the hard work of employees and tenants who have contributed towards achieving Majid Al Futtaim Properties' sustainability aspirations.

Panel One, moderated by Professor Bassam Abdel-Karim Abu-Hijleh, Chair of Sustainable Design at the British University in Dubai, discussed the challenges and opportunities of green buildings in the Middle East. The panellists were George Kostas; Jeffrey Willis, Co-vice Chairman of Emirates Green Building Council; Mohammad T. Asfour, Chairman of the World Green Building Council - MENA; and Ivano Iannelli, CEO of Dubai Carbon.

Panel Two focused on social and environmental standards in the Middle East, looking in particular at the specific drivers and innovations in the market. Moderated by Francis Mathews, Editor-at-Large at Gulf News, it drew on the expertise of Iyad Malas, CEO of Majid Al Futtaim Holding; Osman Sultan, CEO of du; and Patrick Chalhoub, CEO of Chalhoub Group.

Panel Three discussed the importance of sustainability benchmarking and reporting and was moderated by Nils Kok, Executive Director of Global Real Estate Benchmark. The debate included perspectives from Kathryn Beaven, Director of Global Corporate Responsibility at DP World; Belinda Scott, Senior Manager, Corporate Sustainability at National Bank of Abu Dhabi; Sophie Walker, Director - Upstream Sustainability Services at JLL; and Dr Belaid Rettab, Senior Director, Economic Research & Sustainable Business Development at the Dubai Chamber of Commerce & Industry.



"The Green Star Rating has been a compelling tool in driving our efforts for 'greener' retail operations. It is in line with our sustainability objectives, catalyzing our efforts to achieve LEED Silver certification for 'Katakeet' Chalhoub Group children's concept located at the Mall of the Emirates. The engagement with Majid Al Futtaim has been a valuable example of business partners coming together for an impactful purpose."

Patrick Chalhoub
CEO, Chalhoub Group

TENANTS & CUSTOMERS

2013 HIGHLIGHTS

100% OF NEW TENANT LEASES FOR MALLS INCLUDED GREEN CLAUSES

8 GREEN STAR RATINGS

4,450 CUSTOMERS PARTICIPATED IN "GO RED FOR WOMEN"

3 OF **4** TARGETS ACHIEVED

VISION

We deliver high performance assets that offer tenants efficient, healthy and productive workplaces and support and enhance the communities and economies in which they are situated.

We work with our tenants to enhance the sustainability performance of their leased spaces. We also have the opportunity to influence the behaviour of 175 million visitors to our malls and 1.2 million guests who stay at our hotels each year.

As our tenants account for more than half our operational environmental impact, we work with them to cut energy and water use and to reduce waste during the fit-out and operation of their stores.

Enabling our tenants and customers to make sustainable choices is critical to the success of our strategy and contributes to our ambition to position ourselves as the region's sustainability pioneer, improving our reputation and enhancing our brand.

ACHIEVEMENTS & CHALLENGES

During 2013 we applied our Green Star rating system, which assesses the sustainability credentials of store fit-outs, to the newly-built Beirut City Centre mall. The vast majority of its 170 tenants – 99% – were audited. Three tenants received the highest 5 star rating, but overall only eight tenants achieved a Green Star Rating. This low level of Green Star Ratings reflects a lack of engagement with tenants prior to fit-out. This will be addressed in 2014. Positively, we presented our first Green Star Rating award, recognising du - the best performer from 2012, at our Sustainability Summit (see p13).

We introduced improvements to our Green Star Rating in 2013 – including a more practical online submission process – after learning lessons from its first year of implementation. The Majid Al Futtaim Properties Green Star Rating is based on the LEED international green building standard and is the first of its kind in our region.

'Green' clauses have been inserted in all new tenancy agreements since 2011 and by the end of 2013, 100% of leases had such clauses. These commit Majid Al Futtaim Properties and the tenant to work together to reduce environmental impacts.

A great number of customer initiatives on our core themes of female empowerment, healthy heart, environment and education were held at malls during the year, including our 'Go Red for Women' initiative across ten properties (see p.15). Due to staff turnover, we did not complete our target to establish benchmark performance indicators against which to measure the success of these events. We will consider this in future.

"The bedrock of a business lies in sustainability, and we were glad to partner with Fujairah City Centre in setting up our first LEED-certified store that sets exemplary new standards."

Osman Sultan
CEO, du

A FIRST AT FUJAIRAH

In line with its commitment to adopting and encouraging sustainable practices, du, in 2013, launched the first retail outlet in the UAE to achieve a platinum certification under the LEED green building standard. Located in Fujairah City Centre, the outlet has also received the top rating of five stars under the Majid Al Futtaim Properties' Green Star Rating.

As the first of its kind in the UAE, the du Shop sets an example of what it is possible to achieve when following sustainable practices. Amongst its many sustainable features are lights controlled by motion sensors, and Forest Stewardship Council (FSC) certified wood used throughout. As a result of its sustainable design, the shop uses 41% less energy each year in comparison with du's standard stores. Additionally, 92% of construction waste generated during the outlet's fit-out was either reused or recycled.

For its contributions to developing a green society in the UAE in line with the sustainability vision of the nation's leadership, du was recognised through our first Green Star Rating Award, presented at our Sustainability Summit in October 2013.

"Causes such as Go Red for Women create shared value and contribute to business success and that's in line with our vision to become a market leader."

Hussain Moosa
Associate Director
Majid Al Futtaim Properties

GETTING TO THE HEART OF THE MATTER

Heart disease is the leading cause of death among women worldwide, so testing for signs of cardiovascular problems can have a huge preventative impact.

That's why ten of our shopping malls across four countries decided to provide free testing to female visitors during 2013. In all, 4,450 women took tests for blood pressure, blood sugar levels, body mass index and cholesterol rates over three weekends in UAE, Bahrain, Oman and Egypt. They were also able to take advantage of quick health consultations with doctors and nurses.

The initiative was part of a Majid Al Futtaim Properties' partnership with the Dubai Government Health Authority and the American Heart Association's 'Go Red for Women' campaign, which aims to educate women about the prevention of heart disease. The free testing would normally have cost around AED 1.8 million.

It was also an opportunity to host the kind of awareness-raising programme we aim to provide for tenants and customers on a regular basis.

"It's part of the company ethos to take broader community needs into account and the region-wide campaign against heart disease encapsulated that approach," says Hussain Moosa, Associate Director for Majid Al Futtaim Properties. Causes such as Go Red for Women create shared value and contribute to business success and that's in line with our vision to become a market leader."

The malls that took part in the initiative were: UAE: Mall of the Emirates, Deira City Centre, Mirdif City Centre, Ajman City Centre, Sharjah City Centre. Bahrain: Bahrain City Centre. Oman: Muscat City Centre, Qurum City Centre. Egypt: Alexandria City Centre, Maadi City Centre.

LOOKING AHEAD

A priority for 2014 and beyond is to roll out the Green Star Rating system across all malls and to make sure it is applied to all new fit-outs. To do this we plan to assign a member of staff in the retail design and development department as Green Star Rating Manager to manage this expansion, which will help us fulfil our new sustainability strategy goal of operating all assets to best practice green building standards.

During 2014 we will also set minimum sustainability fit-out standards for hotels and offices and incorporate consistent sustainability questions into mall, hotel and office customer surveys.

At our new community development in Al Zahia in Sharjah, UAE, we will run a communications programme for residents, tenants and customers explaining the sustainability measures we have implemented both during and after its construction.

We will continue to help customers live sustainable lives by rolling out sustainability communications at all asset classes over the coming year.

PROSPEROUS COMMUNITIES

PROSPERITY IN THE MIDDLE EAST

COMMUNITIES & ECONOMIC DEVELOPMENT

2013 HIGHLIGHTS

AED **11.7** MILLION

COMMUNITY INVESTMENT

AED **25** MILLION

PR VALUE CREATED FROM COMMUNITY INVESTMENT

37 & **49**

INTERNSHIPS JOB SHADOWING

PLACEMENTS

3

COMMUNITY ENGAGEMENT EVENTS ORGANISED BY OUR NATIONAL SUSTAINABILITY GROUPS

3 OF **4**

2013 TARGETS FULLY ACHIEVED

VISION

Majid Al Futtaim malls are focal points for communities and have major social and economic impacts. This gives us the opportunity to create prosperous and inclusive communities and to pioneer new approaches to community engagement in the Middle East and North Africa.

We promote local employment in a region often dominated by expatriate workers. We develop skills that will help our employees and the wider community, well into the future.

We also help local projects through charitable giving and by working with community groups on issues such as combatting heart disease and the empowerment of women. We aim to measure the benefits of such schemes by carrying out socio-economic assessments of their impacts.

We aim to earn the trust and respect of communities by addressing matters that are important to them. This improves our reputation, creates goodwill and shows we can be a valuable member of local communities and the region.

ACHIEVEMENTS & CHALLENGES

We introduced our internship and job shadowing programme in 2013, setting up 37 internships and 49 job shadowing placements for local young people in UAE, Bahrain, Egypt, Oman and Lebanon.

Our national sustainability groups organised three events to improve our engagement with communities served by our properties across a number of key markets - one in Oman to raise awareness of road safety, one in Egypt to mark Orphan Day and the other in Lebanon to support the Lebanese Association of SOS Children's Villages (see case study).

Community investment in 2013 amounted to AED 11.7 million, only down from a high-water mark of AED 13.3 million in 2012 due to the growing success of the Dubai Community Theatre and Arts Centre (DUCTAC) which did not require our support in 2013. Aside from the community and economic improvements this support provides, there are benefits to the company too. We estimate, for instance, that the public relations value of our community investment was AED 25 million in 2013.

We achieved three of our four targets on community and economic development (see p36) but failed to complete, as planned, a trial assessment of the socio-economic value of one of our developments. This was put on hold due to an internal review of the genuine value of undertaking a study of this scale at this point in our sustainability journey – particularly given the markets in which we operate (see *Looking Ahead*).

"It was a great experience and we really showed how cooperative and successful we can be when united"

Joelle Droubi
Majid Al Futtaim Properties

FOOD FOR THOUGHT

Typical Lebanese dishes of fattoush and sayadieh were brought to the fore in November 2013 when Majid Al Futtaim Properties employees in Beirut rolled up their sleeves and pulled on their aprons to spend a day preparing food for local elderly people.

Teaming up with Les Restos du Coeur, a Lebanese charity that distributes free meals at 26 restaurants around the country, staff from head office not only prepared lunch but served it too – while the company sponsored Les Restos du Coeur for a week, providing the resources to serve hundreds of free meals.

"It was really nice knowing that people are still looking out for each other and that elderly people are still being respected and thought of," says Joelle Droubi, Majid Al Futtaim Properties. "It was a great experience and we really showed how cooperative and successful we can be when united".

ماجد الفطيم
MAJID AL FUTTAIM
Youth
Day
19 November

GIVING YOUTH A CHANCE

With Lebanon suffering from a youth unemployment of 24%, supporting young people was a focus for our Lebanese operations in 2013.

Thanks to employees in our finance, HR, legal and IT teams at Beirut head office, 13 teenagers who are cared for by the Lebanese Association of SOS Children's Villages – a non-profit that provides homes for orphans – spent a day at Beirut City Centre mall learning about how the centre works.

After the trip four of the young people were offered job-shadowing opportunities to help them develop their career prospects and better understand the world of work.

"It was great to get to know the SOS youth," says Marwan Baassiri, senior director of project management at Majid Al Futtaim Properties in Lebanon. "The activities clearly gave them hope – and the drive to succeed. We also struck up friendships that will continue beyond that day."

A FUN DAY FOR ORPHANS

In April 2013, we invited hundreds of local orphans for a day of fun and games at our Alexandria City Centre and Maadi City Centre shopping malls in Egypt to celebrate national Orphans Day with our staff and tenants.

The children enjoyed a wide variety of entertainment including face painting, magic shows, good food and music. They were waved away with a farewell goody bag of items donated by various retailers.

'We're so glad we committed ourselves to celebrate this day,' says Akram Zoheir, the Alexandria City Centre manager . 'We hope it will act as a catalyst for positive change on many levels.'

LOOKING AHEAD

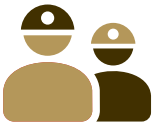
We will set out masterplan sustainability commitments for all community projects (as laid out in our communities sustainability framework) during 2014 and will develop community engagement guidelines for all our operations and new developments. This will put us in a leadership position in the Middle East and North Africa, setting out pioneering standards for the corporate sector that we hope will be emulated by others in the region.

We have put our work on developing a methodology for assessing the socio-economic impacts of our portfolio on hold while we seek to focus on a number of other major programmes of work. We will review our approach in this area at the end of 2014 in line with our new strategic goal to 'demonstrate the socio-economic value we bring to the communities in which we develop and operate'.

LABOUR CONDITIONS & THE SUPPLY CHAIN

2013 PERFORMANCE

11,731,744
HOURS WORKED ON CONSTRUCTION SITES



3177
CONTRACTOR EMPLOYEES WHO LIVE IN LABOUR CAMPS

1 OF 3
2013 TARGETS FULLY ACHIEVED

VISION

We aim to achieve public recognition for transforming labour conditions and health and safety standards in the Middle East and North Africa, which lag behind international best practice. By providing humane conditions for our staff and contractors and by requiring our contractors to meet high standards of working and living conditions, we will provide a template for action by other companies.

By setting minimum standards, auditing contractor compliance and making improvements to health and safety systems, we aim to achieve zero fatalities. We also pioneer improvements in the living conditions of contractor staff, many of whom are migrant workers.

By doing all this, we improve the lives of labourers and migrant workers. But we also enhance the quality of service that our contractors deliver, raise the quality of products for our customers and increase employee satisfaction in working for a company that treats its workers with respect.

ACHIEVEMENTS & CHALLENGES

We made some progress on health and safety in 2013 and our sites were fatality-free, due to an increase in focus on health and safety at our Mall of Egypt and Lebanon Waterfront City sites. Despite this there is still room for improvement.

Our overall accident frequency rate among direct employees and contractors has dropped by around a third over the past three years. In 2013 the accident frequency rate for Oman and UAE fell to 1.69 accidents per 100,000 employee hours worked (down from 2.61 in 2012). In other territories it also fell to 2.07 from 2.56. We carried out 61 health and safety audits in 2013.

Some further gains were made on improving living conditions for contractor employees who stay in labour camps while working on our assets and developments. During the year we raised our minimum requirements for labour conditions audits in a bid to drive further improvements across our supplier base and ensure they remain in line with international best practice. We performed 42 labour camp audits during 2013. In all, we have performed 96 labour camp audits since 2010.

Although we reached our 2013 target of performing at least two labour conditions audits and two health and safety audits at all assets and sites, we did not have as many spot checks performed at assets by someone at director level as we had committed to. This was due to staff changes and a subsequent failure to properly hand over target responsibilities. Although director-level participation in spot checks is not essential, it helps to raise awareness of conditions across the business. It also emphasises to contractors the importance we place on audits. Our biggest setback in 2013 was a failure to develop a corporate health and safety policy (see *Looking Ahead*).

"It's refreshing that contractors no longer see us as auditors but as a client coming to help with labour conditions for the benefit of the workforce."

Ali Al Khalaf, Director, Majid Al Futtaim Properties

SMALL CHANGES, BIG IMPACTS

Audits of labour camps don't always bring about dramatic changes: sometimes they lead to small improvements that nonetheless have a significant effect on the quality of people's lives.

Thanks to our recommendations, many contractor-run accommodation centres now provide organised activities such as painting competitions and games leagues, free laundry facilities, the use of quiet areas and libraries and even hot meals seven days a week.

These adjustments have been well received not just by workers but by the contractors who run the camps. As a result, our standards are beginning to become the benchmark across the region.

"It's refreshing that contractors no longer see us as auditors but as a client coming to help with labour conditions for the benefit of the workforce," says Ali Al Khalaf, Director for Project Management. "They actually look forward to our visits."

See انظر
Hear اسمع
Feel اشعر
Think فكر
ساهم في إسعاد الآخرين خلال الشهر المبارك
Make a difference this Ramadan
تبرع بنظاراتك، هاتفك النقال، كتبك وملابسك
لتساهم في التغيير.
Donate your used eyeglasses, mobile phones, books and clothing to make a difference this Ramadan.
RED CRESCENT
FOR UNITED ARAB EMIRATES
CARE FOR LIFE
مول الإمارات
of the Emirates

SHOWING WE CARE

At special times of the year such as Ramadan, migrant workers can find it difficult living so far away from family and friends, especially if they have to work over the period.

With this in mind, in 2013 the project management department at Majid Al Futtaim Properties worked with tenants and sister companies to put together a collection of toiletries, telephone cards and other items to be distributed to hundreds of people working on the company's sites during Ramadan.

Carrefour supermarket in the Deira City Centre shopping mall in Dubai offered a discounted rate on all the items, which were ordered in bulk. Then a group of staff volunteers collected them together and packed them in the Carrefour receiving bay.

Special presentation boxes were donated by another Deira City Centre tenant, Saleh Interiors, and graphics were applied by Majid Al Futtaim Properties' staff to produce a beautiful gift-wrapped Ramadan package for delivery to construction workers, cleaners and security staff.

A total of 303 packs were distributed at four different sites in the UAE: the Al Zahia community development, Mall of the Emirates, Deira City Centre itself and MAF Tower.

"The workers were really surprised and grateful that we took the time and effort to think of them at such an important time of year," says Martin Potterton, Project Director, Project Management. "The gift packs included a mixture of items they wouldn't normally buy, together with some particularly useful everyday items. The men particularly liked the phone card vouchers."

LOOKING AHEAD

We will develop health and safety and labour conditions policies as a priority for 2014. This will ensure that robust and consistent procedures and systems are put in place in 2014 to safeguard our employees and contractors. We must also ensure that health and safety targets and the type of evidence required to demonstrate achievements are sufficiently understood.

A review in 2013 of our labour conditions audit requirements confirmed they are in line with international best practice, but raised concerns about an inconsistent approach across audits. This will be addressed in 2014 through extra training for auditors, translation of the audit requirements into multiple languages and should also be helped by the drawing up of health and safety and labour conditions policies and procedures.

We will organise a visit by the Corporate Executive Committee, which brings together senior directors across the business, to our labour accommodation camps in 2014. This will further increase buy-in and embed commitment at senior management level on the importance of issues related to labour conditions.

RESOURCE EFFICIENCY

2013 PERFORMANCE

33%
OF ASSETS HAVE GREEN BUILDING CERTIFICATION

AED 1.5 MILLION
SAVED IN HOTELS DURING 2013 AS A RESULT OF ENVIRONMENTAL INVESTMENT

759,979 MWh
ABSOLUTE ENERGY CONSUMPTION

8 OF 13
2013 TARGETS FULLY ACHIEVED

VISION

Climate change, along with shortages of energy, water, metals and other resources, poses a significant risk for our business.

Majid Al Futtaim Properties has substantial impacts on the environment. Our carbon footprint is equivalent to that of Greenland and we use enough water to fill around 1,500 Olympic-sized swimming pools each year – in a region heavily affected by water scarcity. We must reduce these environmental impacts for the benefit of our business, future generations in the region and the planet.

Our aim is to create and manage resource efficient assets, communities and infrastructure. This means building and operating all assets to best practice green building standards while actively reducing our energy and water consumption as well as our carbon footprint. It also means cutting the amount of waste we send to landfill.

ACHIEVEMENTS & CHALLENGES

Over the three-year period from 2010, we achieved two thirds of our resource efficiency targets, including:

- a 19.9% reduction in hotel energy consumption on a 2009 baseline (target: 15%)
- an 18.3% reduction in office energy consumption on a 2009 baseline (target: 10%)
- a 19.9% reduction in mall water consumption on a 2010 baseline (target: 15%)
- a 17% reduction in hotel water consumption on a 2009 baseline (target: 15%)

However, despite investing AED 25 million (US$ 6.8m) in energy and water efficiency across our hotel and mall portfolio, we failed to meet our crucial 15% reduction target for mall energy consumption, achieving 8% by the end of 2013 against a 2010 baseline. Given that malls account for 86% of our energy consumption, this represents a key challenge for our business (see *Looking Ahead*).

A Green Building Policy was developed in 2013, strengthening our commitment to green building standards. Although we didn't manage to fully achieve LEED certification for Mirdif City Centre and Majid Al Futtaim Tower II by the end of 2013 as hoped, both assets are on track to achieve full certification in summer 2014.

During 2013 we trialled a full year of data collection at our Mall of Egypt construction site, enabling us to better understand resource efficiency in construction and how we can reduce our footprint in this area. As a result we have finalised our construction data collection template for roll out across all sites in 2014.

We also developed a pre-acquisition sustainability checklist, designed to ensure that sustainability is considered consistently during all new acquisitions.

For our full environmental performance data see our website.

AIMING FOR THE GOLD STANDARD

One important aim of construction work at our Mall of Egypt shopping mall in Cairo is to achieve gold certification under the LEED green building standard when it's completed in 2015.

With this in mind we've set up a partnership with the American University in Cairo and the Egyptian waste management company Ertekaa. Working with both partners, we've made sure all construction waste on the Mall of Egypt site is tracked and documented and that site staff have been trained in how to segregate waste.

As a result, the recycling rate for construction waste at Mall of Egypt stood at 93% (excluding excavation and demolition waste) by the end of 2013 and the recycled content of materials used in construction was more than 30%.

We're also committed to using as much local material in construction of the mall as possible and this now exceeds 50%.

PAUL & SHARK
Häagen-Dazs

CREATING GREEN SPACE

When the Lebanese planning authorities stipulated that 25% of the site area for Beirut City Centre had to be allocated as green or public space, it seemed a 'big ask' – especially as other site constraints meant the centre would mostly have to spread out horizontally, rather than be built upwards.

However, when the centre opened in April 2013, it featured a neat and environmentally friendly solution to the dilemma: green roof spaces.

Of the 7,500 square metres of space required to be green, around 5,000 were provided on the vast roof of the large multiplex cinema, which was planted with vegetation. Creating the garden was a challenge, as it needed an advanced construction system with specially engineered soil, retainer boxes, drainage mats, root barriers and geo-foam fill, all using the latest technology to provide a lightweight, sustainable and low-maintenance roof cover.

But it worked and as a bonus the view from surrounding hills and high-rise buildings has been substantially improved. The vegetation system has also created much-needed thermal and sound insulation for the roof.

For the other 2,500 square metres of green space, there are outdoor pedestrian walkways, a children's play area and restaurant terraces – all on the rooftops. So a clever piece of lateral thinking has turned out to deliver benefits on many levels – and has also helped the centre achieve the LEED green building standard's Gold certification.

LOOKING AHEAD

Building on our successes, we have set stretching new resource efficiency targets for 2014 onwards. These can be found on p40. Given the challenges experienced in reaching our three-year target for energy reduction in malls, we need to ensure that sufficient resource is made available for managing and investing in capital improvement works to help us meet our new energy reduction targets. The same applies to waste reduction targets, which were not met in malls and hotels.

We must also continue to improve our environmental data management systems in order to measure and monitor the impacts of capital work to improve energy and water use and reduce waste. In 2014 we will produce a metering strategy that will provide a blueprint for best practice metering across all new assets. This will allow us to accurately measure energy and water use and effectively monitor the financial impact of new technologies.

Due to the continued growth of our business, we will expand the collection of environmental data in 2014 to understand the performance of our full office, My City Centre assets and communities portfolio.

From 2014 onwards we will work towards a stretch target of achieving LEED Gold status for all our assets, which far exceeds the benchmark in the region.

RESOURCE EFFICIENCY INDICATORS

ENERGY FOOTPRINT

ABSOLUTE MEGAWATT HOURS

759,979

MALLS 85.5% | HOTELS 8.0% | OFFICES 0.4%
SKI DUBAI 2.1% | MY CITY CENTRE 4.0%*

TARGET PROGRESS**

	MALLS	HOTELS	OFFICES
	LIKE-FOR-LIKE	INTENSITY	LIKE-FOR-LIKE
	8 %	20%	18%
	REDUCTION	REDUCTION	REDUCTION
	15% TARGET 2010 BASELINE	15% TARGET 2009 BASELINE	10% TARGET 2009 BASELINE

THIS EQUALS THE AVERAGE ANNUAL ELECTRICITY CONSUMPTION OF **80,947** PEOPLE LIVING IN DUBAI

CARBON FOOTPRINT

ABSOLUTE TONNES OF CO_2E

585,448

MALLS 85.3% | HOTELS 8.2% | OFFICES 0.4%
SKI DUBAI 2.1% | MY CITY CENTRE 4.0%*

PERFORMANCE

SCOPE 1	SCOPE 2	SCOPE 3
0 TONNES CO_2e	279,093 TONNES CO_2e	306,355 TONNES CO_2e
EMISSIONS FROM SOURCES THAT WE OWN OR CONTROL	EMISSIONS FROM THE GENERATION OF ELECTRICITY WHICH WE PURCHASE	INDIRECT EMISSIONS FROM OUR TENANTS

THIS IS EQUIVALENT TO THE CARBON EMISSIONS FROM **464,714** JUMBO JET FLIGHTS FROM DUBAI TO LONDON

WASTE FOOTPRINT

ABSOLUTE TONNES

38,150

MALLS 88.3% | HOTELS 5.1% | OFFICES 0.1%
MY CITY CENTRE 6.5%*

TARGET PROGRESS**

MALLS	HOTELS	OFFICES
ABSOLUTE 14% RECYCLING RATE	ABSOLUTE 26% RECYCLING RATE	ABSOLUTE 68% RECYCLING RATE
30% TARGET	30% TARGET	40% TARGET

THIS IS THE EQUIVALENT TO THE AVERAGE WEIGHT OF **76,301** ADULT MALE DROMEDARY CAMELS

WATER FOOTPRINT

ABSOLUTE METRES CUBED

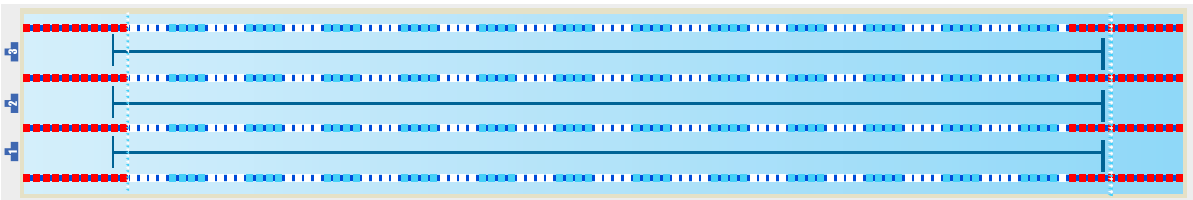
3,858,927

MALLS 85.2% | HOTELS 11.4% | OFFICES 0.1%
SKI DUBAI 1.8% | MY CITY CENTRE 1.5%*

TARGET PROGRESS**

MALLS	HOTELS	OFFICES
LIKE-FOR-LIKE 20% REDUCTION	INTENSITY 17% REDUCTION	LIKE-FOR-LIKE 26% REDUCTION
15% TARGET 2010 BASELINE	15% TARGET 2010 BASELINE	15% TARGET 2010 BASELINE

THIS IS ENOUGH WATER TO FILL **1,544** OLYMPIC SWIMMING POOLS



* rounded to the nearest tenth percent
** rounded to the nearest percent

OUR PEOPLE MATTER

EMPLOYEES

2013 HIGHLIGHTS

346 EMPLOYEES PARTICIPATED IN **8** VOLUNTEERING DAYS

973 INSTANCES OF EMPLOYEES PARTICIPATING IN

TEAM INITIATIVES

110 SHOWTIME ENTRANTS

2 OF 2 2013 TARGETS FULLY ACHIEVED

VISION

We want to be recognised as the real estate employer of choice in the Middle East and North Africa.

We will lead the region in the way we look after the well-being, training and job satisfaction of our employees, encouraging their involvement in extra-curricular activities and enabling them to make a difference through volunteering.

We will also engage all employees in our sustainability strategy, so they can act as sustainability ambassadors at work, at home and across the region.

By making Majid Al Futtaim Properties a great place to work, we will improve our business performance by attracting and retaining the best calibre staff.

ACHIEVEMENTS & CHALLENGES

The Majid Al Futtaim Properties staff volunteering programme was launched in 2013, with each employee given one paid day to volunteer. In its first year, 346 employees (38%) took advantage of the opportunity to devote time to areas such as working with children, supporting homeless people and helping with environmental projects (see case study). The introduction of paid volunteering puts us in a pioneering position in the region and we are committed to encouraging other companies to follow our example.

Employees and their families were invited to a number of environmental and well-being activities, as well as events designed to provide entertainment and team-focussed engagement. These included a talent show at the Dubai Community Theatre and Arts Centre (see case study), a 'Clean Up Arabia' initiative and participation in the Dubai and Beirut marathons.

More than 140 employees (15%) received sustainability training, while an average of 250 employees attended each of four sustainability breakfasts held over the year.

We again encountered challenges with our commitment to local employment. While we marginally increased the proportion of local people we directly employed in Egypt, Lebanon and Syria, there was little change in Bahrain and UAE and the percentage dropped from 92% to 88% in Oman (see page 43). We continued with our commitment to provide training for local employees by providing an average of 27 hours per person in 2013.

We achieved our two targets on employees for 2013 – providing sustainability training to over 100 employees and setting up our volunteering programme.

CLEANING UP THE SEA

The waters off the UAE are home to a huge range of species, including green turtles, humpback dolphins, sea snakes and coral. But the marine environment faces a constant threat through oil slicks, over-fishing and the dumping of waste in the sea.

In 2013, over 80 UAE-based Majid Al Futtaim Properties employees did their bit to tackle these problems by volunteering for a local Clean Up Arabia initiative organised by the Emirates Diving Association, which promotes environmentally-friendly diving activities and aims to protect the UAE's marine life. The volunteers spent a day clearing away harmful debris from beaches and dive sites.

'The future will not look good if we don't do anything to preserve what's left,' says Charmaine Cruto, a legal secretary who took part in the clean up. 'Even if our efforts were not as vast as we wanted them to be, they have still helped in some small way.'

SHOWTIME
THE FIRST MAF TALENT SHOW

SHOWTIME
THE FIRST MAF TALENT SHOW

THE SHOW GOES ON

When the idea of a talent show for employees in the UAE was aired, nobody was quite sure whether it would work. They needn't have worried: the response was overwhelmingly positive and the next one is already being planned.

There were more than 110 entrants for the first round of auditions and it took three months to progress through a series of elimination rounds to find the seven finalists. The Showtime Finals were attended by more than 100 employees at the Dubai Community Theatre and Arts Centre, with the three winners receiving cash prizes totalling AED 6,500:

FIRST PLACE — Alvin Pancito (singer)

SECOND PLACE — Dennis Naguiat, Oliver Rubiales and JayR Tumanon (dancers)

THIRD PLACE — Lynette Braganza (singer and pianist)

At all stages everything was arranged in-house by volunteers from different parts of the company, building team spirit across the organisation and creating a sense of belonging. Not only has the show created a platform for employees to showcase their talents; it has proved an excellent way of engaging staff and of showing the value of working together.

Of course it has also been huge fun for everyone involved – one long-time employee who attended the finals declared publicly afterwards that "this is by far the best day I have had at work". In fact, the clamour for another show has been so great that it will now become an annual event.

LOOKING AHEAD

While our volunteering days, TEAM initiatives and sustainability breakfasts have proved extremely successful, maintaining high levels of staff engagement in sustainability across all the markets in which we operate remains one of our main challenges. Our strategy review showed that we need to ensure we are building sustainability capacity and buy-in among employees outside the UAE. We will therefore begin to introduce training and capacity building on employee engagement in all countries outside the UAE during 2014.

By the end of 2014 at least 50% of staff will have received basic sustainability training either during induction or as a standalone course.

ADVISOR'S STATEMENT

As part of Majid Al Futtaim Properties' 2013 sustainability reporting, JLL has provided advice in three areas: assessing performance against 2013 sustainability targets; validating target and Key Performance Indicator (KPI) data; and aligning the company's sustainability reporting with international standards including Global Reporting Initiative (GRI), European Public Real Estate Association (EPRA) and the United Nations Global Compact (UNGC).

JLL has been Majid Al Futtaim Properties' strategic sustainability advisor since 2010. Consequently, whilst this Advisor's statement provides an external evaluation of Majid Al Futtaim Properties' performance, it does not constitute fully independent assurance or verification.

Our target assessment determined that 19 out of 29 targets (66%) (including long term targets) were achieved in 2013. Seven out of 29 targets were partially achieved, with one target deemed not achieved, one extended to 2014 and one deemed not applicable. 84% of targets were met in 2012. Targets not met in 2013 include energy and recycling targets in malls which are the company's largest and most challenging assets in terms of performance. However, strong progress was made on environmental improvements in hotels and offices.

JLL would like to highlight and commend the progress made in the following areas:

- **Sustainability, Green Building and Energy Management Policies** and a **Pre-Acquisition Check-List** were developed and approved by the CEO
- Beirut City Centre achieved **LEED Gold** accreditation and the Kempinski Hotel, Mall of the Emirates, achieved **LEED EBOM**, the first hotel in the region to gain this accreditation
- The **staff volunteering** programme was launched in 2013, with staff being given one paid day per year during which to volunteer
- **A Reduced water usage intensity in malls by 19.9%** from a 2010 baseline (target was 15%) and **a reduced water usage intensity in hotels by 17%** from a 2009 baseline (target was 15%)

We recommend that Majid Al Futtaim Properties increase its efforts in the following areas in 2014:

- The **Health & Safety Policy** target was not met, although performance on site improved. Efforts should be redoubled to ensure that a consistent approach is implemented and monitored in 2014 to drive even further performance improvements.
- **Sufficient handover procedures** should be established to ensure that responsibility for sustainability targets and KPIs is transferred in the event of staff changes.
- Funding for **CAPEX** works should be spent as early as possible in the target cycle to ensure maximum reduction of environmental impacts. As an adjunct to this, addressing gaps in data coverage and the lack of cohesion in the data gathering approach across asset classes should continue to be a sustained focus.

In relation to the two targets which have been extended to 2014 or deemed 'not applicable', the company should allocate sufficient resource to ensure that its commitments can be achieved within its target timescales.

Majid Al Futtaim Properties made substantive progress in delivering its sustainability programme in 2013. Launching the new sustainability strategy in October 2013 was a powerful confirmation of its sustainability commitments to the marketplace and its stakeholders. JLL strongly welcomes this statement of intent and the transparency of disclosure. By increasing momentum on delivery Majid Al Futtaim Properties will continue to achieve significant environmental and social improvements in its portfolio and to inspire others to do the same.

By continuing to set standards across the Middle East and North Africa which emulate global sustainability best practice, Majid Al Futtaim Properties will be in a strong position to achieve its bold ambition to become a regional sustainability pioneer.

Sophie Walker
Director
Upstream Sustainability Services
JLL

2013 TARGET PERFORMANCE

ASSESSMENT DEFINITIONS

Not Applicable
- Due to extenuating circumstances this target was no longer deemed relavant for the reporting year.

Achieved
- Target met

Partially Achieved
- Quantitative Targets – At least 50% (+/- 5%) of the agreed reduction/ increase target met
- Qualitative Targets - At least 50% of the agreed measures of success for the target met

Not Achieved
- Quantitative Targets – Less than 50% (+/- 5%) of the agreed reduction/ increase target met
- Qualitative Targets - Less than 50% of the agreed measures of success for the target met

TENANTS & CUSTOMERS

	2013 Targets	Scope	Year-end Assessment
1.1	Present tenant awards for 2012 Majid Al Futtaim Properties Green Star Rating programme	Malls	Achieved
1.2	Revise Majid Al Futtaim Properties Green Star Rating system based on 2012 implementation experience	Malls	Achieved
1.3	Audit 90% of tenancies at Beirut City Centre against the Majid Al Futtaim Properties Green Star Rating in 2013	Malls	Achieved
1.4	Engage customers in all malls on women empowerment, healthy heart, environment and education and create a benchmark for future years from 2013 outcomes	Malls	Partially Achieved

COMMUNITY & ECONOMIC DEVELOPMENT

	2013 Targets	Scope	Year-end Assessment
2.1	Assess and measure the socio-economic value generated by a Majid Al Futtaim Properties development and do a focused case study for Majid Al Futtaim Properties in Dubai by the end of 2014	Business Development	Not on track to be achieved
2.2	Increase country level buy-in and engagement - Oman, Egypt and Lebanon National Groups to organise at least one community engagement activity in 2013	All	Achieved
2.3	Provide at least 35 internships through Majid Al Futtaim Properties' internship programme across all countries of operation in 2013	All	Achieved
2.4	Provide job shadowing for at least five local students per country in UAE, Lebanon and Egypt.	All	Achieved

LABOUR CONDITIONS & THE SUPPLY CHAIN

	2013 Targets	Scope	Year-end Assessment
3.1	Continue to perform at least two labour conditions audits per asset at all operating assets and active sites. One spot-check audit during the year is performed by a person of director level responsibility or above. If labour accommodation is used by Majid Al Futtaim Properties labourers for less than nine months, only one audit is required.	Malls & Developments	Partially Achieved
3.2	Continue to perform at least 2 health and safety audits per asset at all operating assets and active sites. One spot-check audit during the year is performed by a person of director level responsibility or above. If sites are operational for less than nine months, only one audit is required.	Malls & Developments	Partially Achieved
3.3	Achieve Accident Frequency Rate of less than: • 3 for developments in UAE and Oman • 4.5 for developments in all other countries of operation	Developments	Achieved

RESOURCE EFFICIENCY

	2013 Targets	Scope	Year-end Assessment
4.1	Hold training workshops for project management teams on asset-specific Sustainability Implementation Plan templates	All	Partially Achieved
4.2	Collect and review monthly construction data on the Mall of Egypt development in 2013. Finalise a construction data collection template for use on Majid Al Futtaim Properties sites using feedback from this site by the end of 2013.	All	Achieved
4.3	For new developments: • Malls, offices and hotels will achieve either LEED Silver (Core and Shell) or BREEAM Very Good or equivalent as a minimum on all new developments • All new residential development entering concept master-planning to achieve either LEED Silver (Core and Shell) or BREEAM Very Good or equivalent as a minimum on all new developments	All new developments	Achieved
4.4	Achieve the following green building ratings by the end of 2013: • LEED EBOM for Mirdif and Majid Al Futtaim Properties Tower II • Earthcheck Bronze for Bahrain Kempinski	Malls & Hotels	Extended to 2014

EMPLOYEES

	2013 Targets	Scope	Year-end Assessment
5.1	Train minimum of 100 staff in sustainability and provide environmental and well-being education and activities for staff and their families in 2013	All	Achieved
5.2	Encourage voluntary work by rewarding employees with one paid day for volunteering with a recognised organisation in 2013	All	Achieved

EMBEDDING SUSTAINABILITY

	2013 Targets	Scope	Year-end Assessment
6.1	Develop a corporate Health and Safety policy in 2013 covering all Majid Al Futtaim Properties' activities	All	Not Achieved
6.2	Develop a pre-acquisition sustainability checklist in 2013	All	Achieved
6.3	Finalise Sustainability Implementation Plan templates in 2013 for malls/hotels/offices/residential/communities/extensions or renovations	All	Not Applicable
6.4	Develop a Green Building Policy in 2013 covering Majid Al Futtaim Properties' commitment to Green Building standards for all developments	All	Achieved

2013 LONG TERM TARGET PERFORMANCE

	MALLS	HOTELS	OFFICES
ENERGY	Achieve, on a like-for-like basis, a 15% reduction in mall energy consumption by the end of 2013 compared to a 2010 baseline	Achieve, on an intensity basis, a 15% cumulative savings in hotel energy consumption by the end of 2013 compared to a 2009 baseline	Achieve, on a like-for-like basis, a 10% reduction in office energy consumption by the end of 2013 compared to a 2009 baseline
2009	N/A	N/A	4,035,115 kWh
2010	1105 kWh/m²/yr	-5.0%	3,822,051 kWh
2011	1059 kWh/m²/yr	-8.0%	3,561,987 kWh
2012	1050 kWh/m²/yr	-15.1%	3,211,429 kWh
2013	1015 kWh/m²/yr	-19.9%	3,295,437 kWh
% change	-8.2%	-19.9%	-18.3%
Scope & Methodology	All malls in full operation for 12 month period from Jan-Dec 2010 (this excludes Mirdif, Bahrain and Fujairah) kWh/m², landlord shared services	Performance based on hotels (except furnished apartments) in full operation for 12 months of the relevant year. Cumulative savings for target progress is calculated by Avireal using a proprietary Genuine Performance benchmark (taking in to account the effect of variation in guest nights, covers and cooling degree days) which measures the percentage reduction in kWh saved between each reporting year.	Majid Al Futtaim Properties Tower II (our corporate headquarters) Total annual energy consumption
WATER	Achieve, on a like-for-like intensity basis, a 15% reduction in mall water consumption by the end of 2013 compared to a 2010 baseline	Achieve, on an intensity basis, a 15% cumulative savings in hotel water consumption by the end of 2013 compared to a 2009 baseline	Achieve, on a like-for-like intensity basis, a 15% reduction in office water consumption by the end of 2013 compared to a 2009 baseline
2009	N/A	N/A	1186 m³
2010	17.6 litres/visit	2.8%	1023 m³
2011	17.1 litres/visit	6.0%	1151 m³
2012	15.3 litres/visit	14.4%	894 m³
2013	14.1 litres/visit	17.0%	874 m³
% change	-19.9%	-17.0%	-26.3%
Scope & Methodology	All malls in full operation for 12 month period from Jan-Dec 2010 (this excludes Mirdif, Bahrain and Fujairah) Litres/visit, landlord shared services	Performance based on hotels (except furnished apartments) in full operation for 12 months of the relevant year. Cumulative savings for target progress is calculated by Avireal using a proprietary Genuine Performance benchmark (taking in to account the effect of variation in guest nights and covers) which measures the percentage reduction in m³ saved between each reporting year.	Majid Al Futtaim Properties Tower II (our corporate headquarters) Total annual water consumption
WASTE	Achieve a 30% recycling rate for malls by the end of 2013	Achieve a 30% recycling rate for hotels by the end of 2013	Achieve a 40% recycling rate for offices by the end of 2013
2009	N/A	Not measured	Not measured
2010	6.0% recycled	Not measured	61.8% recycled
2011	9.8% recycled	18.0% recycled	40.7% recycled
2012	11.1% recycled	10.1% recycled	64.0% recycled
2013	13.7% recycled	25.5% recycled	68.0% recycled
Scope & Methodology	All malls open and running on 1st January 2013 Waste measured by mass (tonnes)	All hotels open and running on 1st January 2013 Waste measured by mass (tonnes)	Majid Al Futtaim Properties Tower 2 Waste measured by mass (tonnes)

2014 TARGETS

		2014 Targets	Scope
PIONEERING STANDARDS	LABOUR CONDITIONS & THE SUPPLY CHAIN	Refresh and publish the Labour Conditions Policy covering all activities, direct suppliers and sub-contractors (incorporating existing minimum standard for two audits per year etc.)	All activities
		Continue to perform two labour conditions audits at all relevant assets (malls, hotels, offices and communities) and sites with an 80% minimum performance threshold	All activities
		Organise for a director/CEC visit and have a tour of a MAFP labour camp in 2014	All activities
		Participate in a collaborative initiative to improve labour standards in the UAE	All activities
	HEALTH & SAFETY	Employ a senior resource to fulfil the role of Head of Quality , Health & Safety and Environmental Management	PM Communities and Malls
		Continue to perform two health & safety audits at all relevant assets (malls, hotels, offices and communities) and sites	All activities
	GREEN BUILDING STANDARDS	Increase the minimum standard required for new developments of all asset classes from LEED Silver to LEED Gold or equivalent	All asset classes
		Establish working group to track and monitor the costs and benefits of green buildings and to share lessons learnt across teams to support the business in moving to LEED Gold or equivalent	All asset classes
	SUSTAINABLE PROCUREMENT	Ensure that sustainability is incorporated into the launch of the new procurement policies and processes and develop a sustainable procurement policy covering all activities by the end of 2015	Procurement

			Scope
PROSPEROUS COMMUNITIES	COMMUNITY ENGAGEMENT & WELLBEING	Develop community engagement guidelines for development and operations	All activities
	EMPLOYEES	50% of staff to have received basic sustainability training during induction or as a standalone course	All activities
		Organise a training programme for teams in all countries of operation to support the embedding of sustainability across all our operations	Country teams
	ALL MATERIAL ISSUES	Set and implement masterplan sustainability commitments for all community projects (as articulated in the Communities Sustainability Framework)	Communities

			Scope
HIGH PERFORMING ASSETS	WATER	Achieve a 5% reduction in like-for-like landlord shared services and common parts water consumption (m^3/visitor) by the end of 2015 against a 2013 baseline	Malls
		Achieve a 5% reduction in water consumption for hotels in the UAE by 2018 against a 2013 baseline (genuine performance)	Hotels
		Establish 2014 water baseline for hotels outside the UAE against which to set target in 2015	Hotels
	ENERGY & CARBON	Achieve a 10% reduction in like-for-like landlord shared services and common parts energy consumption (kWh/m^2) by the end of 2015 against a 2013 baseline	Malls
		Achieve a 5% reduction in energy consumption for hotels in the UAE by 2018 against a 2013 baseline (genuine performance)	Hotels
		Establish 2014 energy baseline for hotels outside the UAE against which to set target in 2015	Hotels
	WASTE	Achieve a 25% recycling rate (tonnes) across all operational malls in 2014	Malls
		Achieve a 30% recycling rate (tonnes) across all operational hotels in 2014	Hotels
		Achieve a 40% recycling rate (tonnes) for MAF Tower II (Head Office) in 2014	Offices
	WATER, ENERGY & WASTE	Roll-out collection of energy, water and waste data to all new construction sites based on lessons learnt through Mall of Egypt pilot	All developments
		Expand office data collection to cover all assets, establishing 2014 energy, water and waste baselines against which to set targets in 2015	Offices
		Track the financial payback from all of our energy, water and waste reduction activities and communicate through Board sustainability reporting in 2015	All activities
		Identify ways in which Majid Al Futtaim Properties can work with its tenants to reduce energy, water and waste	Malls
		Trial the collection of energy, water and waste data for estate management activities at Al Zahia	Communities
	TENANTS & OPERATORS	Appoint a MAF Green Star Rating manager and roll-out the standard across all new malls and new tenancies in existing assets	Malls
		Set minimum fit-out requirements for offices and hotels	Offices & Hotels
	CUSTOMERS & VISITORS	Review and update sustainability questions in customer satisfaction surveys for Malls and Hotels and continue to include on an annual basis so that results can be compared meaningfully over time	Research/ Marketing
		Identify the key sustainability features of Al Zahia and communicate to customers through marketing materials	Communities
		Help customers to live sustainable lifestyles by rolling out a series of sustainability messages/communications/events at all asset classes throughout the year	All asset classes

PRINCIPLES AND PROFILE DISCLOSURES

As part of our commitment to follow international best practice and report on our sustainability performance in a balanced and transparent manner, this report is aligned with the core general standard profile disclosures and principles of Global Reporting Initiative (GRI) G4. However, the report is not fully compliant with GRI G4.

The information in the table below demonstrates how we have applied the GRI Reporting principles to define report content and quality.

STAKEHOLDER INCLUSIVENESS

- This report is aimed at our key stakeholders identified as part of our 2013 materiality review. These are Majid Al Futtaim Properties' staff, sister companies, corporate peers, tenants and suppliers.

SUSTAINABILITY CONTEXT

- Detail on our sustainability approach, vision and material impacts is provided in the 'Our Sustainability Strategy' section (p2), CEO Statement (p1) and Head of Sustainability Statement (p7) sections of this report.
- Our business activities, impacts and sustainability risks and opportunities can be found on p4. Full detail on our 2013 materiality review can be found in the following 'Materiality' section.
- Our environmental achievements are detailed in our Resource Efficiency section and our environmental footprint is contextualised on p28. An environmental data pack reporting our performance in line with the EPRA (European Public Real Estate Association) Sustainability Best Practice Reporting Guidelines can be downloaded from our website.

http://www.majidalfuttaim.com/en/section/majid-al-futtaim-properties/csr-1

MATERIALITY

- In 2013 we performed a full materiality review. This involved a series of materiality tests (based on GRI and AA1000 guidelines) including a review of our existing strategy, internal stakeholder engagement, external stakeholder engagement, a country risk review (including legislation), peer review and leadership and innovation benchmark. As a result we identified the following issues to be a high priority for our business: labour conditions in the supply chain, community well-being and engagement, health and safety, green building standards, water, tenants and operators, employees, energy and carbon, enhancement of the public realm, waste, customers and visitors and sustainable procurement (p47).

COMPLETENESS & BOUNDARY SETTING

- The scope of our reporting covers all existing assets under our operational control apart from three of our offices in Dubai and our two hotels in Bahrain. These exclusions are due to metering problems at these assets. The environmental performance of our construction sites is not currently included in the scope of reporting. Any areas where we do not have complete data to report against are indicated within the report.
- Our reporting focuses on those issues that we consider most material to the running of our business. Additional information on our business and its financial performance is provided in our Annual Review.

BALANCE & CLARITY

- We have a clear strategy which supports our mission of being a sustainability pioneer in the Middle East and North Africa by 2018. Our approach is structured around five material impact areas, although these have been revised to three from 2014 onwards. See p2 for full details.
- Our Sustainability Report is available both in hard copy and online, allowing us to reach a broad audience with differing accessibility needs. We also have a sustainability section on both our website and in our Annual Review.
- 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 which is used in this report spans four years and covers the environmental, economic and social aspects of our sustainability strategy.
- We participate in the Global Real Estate Sustainability Benchmark (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 report on environmental data in line with the EPRA Best Practice Guidelines. This can be downloaded from our website.
- All our new developments are committed to achieving Leadership in Energy & Environmental Design (LEED) Gold or equivalent.
- Our report is compliant with the GRI principles and core general standard profile disclosures.
- There have been several significant changes in scope and measurement methods since last year's report. The scope of the absolute resource efficiency indicators has increased this year to include the My City Centre assets which have previously not been reported on in the sustainability report. Also, following a regular annual data review more precise emissions conversion factors have been sourced to enable more accurate reporting of Majid Al Futtaim's carbon footprint. Also due to improvements in data collection and verification processes, several data points have been updated since last year. Therefore several minor re-statements of previous years' 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 the EPRA tables provided on our website.

RELIABILITY & ACCURACY

- Validation of the majority of the information within our Sustainability Report is performed by our sustainability consultants, JLL. See the Advisor's Statement from JLL on p35 of this report for further details.
- Guidance was provided by JLL on compliance with GRI principles and core general standard profile disclosure requirements.
- Data assumptions and calculations are disclosed in data qualifying notes in the EPRA Compliance page on our website.

TIMELINESS

- The information presented in this report was developed to reflect our performance in the 2013 calendar year and is aligned with the annual financial reporting schedule.

CORE GENERAL STANDARD PROFILE DISCLOSURES

In order to understand Majid Al Futtaim Properties' sustainability performance in context, the index below provides direction to information on the company's operations and business context.

G4 Core General Standard Profile Disclosures		Cross Reference / Direct Answer
Strategy and Analysis		
G4 -1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy.	2013 Sustainability Report - Statement from our CEO, p1 2013 Sustainability Report - Statement from our Head of Sustainability, p7
Organisational Profile		
G4-3	Name of the organisation	Majid Al Futtaim Properties
G4-4	Primary brands, products and/or services.	2013 Sustainability Report – Who we are and what we do, see inside cover
G4-5	Location of organisation's headquarters.	**Majid Al Futtaim Properties** P.O. Box 60811 Majid Al Futtaim Tower 2 Dubai, United Arab Emirates
G4-6	Number of countries where the organisation operates and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Majid Al Futtaim Properties operates in the UAE, Bahrain, Egypt, Lebanon and Oman. New developments are also underway in Lebanon, Egypt and Oman.
G4-7	Nature of ownership and legal form	Majid Al Futtaim Properties is a subsidiary of Majid Al Futtaim Holding, owned by Mr Majid Al Futtaim, who founded the Group in 1992. For more information about the nature of ownership of Majid Al Futtaim Properties assets, please see our Holding website www.majidalfuttaim.com
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/ beneficiaries).	2013 Annual Review and the Majid Al Futtaim Properties section of our Holding website, www.majidalfuttaim.com
G4-9	Scale of the reporting organisation, including: Number of employees Number of operations Net sales (for private sector organisations) or net revenues (for public sector) Total capitalization broken down in terms of debt and equity Quantity of products or services provided	• Total revenue of AED 3,547 million in 2013, representing a 13% increase against 2012 • EBITDA of AED 2,195 million, a 14% increase over 2012 • 911 employees • 31 assets in operation For more information, see: 2013 Sustainability Report – About our Company, inside cover page 2013 Annual Review Majid Al Futtaim Properties LLC Consolidated Financial Statements, available online. http://www.majidalfuttaim.com/en/media/get/20140331_Majid-Al-Futtaim-Properties-LLC-2013-FS.pdf
G4-10	Report the total number of employees by employment contract and gender Report the total number of permanent employees by employment type and gender Report the total workforce by region and gender Report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees or contractors Report any significant variations in employment numbers (such as seasonal variations in the tourism or agricultural industries)	

Country	TOTAL staff	Male	Female	Local	Non-local
UAE	575	357	218	72	503
Oman	79	62	17	70	9
Bahrain	42	29	13	32	10
Egypt	100	72	28	94	6
Lebanon	88	51	37	86	2
Saudi Arabia	5	5	0	2	3
Syria	22	19	3	14	8
TOTAL	**911**	**595**	**316**	**370**	**541**

All employees are full-time.

A significant proportion of our work at our construction sites and assets is delivered by contractors. For example, in 2013 11,731,744 hours were worked on our construction sites.

There has been no significant variation in direct employment numbers since 2012.

G4 Core General Standard Profile Disclosures		Cross Reference / Direct Answer
G4-11	Report the percentage of total employees covered by collective bargaining agreements	0%
G4-12	Describe the organisation's supply chain	Majid Al Futtaim Properties procures a wide variety of goods and services across its portfolio of properties and construction sites in the UAE, Bahrain, Oman, Lebanon and Egypt. This includes: • Facilities management / repairs and maintenance • Supply of goods/consumables for property management • Housekeeping, cleaning and security • General consultancy • Construction contractors and materials • Marketing and advertising • Corporate publication / gifts • Mall Promotions & Media • IT & Communications • Training, seminars and conferences • Travel management
G4-13	Report any significant changes during the reporting period regarding the organisation's size, structure, ownership or supply chain, including: Changes in location of, or changes in operations, including facility openings, closings and expansions Changes in the share capital structure and other capital formation, maintenance and alteration operations (for private sector organisations) Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination.	2013 Sustainability Report – About this report, inside cover page 2013 Annual Review Majid Al Futtaim Properties 2013 Financial Results, available online at http://www.majidalfuttaim.com/en/media/get/20140331_Majid-Al-Futtaim-Properties-LLC-2013-FS.pdf
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation	Majid Al Futtaim Properties is not yet in a position in the MENA market to apply fully the precautionary principle to its business activities. However, our newly developed pre-acquisition sustainability checklist does seek to identify major environmental risks from the acquisition of new land or new buildings and our sustainability implementation plans seek to improve substantively the environmental risk management and performance of our development pipeline.
G4-15	List externally developed economic, environmental and social charters, principles, org other initiatives to which the organisation subscribes or endorses	2013 Sustainability Report – p6
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organisations in which the organisation: Holds a position on the governance body Participates in projects or committees Provides substantive findings beyond routine membership dues Views membership as strategic This refers primarily to memberships maintained at the organisational level.	2013 Sustainability Report – p6
Identified Material Aspects and Boundaries		
G4-17	List all entities included in the organisation's consolidated financial statements or equivalent documents Report whether any entity included in the organisation's consolidated financial statements or equivalent is not covered by the report	2013 Sustainability Report - About this report, inside cover page 2013 Annual Review Majid Al Futtaim Properties 2013 Financial Results, available online at http://www.majidalfuttaim.com/en/media/get/20140331_Majid-Al-Futtaim-Properties-LLC-2013-FS.pdf

G4 Core General Standard Profile Disclosures		Cross Reference / Direct Answer
G4-18	Explain the process for defining the report content and the Aspect Boundaries Explain how the organisation has implemented the Reporting Principles for Defining Report Content	2013 Sustainability Report - About this report, inside cover page 2013 Sustainability Report – Our new sustainability strategy, p2
G4-19	List all the material Aspects identified in the process for defining report content	2013 Sustainability Report – Our new sustainability strategy, p2 2013 Sustainability Report – Our Material Issues, p4
G4-20	For each material Aspect, report the Aspect Boundary within the organisation, as follows: Report whether the Aspect is material within the organisation If the Aspect is not material for all entities within the organisation (as described in G4-17), select one of the following two approaches and report either: The list of entities or groups of entities included in G4-17 for which the Aspect is not material, or The list of entities or groups of entities included in G4-17 for which the Aspects are material Report any specific limitation regarding the Aspect Boundary within the organisation	2013 Sustainability Report – Our Material Issues, p4
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation, as follows: Report whether the Aspect is material outside of the organisation If the Aspect is material outside of the organisation, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified Report any specific limitation regarding the Aspect Boundary outside the organisation	2013 Sustainability Report – Our Material Issues, p4
G4-22	Report the effect of any restatements of information provided in previous reports and the reasons for such restatements	2013 Sustainability Report - About this report, inside cover page 2013 Performance Data Summary (EPRA Pack), available online Following a regular annual data review, more precise emissions conversion factors have been sourced to enable more accurate reporting of Majid Al Futtaim Properties' carbon footprint. Also, due to improvements in data collection and verification processes several data points have been updated since last year. Therefore several minor re-statements of previous year's 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 tables provided online.
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	2013 Sustainability Report – About this report, inside cover page 2013 Performance Data Summary (EPRA Pack) available online There have been several significant changes in scope and measurement methods since last year's report. The scope of the absolute resource efficiency indicators has increased this year to include the My City Centre assets which have not been reported on in previous sustainability reports.
Stakeholder Engagement		
G4-24	List of stakeholder groups engaged by the organisation	2013 Sustainability Report – Our new sustainability strategy, p2; and Our Sustainability Summit, p10 During 2013 we engaged with employees across Majid Al Futtaim Properties and the Majid Al Futtaim Holding sister companies, our peers across the region, NGOs, government, suppliers, tenants, customers, communities and global investors.
G4-25	Basis for identification and selection of stakeholders with whom to engage	Our key stakeholders were identified as part of our materiality review in 2010 and reviewed again in 2013. The stakeholders with whom we prioritise engagement continue to be: our employees both within Majid Al Futtaim Properties and across our sister companies, tenants, customers, suppliers, regional and global peers, communities, NGOs and governments.

G4 Core General Standard Profile Disclosures		Cross Reference / Direct Answer
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	As part of our 2013 sustainability strategy review we engaged extensively with employees across Majid Al Futtaim Properties and the Majid Al Futtaim Holding sister companies. Engagement took the form of one-to-one interviews. Over the course of 2013 we also engaged with other stakeholders including our peers across the region, NGOs, government, suppliers, tenants, customers, communities and investors. Engagement occurred through initiatives such as GRESB, our Sustainability Summit, participation in local industry groups such as Emirates Green Building Council and the Dubai Chamber of Commerce, our best practice internal initiatives including the MAF Green Star Rating for tenants, minimum requirements for labour conditions from suppliers and communication of sustainability messages to customers across our malls.
G4-27	Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting.	Two particular concerns were raised as part of the stakeholder engagement that occurred in 2013: • Concern about the lack of consistency in approach to sustainability across the Majid Al Futtaim Holding businesses. This is being addressed through the development of an overarching sustainability strategy for Majid Al Futtaim Holding in 2014. • Concern about a lack of consistent understanding and implementation of sustainability across the different markets and asset types which Majid Al Futtaim Properties operates. This will start to be addressed through more extensive country level training and engagement (outside the UAE) in 2014 and beyond. It will also be supported by the development and roll-out of organisation-wide policies and procedures which seek to systematise our approach.
Report Profile		
G4-28	Reporting period for information provided	2013 Sustainability Report – About this report, inside cover page
G4-29	Date of most recent previous report	Our 2012 CSR Report was published in May 2013.
G4-30	Reporting cycle	2013 Sustainability Report – About this report, inside cover page
G4-31	Contact point for questions regarding the report or its contents.	sustainability@maf.ae
GRI Content Index		
G4-32	Table identifying the location of the Standard Disclosures in the report.	GRI Index, p42-47
G4-33	Policy and current practice with regard to seeking external assurance for the report.	We do not currently have full external assurance for our sustainability reporting but you can find our Advisor's Statement provided by our sustainability consultants JLL on p35 of this report.
Governance		
G4-34	Report the governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision making on economic, social and environmental impacts.	2013 Sustainability Report – Sustainability Governance, p6 Majid Al Futtaim Properties website, http://www.majidalfuttaim.com/en/section/majid-al-futtaim-properties/about-us-1/board-of-directors-2
Ethics and Integrity		
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	Our vision and values are available on our website: http://www.majidalfuttaim.com/en/section/majid-al-futtaim-properties/about-us-1/vision-mission-and-values-1 We have a Code of Conduct that all employees are required to sign annually. This sets out clear guidance on expected standards of behaviour for all those working for the business. The Code of Conduct covers amongst other things equal opportunity, conflicts of interest, supplier relationships, bribery and corruption, payment practices and health and safety.

Mapping our material issues against GRI G4 material aspects	Our sustainability focus areas		
	Prosperous Communities	Pioneering Standards	High Performance Assets
ECONOMIC			
Economic Performance	✓		
Market Presence	✓		
Indirect Economic Impacts	✓		
Procurement Practices		✓	
ENVIRONMENTAL			
Materials		✓	
Energy			✓
Water			✓
Biodiversity			
Emissions			✓
Effluents and Waste			✓
Products and Services			
Compliance			
Transport			✓
Overall			✓
Supplier Environmental Assessment		✓	
Environmental Grievance Mechanisms			
SOCIAL			
Employment	✓		
Labour/Management Relations		✓	
Occupational Health & Safety		✓	
Training and Education	✓		
Diversity and Equal Opportunity	✓		
Equal Remuneration for Women & Men			
Supplier Assessment for Labour Practices		✓	
Labour Practices Grievance Mechanisms		✓	
Investment		✓	
Non-discrimination			
Freedom of Association and Collective Bargaining			
Child Labour			
Forced or Compulsory Labour		✓	
Security Practices			
Indigenous Rights Assessment			
Supplier Human Rights Assessment		✓	
Human Rights Grievance Mechanisms		✓	
Local Communities	✓		
Anti-corruption	✓		
Public Policy			
Anti-competitive Behaviour			
Compliance			
Supplier Assessment for Impacts on Society	✓		
Grievance Mechanisms for Impacts on Society			
Customer Health and Safety		✓	
Product and Service Labeling		✓	
Marketing Communications			
Customer Privacy			
Compliance			✓

For more information, please visit our website at www.majidalfuttaim.com/en/section/majid-al-futtaim-properties/csr-1

ماجد الفطيم
MAJID AL FUTTAIM

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